RP - Sanjiv Goenka Group

spencer's

Makes fine living *affordable*

Nature's Basket

Spencer's Retail Limited

Integrated Annual Report

2020-21

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Investor Information

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This document contain statements about expected future events and financials of Spencer's Retail Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

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Changing times call for **Game Changers!**

The year gone by marked a phase of **Adaptation.**

We aspire to serve our consumers with the best-in-class products and allow them to choose from a wide range of assortments

At Spencer's, we have always been agile and kept the valuable lessons of the past. So learning from a sudden pandemic, we aspire to 'transform' the way a modern retail transaction happens! We must do so by anticipating future roadblocks and we plan on taking our customers and stakeholders on a smoother journey ahead.

'Serving Our Customers'

Our 'Out-of-Store' transformational initiatives have not only shown the potential to grow but also widened our reach to serve our customers through our OMNI Channel presence in chosen geographies.

Makes Fine Living Affordable: These words reflect the very purpose of our brand, and we are dedicated towards providing better shopping experiences by being more accessible to its customers.

SPENCER'S AT A GLANCE

With an experience of over 30 years in the Indian organised retail sector and more than 88,000 products to choose from, Spencer's, part of the RPSG Group, is emerging as a prominent player in this sector, catering to India's fine tastes.

~86% Food and Grocery

~14% Pure Non-Food which includes

~8% General Merchandise

~6% Apparel including Electronic & Electrical

Constantly evolving to deliver better, Spencer's has made a mark for itself in Specialty sections comprising:

- Gourmet
- Patisserie
- Liquor and Wine
- Epicuisine

Natures Basket was added to the Spencer's family in July 2019. It is a premium grocery store offering a vast range of imported ingredients, healthy food, and organic products, bringing the most exotic items home, in their best authentic form. Over the years, Natures Basket has positioned itself as a one-stop destination for all the multi-cuisine cooking needs and international food products.

Natures Basket truly compliments Spencer's and is in concur with our long term goals.

As we work on enhancing the Nature's Basket promise, we continue ticking boxes.

Spencer's
Makes fine living affordable

SPENCER'S LAUNCHED ITS FIRST HYPER MARKET STORE IN THE YEAR 2000

Continuing a lineage of 'firsts', we pride ourselves upon making the retail shopping niche a more consumer-facing and modern experience.

Footprint

197 Stores (including Natures Basket)

164 Standalone Spencer's Stores

76 Spencer's Large Format Stores

88 Spencer's Small Format Stores

33 Natures Basket Small Format Stores

14.7 Lakhs Square Feet Total Trading Area, as of 2020-21 (including Natures Basket)

14 Distribution Centres (including Natures Basket)

41 Cities across India (Including Natures Basket)

With the acquisition of Natures Basket in July 2019 (a wholly owned subsidiary of Spencer's Retail Limited), the Company began its journey in the western part of India too. Natures Basket is predominantly present in Mumbai and has 8 stores in Bengaluru, and 2 stores in Pune and Kolkata each.

Aspiration and Expansion: Our core values have always underlined the brand's efforts irrespective of the scale of the task. Be it our daily goals or the long-term ones, we do it all with a strongly felt passion towards delivering only the best products.

Vision

To be a dynamic conglomerate driven by sustainable growth, efficiency and innovation

Core Values

Customer First: Keep customer at the core of every action

Execution Excellence: Strive to be the best in everything we do

Credibility: Instill trust, confidence and accountability with our actions

Agility: Move ahead of time quickly

Risk-taking: Dare to go beyond

Humaneness: Be fair, respectful, transparent and sensitive

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CHAIRMAN'S MESSAGE

The year 2020-21 witnessed a fast-moving and uncertain situation, unlike any other year in recent history. It tested human strength and ability to advance amid adversities. The COVID-19 pandemic has had a significant impact on lives and livelihood. As the second wave of pandemic unfolds, the only exit path remains that of a faster vaccine drive.

The Macroeconomic Landscape

India is no exception to the global economic slowdown caused by the pandemic. Many industries witnessed tepid demand with periods of supply chain disruption. This was due to localised Government lockdowns, limited operating hours of malls & stores and restrictions on selling Non-Food. However, the scenario improved during the second half of the year with overall economy opening up and improved consumer sentiment.

Changing Retail Dynamics

The sector performance mirrored the economic slowdown in the first two quarters of 2020-21, followed by a robust recovery from the Q3. However it was impacted again in latter part of Q4 due to the resurgence in COVID-19 cases. The Food and Grocery segments were the first to recover. The Apparel and General Merchandise category, on the other hand, remained under pressure and faced headwinds even during the second wave in the last quarter. Consumer lifestyles have undergone a massive change leading to emergence of newer articles of consumption even as the importance of some other diminished.

Rising prominence of E-commerce is creating opportunities for every retailer and this trend is likely to continue. Retailers could leverage digital channels (E-commerce), enabling them to reach out to more consumers. The long-term outlook for the industry looks positive, supported by rising income, favourable demographics and increasing urbanisation.

Our Strategy

During the pandemic, the first priority was to minimise the short term impact. Our business responded with agility to significantly reengineer its cost structure. Many of these cost initiatives will also continue to benefit us in the near future. Our mitigation strategies includes increase in the share of high margin categories, renegotiating costs and opening profitable stores at new locations while also rationalised loss-making stores.

While working on minimising the impact through actions mentioned above, we continue with our strategy to focus on higher margin Non-Food categories. Though these were impacted sharply during the year, they are crucial for pivoting the business model to significant profitability.

Apart from our focus on higher margin Non-Food items, the second piece of our strategy is to build a significant 'Out-of-Store' business. We also made investments to strengthen our mobile application and technology. We increased our local consumer connect using 'Stores as hubs' and via hyper local approach for our 'Out-of-Store' business.

Our E-commerce business witnessed 6.5x GMV growth from 2018-19. There is huge opportunity, not only through the current model which is achieving rapid growth but it can also scale up much further by adding multiple products, markets, and new geographies.

This year we saw the benefits of the rapid and robust integration of Natures Basket with Spencer's ecosystem. Natures Basket has benefited from synergies which include lean & efficient operations, cross leveraging products and significant cost savings. The business margins have strengthened by 521 bps which bodes well for the future. We also launched 'The Gift Studio' (TGS), a bespoke and one-stop gifting destination for every occasion.

Responsible Corporate Citizen

Spencer's, as a responsible corporate citizen, is committed towards ESG (Environmental, Social & Governance). Our various initiatives include installation of energy-efficient devices such as solar panels at our stores, E-invoicing, proper waste management, and reduction in use of plastic bags. We also strengthened our governance practice by implementing Legal Compliance and Insider Trading Management Tools.

At Spencer's, we've lived by our responsibility of trying to make essentials available during lockdowns. We delivered on our duties and expectations while always prioritising the health and safety of all our stakeholders. I am also happy to share that a large number of our employees have been vaccinated and the drive continues.

Vote of Thanks

This message would be incomplete without acknowledging the tremendous contributions of our various stakeholders. I would like to thank them all, including the Board, the Shareholders, the Customers, the Investors, Suppliers and many others, for trusting us through these tough times. I would also specifically like to acknowledge and applaud the undying and continuing efforts of our frontline warriors i.e. our employees, for their sheer commitment and dedication. We are devoted to building a vibrant organisation as we gear towards building a better tomorrow.

Regards,

Dr. Sanjiv Goenka
Chairman

CEO & MD'S MESSAGE

Spencer's has shown immense resilience in tackling the crisis. I salute the commitment of our frontline team, store team, supply chain and others who ensured that we keep our stores open and safe under these extraordinary circumstances.

Dear Shareholders,

The year 2020 radically redefined the way we live our lives. Even as the world continues to battle the COVID-19 threat, I am happy that we could make a small difference to the lives of people by making 'essential items' available during such challenging times despite supply chain disruptions at large. For us, people always come first.

Spencer's COVID-19 Response

Right from the early days of the pandemic, we undertook appropriate steps to safeguard our stakeholders. Starting with our frontline warriors, our employees, we provided various facilities during lockdown for them, including special pick up and drop facilities for safer commute. We also offered additional COVID-19 insurance, hospital facilities and scheduled vaccination drive for our employees.

We followed strict safety protocols in line with the Government's regulations and also ensured usage of sanitisers, carrying out mandatory temperature checks at store entrances, maintaining social distancing norms, and compulsory wearing of masks, among others safety measures.

Financial Highlights

Our financial results for the year reflect the impact of the intermittent lockdown. Q1 sales were significantly subdued. Thereafter, we witnessed significant quarter-on-quarter recovery in our business but owing to limited operating hours and restrictions on selling higher-margin non-essential items (apparels, general merchandise and other non-food items) our revenues and margins were impacted. At the end of March 31, 2021, our consolidated revenue stood at ₹ 2,428 Crores and EBITDA stood at ₹ 61 Crores. We reported a net loss of ₹ 164 Crores.

Natures Basket reported full year positive EBITDA within 1 year of acquisition due to our successful integration efforts. This resulted in significant improvement in PBT by ₹ 48 Crores (₹ (21) Crores in 2020-21 vs ₹ (69) Crores in 2019-20). This was led by upswing in gross margin % by 521 bps (26.9% in 2020-21 vs 21.7 % in 2019-20).

As part of our cost-efficiency enhancing measures during the pandemic, we re-designed and re-engineered most of the contracts with our partners, thereby, enabling us to save costs. On Standalone basis, other expenses for Spencer's improved by ₹ 21 Crores (₹ 240 Crores in 2020-21) vs ₹ 261 Crores in 2019-20) and for Natures Basket improved by ₹ 11 Crores (₹ 48 Crores in 2020-21) vs ₹ 59 Crores in 2019-20).

We opened 14 stores during the year (including 2 stores of Natures Basket). We continue to selectively grow in potentially profitable areas by opening new stores.

We also continue to operate at negative working capital on consolidated basis as a result of our operational and supply chain efficiency.

Future Ready

As we look towards our future, we are determined to drive our growth forward by prioritising local consumer connect, margin enhancements, and through a strong digital & 'Out-of-Store' business. We are future ready to capture sales both at stores and also through deliveries, whichever way the consumption pattern tilts or shifts.

During 2020-21, we took a big leap in E-commerce-based deliveries, responding to the pandemic. Our physical stores were complemented by various newer modes of delivery like phone and Whatsapp for placing orders for doorstep deliveries. We are building significant 'Out-of-Store' business which will strengthen our position as a true Omni-channel retailer. The GMV (Gross Merchandising Value) for Omnipresent Retail India Private Limited. (ORIPL) business was at ₹ 183 Crores growing 6.5x from 2018-19 and 4.5x from 2019-20.

Furthermore, in line with our strategic objectives, we have been constantly striving to enhance our product mix by improving our penetration on non-food items. Our non-food items' sale took a hit last year, impacting our profit margins. However, we remain committed to grow these categories in order to strengthen our overall margins.

We recognise that managing our capital, resources and relationships well is important for us to succeed. Thus creating lasting value for our customers, positioning ourselves better and shaping future success.

Vote of thanks

I sincerely thank our investors and shareholders for their continued trust and confidence in the Company. We are grateful to our employees, vendors and other stakeholders for their undeterred encouragement and support. We are confident of scaling newer heights as our team stands with us despite all adversities and we march towards our goals together. Stay safe!

Warm regards,

Devendra Chawla
CEO & Managing Director

PERFORMANCE DURING THE LAST YEAR

Given the restrictions on inter-state as well as inter-city movements, supply chain underwent an overnight revamp. Despite the lockdown and a mere operating hour window for few months, Spencer's ensured that all shelves were stacked and no essential item was in deficit.

Much like any other business that had to battle the COVID-19 slump, our performance, too, was affected in 2020-21. With more and more people relying on their savings to get through the lockdown, spending was frugal, with Non-Food categories pushed farther back. Post a dry Q1 and Q2, recovery picked up from Q3, recording 9% higher sales than Q2. Year-on-year standalone sales dropped by 12.8%, however, despite this, on Q-o-Q basis, there was traction in our essential segments of business through several means. This segment primarily comprised food, groceries and high value FMCG. We partnered with delivery partners like Uber, Swiggy, and Dunzo among others to facilitate the delivery of shopped goods as well.

Restriction on Selling of Non-Food Products

Owing to the effects of the lockdowns induced by the pandemic, the Company could not grow its Non-Food products business, such as Apparel and General Merchandise. These products enjoy higher margins. As a result, it impacted our topline and bottomline too.

Margin of Non-Food: 25-35%

Margin of Food: 12-21%

Opening our Stores from the First Day of Lockdown

Spencer's is happy to serve customers even during pandemic, more than 90% stores were operational despite the intermittent lockdown. We treated this pandemic as an opportunity to reinvent our 'Out-of-Store' business and expand our customer reach.

Enhancing Our Customer's Reach

Our Omnichannel focus helped us reach out to our consumers through E-commerce, WhatsApp, and Phone Delivery. Our chatbot on WhatsApp took down all the customer orders and passed them on to our partners. Moreover, we also have a user-friendly comprehensive mobile app to facilitate shopping with just a few taps.

Our COVID-19 Response

With COVID-19 pandemic, logistics were disrupted globally. Since our brand serves not only the best local produce, but also some of the finest international food offerings, we had to fight the discourse. We directly collected inventory from warehouses of manufactures and vendors while managing with our transportation, as there was complete disruption in logistics across India.

Our leadership comprises people who have always focussed on being future-ready, anticipating such disturbances, and so, a major overhaul happened overnight. We laid out firm steps to protect everybody in the Spencer's family.

Our customers, employees, vendors, and partners all together make Spencer's a retailer of choice. We undertook various actions and policies to safeguard our people and consumers.

- No mask, no entry
- Mandatory sanitisation for all visitors
- Contactless delivery
- Maintaining clean and hygienic stores while frequently sanitising
- Omnichannel presence to facilitate online shopping
- Grocery-on-Wheels program
- Vaccinating frontline workers
- Insurance cover for all the employees

WHAT SETS US APART

Wide range of products with varied assortments spread across a complete grocery basket with differentiated offerings

In the retail trade, just serving everything isn't enough!

We at Spencer's make sure that our customers get everything they need at prices they like, at whichever time they wish, and wherever our stores are operational.

- **Unique Fresh Section:** Spencer's offers unique fish and meat, fruits and vegetables– giving the customers more reasons to come to our stores for their daily shopping needs

- **Great Assortment of Goods:** We offer Food and Non-Food items to our customers. Food and FMCG category includes Household needs, Health & Beauty, Frozen dairy, Processed foods, Staples and beverages, among others. The Non-Food category includes Apparel, Cleaning aid, Disposable items, Health & Hygiene, Linen, Luggage, Plasticware, Metalware and other General Merchandise and Electrical goods.

- **Differentiated and Unique Range of Products:** We offer a product basket you are highly unlikely to find in other places because we have gone the extra mile sourcing them. Not just that, we delight our customers with a wide range of quality products. We have several private brands, such as 2Bme, Smart Choice, Healthy Alternatives, Hands on and Inscapes.

- **Excellent Distribution Network:** Our distribution network comprises of small and large-sized vendors, including various top MNCs

- **Reach Across the Country:** Our stores are spread all over the country. We are present in Andhra Pradesh, Haryana, Jharkhand, Karnataka, Kerala, Maharashtra, Tamil Nadu, Telangana, Uttarakhand, Uttar Pradesh, and West Bengal

- **Out-of-Store Reach:** We reach out to our customers leveraging our Out-of-Store channels. With our differentiated offerings, tie-ups with local partners for last mile delivery, we are leveraging stores as hubs for phone and Whatsapp-based deliveries too.

- **Hyper Local Network:** Our products are targeted towards the local communities. We look at the needs of our local customers while sourcing our merchandise

- **Enhanced Shopping Experiences:** Our products can be experienced by our customers by walking inside our experience zones

Our Strategic Pillars

Profitable growth in chosen geographies

Optimal product mix – Increase in share of higher margin categories

Strong Omni-channel approach by strengthening our 'Out-of-Store' initiatives

Natures Basket & Spencer's: A Compatible Match!

With Natures Basket, Spencer's is now present in some of the most profitable regions of the country. Natures Basket stores are located in regions which account for ~15% of India's GDP, while showing potential for high growth in retail trade.

Natures Basket has a strong set of private brands to expand and further leverage its products which includes L'exclusif, Healthy alternatives and Natures.

What Spencer's brings to the table: Volume availability at low cost.

Natures Basket brings differentiated a business model that offers multi-cuisine and international food products too.

We leverage all the modern marketing methods to ensure customer stickiness. These tools include:

- Customer Relationship Management Systems
- Going Digital
- E-Commerce Website
- A Retail App
- Social Media and Whatsapp

Not limiting ourselves to a physical outlet, we have winged out for our customers to reach us via a few simple taps too.

Natures Basket, is a premium brand in gourmet, international food, multi-cuisine products and gifting. Spencer's has been enriched with Natures Basket and its gifting packages, which enabled us to launch 'The Gift Studio' (TGS)–offering hand-picked, and customisable gift baskets.

Some of the most premium brands go into the making of these delectable packages, which explains why our gifting solutions have become an actively sought pick. Emphasis on delivering an experience, and not just a mere product, is what sets us apart.

We go so far as to sourcing only the most authentic international products from their very origin, which includes Kiwis, Avocado, Peach, and Cherry, among others

Nature's Basket

The Gift Studio

Mr. Shashwat Goenka and Ms. Shivika Goenka have come up with a bespoke gifting concept from the RPSG Group. The curation includes flowers, gourmet food, gadgets, art and fashion products. With an approach of leveraging physical retail experience and now transitioning into the digital space by entering the US$ 20 Million gifting market in India with 'The Gift Studio' (TGS).

The beauty of TGS brand is that it offers the choice of building your own hamper from scratch, so one can create gifts as unique as their loved ones. When one chooses to build a hamper, everything they pick is absolutely their choice, starting from the box we're going to pack it all in, right to the bow or sleeve one chooses to add the final touches to their exquisite hamper, all this with our ability to delivery across India.

TGS also has a line of hampers curated by fashion and art celebrities including actor Sonam Kapoor Ahuja, artists Bose Krishnamachari & Paresh Maity and fashion designer Anamika Khanna.


Butlers
DARK CHOCOLATE SALT CARAMEL
Lindt EXCELLENCE
INTENSE ORANGE
Gran Cuvée Brut
FRATELLI
Sparkling
PAUL AND MIKE
AMAZONIAN PINK PEPPER
Ritter SPORT
Happy Birthday
Hazelnuts
Pistachios
Healthy
TURKEY APRICOT
DRY FRUIT
DIDIER & FRANK
NACHO CHIPS
Scotti
Barilla
Belgian
ASSORTED COOKIES
THE GIFT STUDIO

OUR PRODUCT PORTFOLIO

2020-21, A YEAR OF MAJOR CHANGES, TO SAY THE LEAST!

With the whole country going under intermittent lockdowns which slowed down our economy, people lost income sources, movements got restricted, and above all, an irreparable loss of add comma after lives, made the gone year a traumatic episode for the whole planet. However, as a responsible corporate citizen in the organised retail sector, it was remained our duty to serve the best and do it better than ever before, by making essential goods and FMCG products available to all our consumers. Spencer's not only managed to do that, but in 2020-21, we also further introduced and re-launched our product portfolio (including private brand) keeping in mind growth, profitability, and customer delight.

Modern trade retail market penetration of Food & Grocery is at ~5% currently, which means there is a huge window for growth in the food and grocery sector, given the Indian retail space is bound to double-up in the next 5 years.

Optimal Portfolio

Food

Our customers have always rejoiced in the wide palette of delicacies we have to offer. We deal with vendors, who supply only the choicest ingredients for our customers' kitchen.

With Natures Basket, we also have increased our diligence to make sure only the most organic products make it to our shelves. As a modern retailer, Spencer's offers a wide range of national and international food brands to its discerning customers.

Apparel Business

Our apparel business includes Spencer's private apparel brand – 2Bme. To widen our assortment and to offer variety, we have introduced many new national brands as part of our SOR (Sale or Return) strategy.

General Merchandise

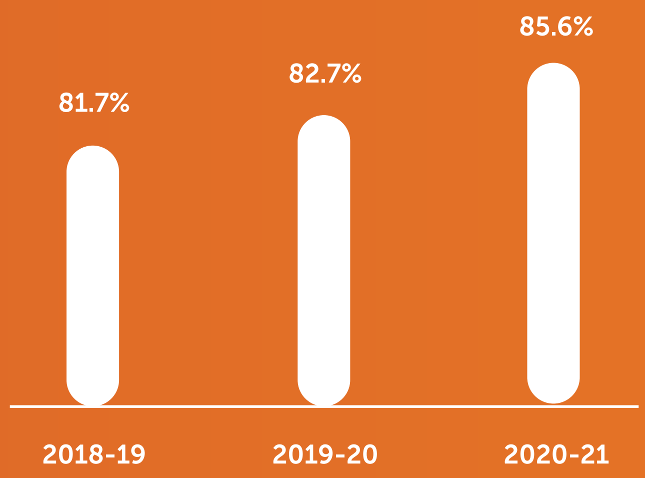
From minimalistic to ultra-modern designs, our home décor products are meant for all kinds of families, be it nuclear or joint. We are also increasing our share of SOR (Sale or Return) by introducing various new brands in General Merchandise category.

Moreover, we also offer a wide range of national and international brands to our customers for personal care and hygiene.

The product offering includes home décor and furnishings, kitchen and bathroom essentials, travel needs, dining essentials and toys & stationery.

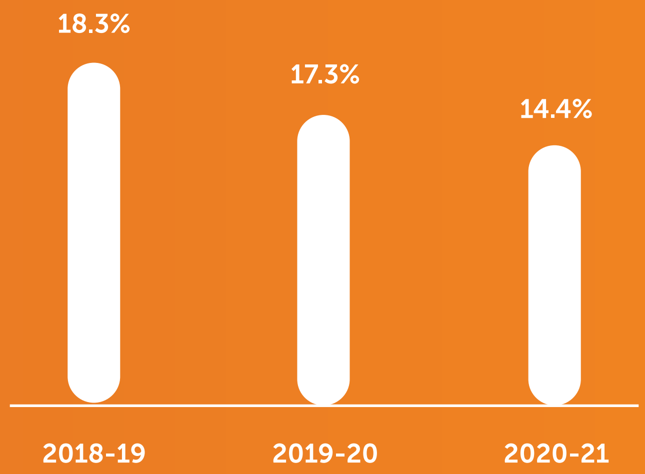
Though we did experience a slowdown when all Non-Food products were restricted for sale in the lockdown. However, increasing share of Non-food item, which is a higher margin part of our portfolio, was one of our key strategic pillars and we continue to work hard on it.

FOOD


81.7%
82.7%
85.6%
2018-19
2019-20
2020-21


DAIRY
meat
Fish & Seafood
CASHBACK CARNIVAL
BEST OFFERS

NON-FOOD


18.3%
17.3%
14.4%
2018-19
2019-20
2020-21


PRICE
₹1999
₹1149
Home
WONDERCHEF
BEST OFFERS

Our Omni-Channel

Our expansion plans have never been limited to setting up more stores, while that too is a goal, Spencer's has always sought an all-rounded business model.

Just being 'the store next door' wasn't enough for us!

Hence, we made it a point to become a true Omni-channel retailer with our name across various formats.

Since the past few years, we have been running our 'Out-of-Store' strategy, encompassing the following channels:

- WhatsApp
- Social Media
- E-commerce Website
- Mobile App
- Resident Welfare Associations (RWAs)

Much like our consumers, our business model too is adapting technology.

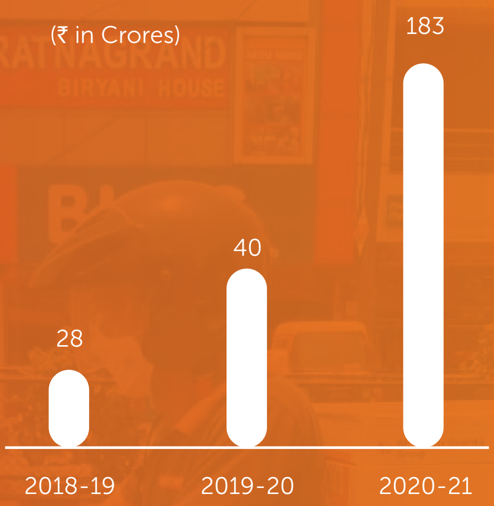
574 Million — Active internet users in India in 2020

24% — Growth rate between 2019 and 2020

US$ 18.2 Billion — Estimated size of Indian 'Online Grocery' market by 2024

It is estimated that by 2025 India will be the largest online market for the world. Being an established player in the digital retail niche, we have so much to look forward to, and for Spencer's, we have clearly set 'Omni Channel' as the way ahead. To endeavour towards a more digitally-capable business model, we started way back in 2017 with the 'Out-of-Store' approach, which later proved to be a smart method of conducting business during the pandemic.

GROSS MERCHANDISING VALUE [GMV]



6.5x Business growth in the last 2 years

4.5x Business growth from 2020-21

All these steps helped us continue growing despite the challenges that all retailers faced last year.

However, that being said, last year was also a learning curve for the Spencer's family. 2019-20 would go down as the year we became a wholesome internationally-sourcing brand, with our acquisition of Natures Basket. However, 2020-21 would be remembered for all the valuable lessons it taught us in adaptability, management, and digitisation, but above all, it would be remembered for helping us become a truly local as well as a community-centred brand.

We are only catering to limited pin codes where Spencer's stores are present, and with the introduction of new vendors, products, marketplaces and newer geographies, there is ample potential.

With an infrastructure already in place, to run digitally within a minute's notice, we could go fully remote and maximise our business capital savings.

- WhatsApp chatbots for ordering within a few taps
- ~350% growth in Omni-channel 2020-21!
- Mobile app that makes purchasing, tracking, and collecting rewards easy
- A range of exotic yet easy-to-buy-from-us products, choosing only the most fresh items
- Partnered with last-mile delivery vendors
- Grocery on Wheels programme that brings the store to your door
- 'Out-of-Store' initiatives, including local consumer connect and association with RWA

GMV equals to Gross Sales

CONTACTLESS FREE DOORSTEP DELIVERY

VALUE CREATION MODEL

Our Pool of Resources

Inputs

FINANCIAL CAPITAL
The pool of funds the Company relies on

- ₹ **4,506.60 Lakhs** Equity capital
- ₹ **7,547.25 Lakhs** Long term debt
- ₹ **~7,948 Lakhs** Raised through Rights Issue

SERVICE CAPITAL
All the tangible assets we rely on to conduct our operations and business activities.

- **197** No. of stores (including Natures Basket)
- **41** No. of cities covered
- **14.7 Lakh sq. ft** Retail business area (a combined model of large and small format stores)
- **14** Distribution centres

HUMAN CAPITAL
Our diverse set of people with specialist skills and experience suitable for the Company's needs.

- **5,097** Spencer's Employee talent pool
- **25%** Women workforce
- Providing various training and skill development programmes
- ₹ **19,315 Lakhs** Employee benefit expenses

INTELLECTUAL CAPITAL
Our intellectual capital comprises brands, technologies, and processes.

- ₹ **610 Lakhs** Investments in information technology towards tools and software
- Mobile application & dedicated website for capturing customers' orders
- Deployment of innovative energy-saving devices
- Online payment platform

SOCIAL AND RELATIONSHIP CAPITAL
The key relationships the Group maintains with its key business stakeholders.

- Local employment
- Engagement with national skill development institutions in sourcing retail apprentice
- ₹ **258 Lakhs** Aggregate indirect taxes paid in 2020-21
- Special events around regional festivals
- Customer care team to resolve queries

NATURAL CAPITAL
Consumption of resources in a sustainable way to provide services.

- **100 KWH** of solar panels installed at 4 locations
- **197 Stores** with E-billing facility
- Encouraged customers to bring carry bags
- Partnered with farmers in sourcing vegetables
- Abolished single use of plastic bags at Natures Basket

Value Drivers

Vision

To be a dynamic conglomerate driven by sustainable growth, efficiency and innovation

Core values

- **Customer First:** Keep customer at the core of every action
- **Execution Excellence:** Strive to be the best in everything we do
- **Credibility:** Instill trust, confidence and accountability with our actions and sensitive
- **Agility:** Move ahead of time quickly
- **Risk-taking:** Dare to go beyond
- **Humaneness:** Be fair, respectful, transparent and sensitive

Outcomes

Value Enhancement Strategy

₹ **2,48,147 Lakhs** Total Income

₹ **182.13 Lakhs** Cash flow generated from operating activities before taxes

Negative operating Working capital cycle of 5 days

Leveraging a long standing presence in India's organised retail space

27,21,555 Total footfall of customers

~29% Growth in average bill value in 2020-21

- Shopping experience enhanced
- Reinforced the Company's positioning as a distinctive retail destination
- PAN India presence

Food-Grocery and Non-Food including International products

₹ **41 Lakhs** Revenue per employee

700+ Employees working for 5+ years

Skilled and motivated workforce

Awarded as **'GREAT PLACE TO WORK'** for **two years** in a row

To provide best-in-class products to our customers

1 Crores+ Views on Social Media Campaign

4.5X Increase in GMV from 2019-20

- Improved customer experience
- Higher warehouse efficiency enhanced availability of faster-moving items

Wide range of assortments including international foods

200+ Women employees participation in 'Nari Shakti' celebration

70% Repeat customers

Investing in cutting-edge technologies across the business

~₹ 40 Lakhs saved in electricity bills

- Reduction in paper usage

Company-owned supply chain, enhancing agility

SERVING YOU WHEREVER YOU ARE

WE SERVE YOU EVERYWHERE IN CHOSEN GEOGRAPHIES THROUGH OUR OMNI CHANNEL PRESENCE


Welcome
STORE HOURS
ENTRY
YOUR VIEWS MATTER
"…S SERVE YOU BETTER"
spencer's
FREE
PHONE DELIVERY
CALL NOW
7604064177

STORES OPEN 365 DAYS DURING THE PANDEMIC

RESILIENT TEAM ENSURED NOT ALL STORES WERE SHUT ON ANY GIVEN DAY AND 90% OF STORES WERE OPERATIONAL DURING THE PANDEMIC

FINANCIAL CAPITAL

At Spencer's, we understand the value of well-used financial resources. As the Indian organised retail sector continues to grow, prospects too are growing, which opens up various exciting areas for future expansions and wins.
At present, the retail sector contributes to 10% of India's GDP, and the organised retail sector has a huge role to play in that, which can be seen by the fact that it has grown from:

9%
In 2017

18%
In 2021

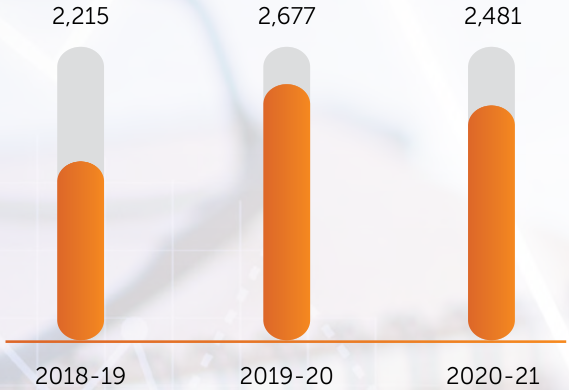
Such rapid growth trends and positive numbers are heartening, and with no signs of slowing down, one can tell already: The future looks good for the Indian organised retail sector, and with a designated spot for itself, Spencer's, too, is bound to grow its business, consumer base, and numbers.

However, there has been a momentum de-growth caused by the pandemic.

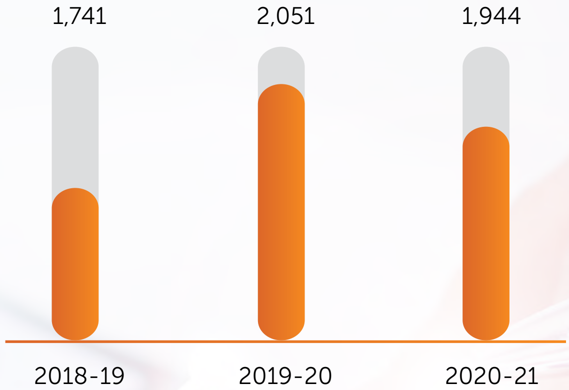
With more people relying on their savings, and buying patterns undergoing a sudden change, the retail sector was halted, especially the Non-Food categories. From Q2, it was an upward slope for the rest of the year with sales volumes peaking in Q3. Due to the slump in sales activity during the first few months and the resurgence of COVID-19 cases in the second half of the Q4 of the year, our numbers took a hit, as did most other retailers.

PERFORMANCE ANALYSIS OF THE YEAR

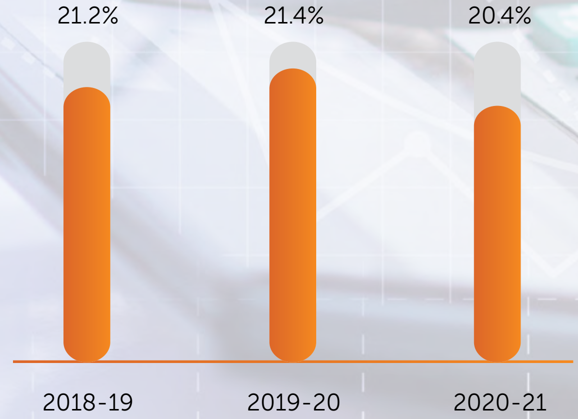
Total Income (₹ in Crores)



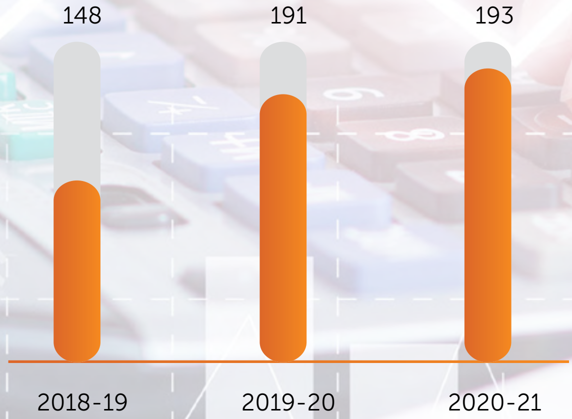
Purchases (₹ in Crores)



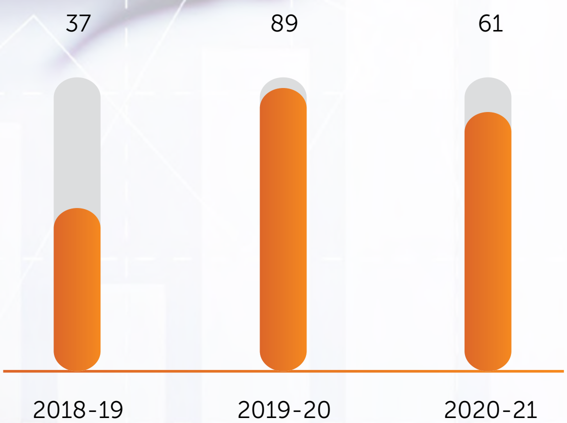
Gross Margin in (%)



Employee Benefit Expenses (₹ in Crores)



EBITDA (₹ in Crores)



Note:

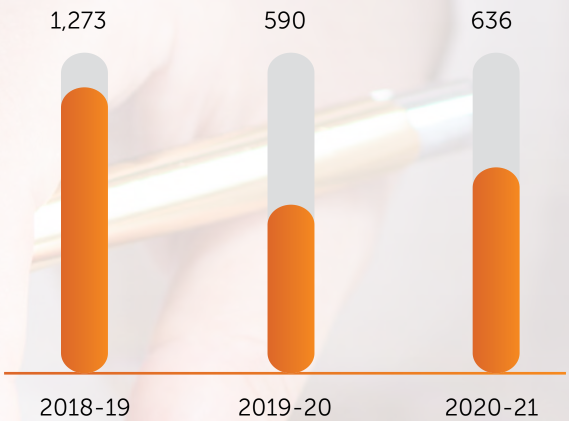
On consolidated basis

Natures Basket Ltd. was acquired in July 2019 hence, previous year's numbers are not comparable

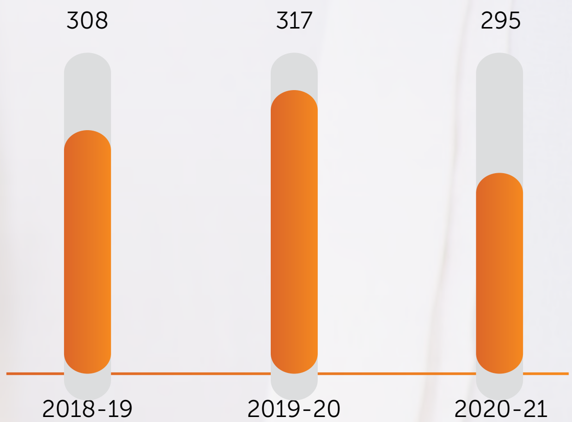
EBITDA number is not comparable in 2018-19 as IND-AS 116 was applicable w.e.f. April 1, 2019

- Taken various initiatives, resulted cost optimisation
- Last year we have transformed our working capital cycle negative and continuing in 2020-21

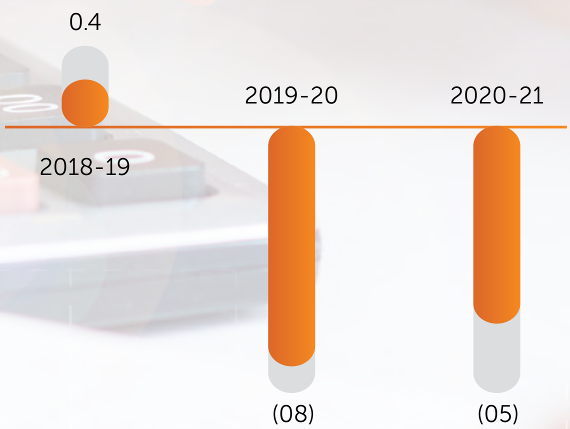
Market Cap (₹ in Crores)



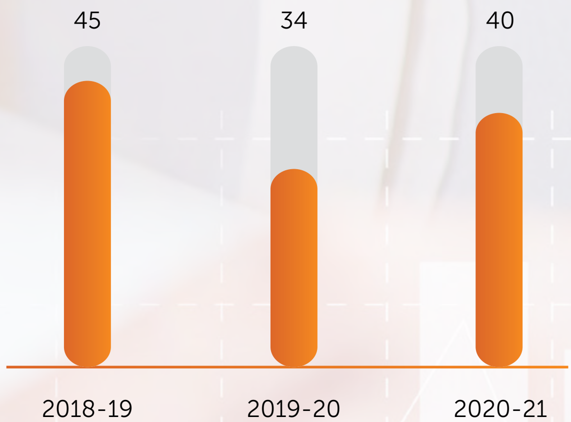
Other Expenses (₹ in Crores)



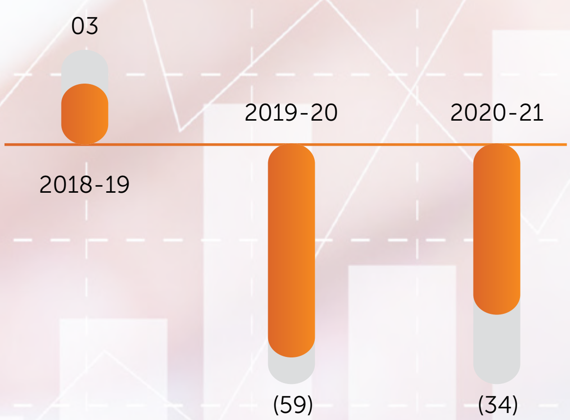
Working Capital Days on Turnover



Inventory Days of Holding on Turnover



Working Capital (₹ in Crores)



Note:

On consolidated basis

Natures Basket Ltd. was acquired in July 2019, hence previous year's numbers are not comparable

Working Capital = Inventory + Trade Debtors - Trade Payables

Financial Initiatives

Margin expansion through improvement in Non-Food mix: Our sales volumes went down due to restrictions on selling Non-Food products. However, some part of it was compensated by the performance of essential categories from Q2 onwards, for the entire year. The second quarter of 2020-21 also witnessed discretionary spending come back in the fashion and apparel categories. Non-Food business, including Apparel and General Merchandising, etc remained subdued during the year at 70% of the pre-pandemic sales.

We are focussing on increasing our Non-Food categories.

We were witnessing a month-on-month recovery post-unlocking in 2020-21 which continued well into Q4. We were impacted due to the resurgence of the pandemic towards the second half of the March quarter. Despite recovery in Non-Food business not fully happening in Q4, our profitability on a consolidated basis has been improved in Q4 on Year-on-Year basis.

There is huge potential in the Non-Food segment, as there are several players in the retail industry having delivered 30-35% share of Non-Food mix whereas we stand at only ~14%.

~14% **Sales mix in non-food category (apparel, general merchandise and electrical), despite the pandemic**

This can be largely attributed to our digital outreach, local consumer connect and residential tie-ups, which shall be covered in detail under Social Capital. At any given time, we had inventories full of the most-essential dubbed 750+ products.

SOR strategy: From a 100% own brand sales in Apparel, we took a strategic call to introduce the mix of SOR. The strategic reasons for this move were:

- Increasing choice by presenting additional brands
- To Widening our assortment in niche categories where the risk of obsolescence of styles was high
- Adding popular regional brands in Apparel and General Merchandise
- Retaning relevant and unique products that esonated with the local customer base
- Improving our working capital efficiency
- De-risking our Apparel business to the vagaries of changing customer buying trends owing to the pandemic

From a negligible SOR mix, due to conscious addition of brands, we ended March 2021 with a SOR mix of ~9% and 23 brands on board for Apparel and ~11% for General Merchandise.

Cost Optimisation and Maximisation of Returns: Tying up with local vendors, striking longer payback options for our retail stores with more budgeted rentals, and resorting to digital marketing strategies helped us minimise expenditure.

Solely with our rental deals, we were able to save ₹ 9.3 Crores in Spencer's and ₹ 3.9 Crores with Opex for Natures Basket.

On Standalone basis, other expenses for Spencer's improved by ₹ 21 Crores (₹ 240 Crores in 2020-21 vs ₹ 261 Crores in 2019-20) and for Natures Basket improved by ₹ 11 Crores (₹ 48 Crores in 2020-21 vs ₹ 59 Crores in 2019-20).

Moreover, resorting to digital marketing helped us cut down marketing costs by ₹ 12 Crores at Consolidated level for the year.

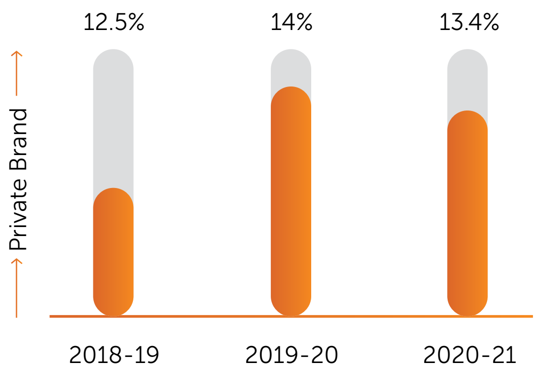
Margin improvement through private brand

We market our own brands as well, and these span various product categories. Some of our private brands are Bath & Beauty Co., 2Bme, Hands on, Double Tick, and Smart Choice.

Our private brands products have 5-7% higher gross margins than the branded products.

During the year, we relaunched several private brand products.

Spencer's Share of (%)



Natures Basket's Strategic Turnaround

NATURES BASKET REPORTED FIRST-EVER POSITIVE EBITDA IN 2020-21

~70%
Y-o-Y Reduction in Losses

₹ ~48 Crores
Reduction in Losses

1,580 bps
Improvement in EBITDA Margin %

521 bps
Improvement in Gross Margins

Natures Basket Turnaround

Our investment in Natures Basket in the previous financial year helped us take our products directly to the consumer and helped cross-sell at Spencer's too.

However, there has been a major improvement with regards to Natures Basket, which delivered its **first-ever positive EBITDA in 2020-21.**

Resulting from our extreme strategic diligence and wide network, Natures Basket registered some impressive numbers despite the pandemic.

Growing Financial Capital

Increasing the Gross Merchandising Value (GMV) of our Omni-channel

Higher liquidity on balance sheet and ensuring capital adequacy

Aim to open optimum size of profitable stores

Focussing more on our non-food higher margin products, by increasing the non-food assortation

Expansion in strong markets to deepen our existing presence

SERVICE CAPITAL

At Spencer's, we are all about seeking future-ready infrastructure, be it with our digital platforms or our physical outlets. The focus is always on developing solutions that help us make the most of our resources, while our management continues to plan larger territories for expansion.

2,00,000 Sq. ft. trading area Spencer's aim to add on an average every year

1,09,000 Sq. ft. trading area opened in 2020-21, despite the pandemic-induced slowdown

14 Distribution centres (including Natures Basket)

~4 lakh Sq. ft. area of our distribution centres

Currently, the average area of individual stores in the following categories are:

Small format stores < 5,000 sq. ft., approximately

Large format stores > 5,000 sq. ft., maximum area up to 50,000 square feet

Currently, the total trading space across all the formats is approximately 14.7 Lakhs sq. ft. We plan on increasing our distribution and trading area by making investments towards profitable optimal format sized stores.

In the organised retail sector, there has to be a voluminous supply, and for that, Spencer's has designed its own roadmap with:

A reliable supply chain model

An exhaustive warehouse management in place

Our business model is led by

- Large format stores for greater profitability. Under this model, Spencer's offers all the product categories to the consumer, while focussing upon high volume and low cost
- What also sets us apart from the rest is that the payback period of all our stores ranges between 3 to 5 years

Last year, we saw these changes:

1. Product delivery: Our Omni-channel model and backend infrastructure helped us bring in more leads and tap into consumers. In fact, 2020-21 saw a ~350% betterment in the Omni-channel GMV on Y-o-Y basis. We were able to track our inventories and consumption on a real-time basis. Our backend is supported by SAP and is scalable and robust.

2. Growing through the pandemic: Simultaneously, we have been expanding our footprints by adding new stores. This expansion was possible because of the low rentals we have been able to strike as a franchise. Despite the pandemic's financial crunch, we were able to add 14 more stores to our lineage. We rationalised 7 loss-making stores which were evaluated as not having future potential as well. **Despite challenging environment, we have added 14 Stores during the year.**

12 New Spencer's Stores

02 New Natures Basket Stores

Spencer's Operating Model

Capex Cost: ₹ 1,500-2,000 per sq. ft.

Revenue: ₹ 1,000-2,000 per sq. ft. per month

Store EBITDA Margins: 5-6%

Natures Basket Operating Model

Capex Cost: ₹ 4000-5,000 per sq. ft.

Revenue: ₹ 3,000- 4,000 per sq. ft. per month

Store EBITDA Margins: 7-9%

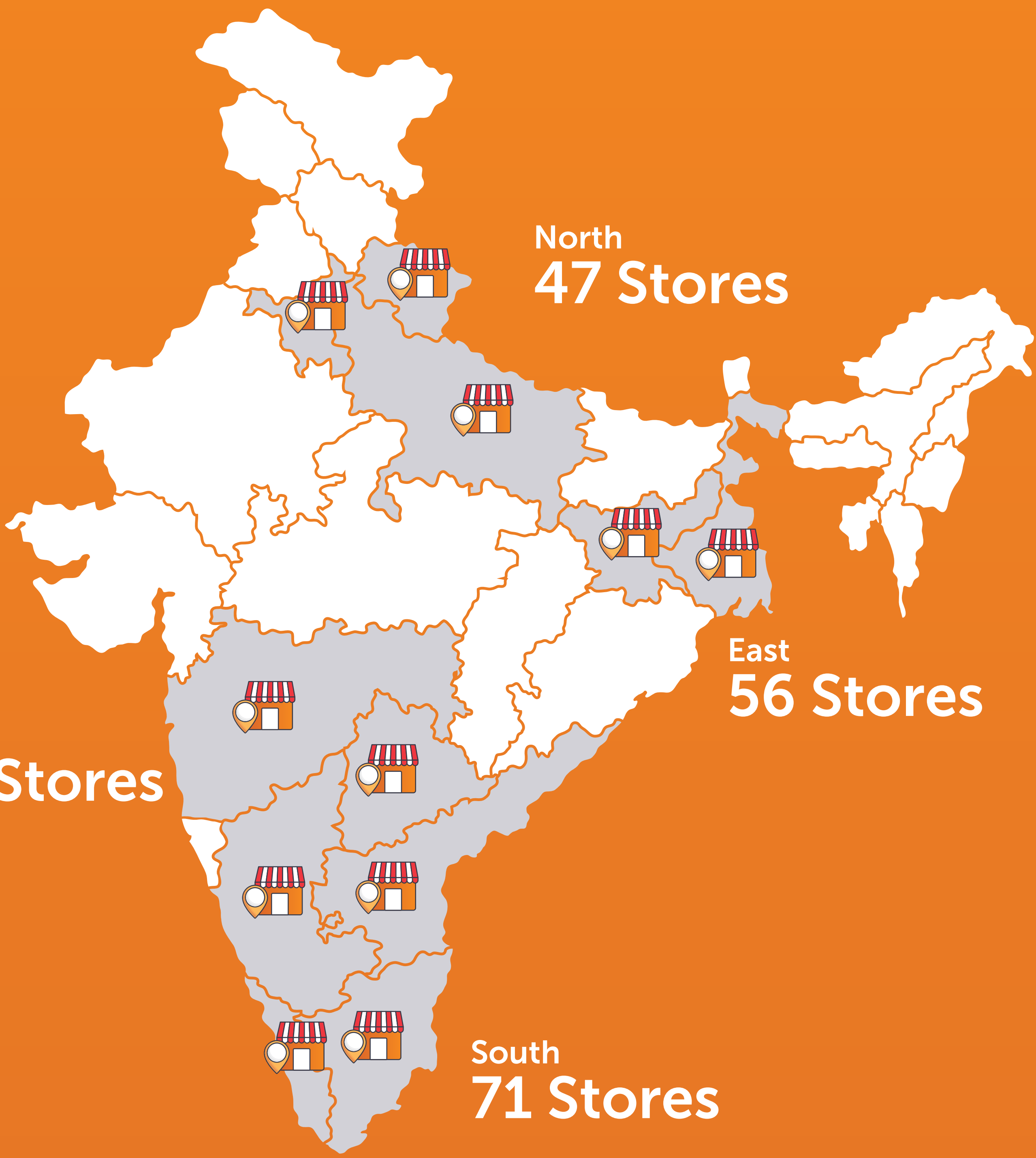
Company-wise

	No. of Stores	No. of Cities Present in	Average Store Area (sq. ft.)	Revenue Share
Spencer's	164	39	8,500	85%
Natures Basket	33	4	2,800	15%

Spencer's Stores Format-wise

	No. of Stores	No. of cities Present in	Average Store Area (sq. ft.)	Revenue Share
Large	76	33	15,400	81%
Small	88	20	2,300	19%

OUR PRESENCE ACROSS INDIA



Increasing Customers' Footfall in our Stores

Although with COVID-19 in the backdrop, our mobility too was impacted. We couldn't expect our customers to reach us physically, however, to make up for this decline, we strengthened our virtual activities.

E-commerce, WhatsApp and other digital media to attract our customers to our superstores and hyperstores

User-friendly mobile app with store locator tool

Efficient Operations: We have been strengthening our supply chain through various initiatives, such as the vendor development programme. We not only brought in more local farmers and suppliers, but also arranged for their transportation and dealt in fair prices to maximise their profits, while also respecting the interests of our stakeholders. We also negotiated with property owners for cost optimisation.

Tech-driven Culture: We are now venturing into system-driven culture and handle sales forecasting. During the pandemic, we made extensive use of programming language Python to intuitively gauge our consumers' buying pattern trends and serve them better with the use of our intellectual resources, which shall be discussed shortly. We also developed automated reminders for shortages and notifications to alert respective branch staff for better process optimisation.

Our Tasks Going Ahead

Opening new stores: We aim to add ~2 Lakhs sq. ft. area through stores. We are positive that our pre-pandemic margins would return as things get back to normal.

Improved product mix in new launches

In the next fiscal, there will be a renewed focus on the non-food product category that includes Apparel and General Merchandise. We will also allocate more trading space to this category in our new store opening so that there is greater profit realisation per sq. ft.

INTELLECTUAL CAPITAL

At Spencer's, we believe technological evolution is the future. As the world resumes normalcy post COVID-19, it would still be technology-dependent. COVID-19 has enabled organisations across the globe to set a futuristic approach, especially when it comes to their business conduct. Fortunately, Spencer's has always had the technologically-driven approach in general. The digital systems we had set in place since the past few years helped us cope with the situation..

Software for Smart Workers: We used Enterprise Resource Planning (ERP) to forecast product demand and to track real-time product consumption. On the supply chain front, our advanced replenishment system reduced store inventories significantly. This system tracks our product shipments real-time and helps our operations team plan better inventory utilisation.

A Virtual Store: At a time when social distancing is crucial, we had to facilitate a seamless retail experience for people who couldn't leave their homes. Our IT team further developed our app to facilitate an easier online interaction with customers.

Features:

- Notifications and reminders on discounts, deals.
- Multiple payment gateways,
- Paperless invoice,
- Product recommendations,
- Slot-based delivery
- User-friendly interface

When social media was filled with customers feedback for immediate slots unavailability across E-commerce sites. Spencer's came up with first of its kind - AI based WhatsApp Bot for Grocery ordering, working with a tech startup and eliminating the pain point of customers

Conversational Marketing: Our highly intuitive chatbots provide the customers with a conversational virtual representative who makes them feel heard and prioritised. With the help of our friendly and responsive chatbots, customers could place their orders via WhatsApp.

Reporting Features: Customers can track their order real-time using our advanced reporting features.

Transaction Processing and Finance: Our finance team implemented Robotic Process Automation (RPA) for handling high volume transactions such as collection reconciliation, GST reconciliation and bank reconciliation. New modules for IND-AS 116 added in SAP, E-invoicing and implementation of QR codes in our invoices, as required by statutory bodies. We have also embarked our journey by implementing an in-house Vendor and Supplier management.

Insider Trading Compliance Management Tool: Our Secretarial team implemented Insider Trading Compliance Management Tool, an in-house structural digital database to comply with SEBI (Prohibition of Insider Trading) Regulations, 2015.

Legal Compliance Management Tool: Our legal team implemented a central repository of all statutory compliances and licenses, among others, with customised checklist and approvals.customised checklist and approvals.

Supply Chain Tech: We use some of the latest technologies, such as R and Python to manage our supply chain and inventories better. In the retail game, you only last if your supply is never out, and so, we need these smart bots and algorithms to succeed.

Customer Support: We have a multilingual supporting call centre comprising associates handling customer feedback and queries across all stores. It has different channels like Tollfree Number, Email, Website, Social Media Platforms, Digital, Your View Matters (YVM) and Net Promoter Score (NPS) through which customers can reach the Company. This helps us ensure that we reach out to a wider audience, help them with their queries and feedback while giving them a better shopping experience everytime.

Our Initiatives

Investments made towards Digital Platforms: We made significant investments into tools and softwares that would help us in our business. In addition to the above, we also invested significant amount in the mobile app development.

₹ 6.1 Crores — **Investment towards information technology in various tools and software for 2020-21**

We are also using data analytical tools to gauge the customer's buying preferences, which can help us radically improve the business. This transformation will span our offline, online as well as phone-based orders.

Digital Customer Service: Spencer's was not just able to deliver the needed goods, but more importantly, we feel we got closer to our consumers with the help of our conversational marketing. We facilitated chatbots on our various platforms, where buyers just chatted their orders with us. Not just that, our intelligent chatbots often helped our customers find answers to their queries on availability and price tags, among others.etc.

Understanding and Supporting Customers: With the use of technology, we also provided a better basket choice to our customers. Basket choice here refers to the product choice in a given category. This is achieved by understanding the consumer's buying behaviour through Customer Relationship Management tools. These track the purchase pattern of every customer, and through CRM, we are able to present an improved choice for every customer. Support through our Call Centre who are handling customer feedback and queries across all stores through different channels like Tollfree Number, Email and Website.

Focussed Social Media Approach: Through our focussed social media approach and campaigns, we managed to reach:

5,00,000+ Followers on social media in less than a year

1 Crores+ Campaign views on our social media videos

To transform our business model into a more tech-friendly system, we have to adapt the following:

- **More synergy between IT and marketing:** Today's consumers need more digital solutions, and that's good news for us because operating digitally would help us allocate manual power to the right place, and thus, reduce costs. Keeping this in mind, our IT team, in association with the marketing team, constantly looks for various alternatives to engage with our customers even more.
- **More data-driven in the future:** Being data-friendly is extremely important because all this data helps in decision making. Therefore, going forward, a large part of our efforts will be to understand how customers and product data can be collected, analysed, and then, used for decision making, in compliance with the privacy and cyber laws.
- **More features in our app:** Since phone-based deliveries constitute an important part of our sales efforts, our next plan of action will be to add more features to this platform.
- **Workforce management:** We intend to improve our back-office ERP to make it future-ready. Alongside, we are also continuously looking at various alternatives for improving supply chain efficiencies.

We have understood that today's consumer is likely to come from various channels – offline stores, online stores, WhatsApp, and so on. Thus, continuing our efforts to foster a strong omni-channel aura, we are investing in digital marketing units and backend creators.

However, as we continue looking into what makes us a strong force to be reckoned with, one substantial element comes to recollection – our people. Our numbers, developments, and journey of decades would fade away, had it not been for the humans at the Spencer's family.

HUMAN CAPITAL

People are the real assets here at Spencer's. We pride ourselves upon the friendliness and the intelligent skills that our hard-working team brings to our retail shelves and the corporate backend too.

What makes Spencer's Our People

Skilful and Diverse Workforce: At Spencer's, we recruit only the best people from the industry, with a tasteful mix of diverse backgrounds and opinions. We make sure each of our workers brings a unique domain expertise to the Company. Ever so careful in hiring, we still continue to expand our outreach, which will involve more aggressive hiring plans in the future.

We also actively hire people with disabilities for our front-desk or reception vacancies. Moreover, Spencer's is run by strong females who take up 25% of our positions.

5,097 Spencer's Current Workforce

₹ 41 Lakh Spencer's Revenue per Employee

25% Spencer's Female Employees

15 + Specially Abled Employees, Integrations being made to Onboard more

Training and Development: With Spencer's, it's a continuous work in progress. We aim to not just educate our people on how to deliver better, but also to make sure we are producing better human assets for the society and the country on a whole. With our continuous training sessions, we aim to groom our workforce and further their potential. The basic objective behind these sessions is to positively impact sales and also to develop leadership skills. Our endeavour is to fill leadership roles internally. It should be noted that these programmes cover Functional and Behavioural Training and Development.

₹ 5.45 Crores Amount Spent towards Human Capital and its Management at Spencer's

Supportive Environment: At Spencer's, we provide all the support required for the development of all employees. We conduct periodic performance reviews of all our personnel as a part of the growth and development process.

Our 'My Growth' programme allows employees to apply for assistant department managerial or team leadership roles post 18 months of joining. Subsequently, after completion of another 1.5 years, they can get promoted to the department manager's job, and post 2-3 years, to the position of Store Manager.

Events: We have always made it a point to supplement the team with rejuvenation. However, the year gone by left no windows open for interactions and events. Despite that, Spencer's engrossed its workforce in various events that were held virtually.

On the occasion of the RPSG Group's foundation day i.e. on July 13, we celebrated and rewarded employees with awards. Employees who have delivered exceptional performance during the year were recognised by the Chairman (Dr. Sanjiv Goenka) who gave all the winners a certificate, trophy and cash prize.

We honour our top retail employees by celebrating the Retail

Fostering healthier and closer work relationships is a part of the work culture at Spencer's. We believe in challenging, encouraging, and constantly monitoring each one of our talented team member. In line with this, we conduct the 'Best Store & Star of the Month' competitions, and for years now, the practice of sending warm 'Thank You Cards' along with thoughtful gifts and perks to our staff has been a staple and well-acknowledged tradition.

- Apart from professional help, we believe in creating an all-rounded human. We constantly engross our workforce in functional and behavioural soft-skill workshops to ensure that Spencer's, as a brand, is hospitable and reliable.
- Women being very critical to Spencer's, we keep training them for future leadership roles under the Saheli Program. The 'Saheli' talk show aims to bring our female workers, at all levels of the organisation, together with an aim to better one another and the organisation on a whole.
- Mission 'Nari Shakti' celebrates woman empowerment and reinstates our women's safety and security at the workplace.

200+ No. of Participants in Nari Shakti Celebration

The Human USP

At Spencer's, we believe that our Human Capital is the key to our future. During the hard times of the pandemic, we continued to stick together as a family, while our leaders formulated various plans to maximise safety for our front liners. In that direction, we offered:

- Pick-up and drop facilities for our staff at all our stores during lockdown
- Provided food facilities for our staffs during lockdown
- Too utmost safety precautions (masks, sanitisation) for our frontline workers
- Conducted seminars with top doctors
- Provided laptops and work from home infrastructure
- Offered an additional insurance coverage for all our employees
- Scheduled free vaccination drives for employees

In an acute shortage of medical facilities, it was important for us to ensure our employees were safe and taken care of. Starting from May 5, 2021, we commenced a free vaccination drive to safeguard our valuable team.

The Spencer's family also lost some crucial members to the pandemic, and to help their families cope with such loss, we offered financial relief and suitable jobs.

~70% Percentage of retail staff vaccinated already

Certified As Great Place to Work by Great Place to Work Institute two years in a row

>5,000 Number of vaccination doses administered

During the lockdown, we also ensured our workers were safe and secured by providing them with food and other essential items.

An Ethical Board of Leaders

Our leadership has always remained ethical and honest, while also keeping empathy, humanity, and consideration at its core.

Our leaders anticipated beforehand that despite such precautions, tragedy could befall our family too at such times. So, we nearly doubled our associated hospitals and collaborated with some of the best health insurance providers in the country to ensure that every member of Spencer's family was covered.

In the coming years, we have identified three main strategies so far as our human capital is concerned. These strategies also support the above-mentioned transformatory initiatives.

1. First, we will be acquiring new talent for the various roles across the Company.
2. Second, there will be a continuous focus on the training and development of all our employees. They will also be re-skilled according to the Company's needs. This becomes all the more important now that we are changing the Modus Operandi.
3. Simultaneously, there will be succession planning across the Company. This is to ensure that there will always be a continuity in decision making and execution for the achievement of our goals.

We plan to produce leaders of tomorrow since we understand that people are the driving force of a Company, a nation, and the world in the larger picture.

Our COVID-19 Response

Unfortunately, we lost few of our dear colleagues to COVID-19.

- We provided immediate emotional support and strength to the deceased employee's family by ensuring our HR and fellow colleagues' presence by the family.. And we also took care of the expenses relating to hospitalisation and funeral
- After few days, we revisited their home and got necessary details about the family and came out with a policy for long term support by providing employment to next of kin, educational support to children and gross salary for 12 months on case-to-case basis, depending on the need.
- We helped the family with counselling for investing and settlement amounts for long term income and appropriate medical coverage.
- We value each employee and remembered their contribution towards the Company with a tribute at our Group Foundation day.


THE PRIME
luxury watch boutique
TITAN
TISSOT
TIMEX
CASIO
Cottonworld
OPEN
VACCINATED
TO SERVE
YOU BETTER!
FOR OUR CUSTOMERS' SAFETY, SPENCER'S 1400+ FRONTLINE EMPLOYEES HAVE GOT VACCINATED IN A SPECIAL VACCINATION DRIVE. WE ENSURE A HEALTHY ENVIRONMENT FOR YOU, ALWAYS.
COVID-19

NATURAL CAPITAL

The world needs leaders who do not undermine the value of natural balance. Spencer's would like to be a torchbearer in the preservation of nature.
To be profitable tomorrow, a business has to conserve today; and the conservation doesn't have to be limited to human or financial capital, but instead, natural capital has perhaps the largest role to play here.

India has nearly 27.4% of the world's population, but just 2% of the overall land area. Our water stress levels currently stand at 54%, and 11 out of the top 12 most polluted cities in the world are in India.

Green Energy: Our Company has installed solar panels in some of our stores thereby reducing our overall carbon footprint, solar energy happens to be the only running power source. These humble steps will someday make a huge leap in our fight against climate change.

100 kwh

Capacity at 4 locations

All our 197 Stores with E-billing facility

From a business context, we are also reducing energy costs and growing our margins as we shift more towards renewables. Energy costs are a major cost centre for any retail outlet, let alone a franchise with multiple stores.

Our Corporate Office RPSG House is certified as 'Green Building' by IGBC.

No Paper: We are also trying to reduce paper wastage by going in for E-billing, which is now a readily-asked option at our stores. Bills are generated electronically, and they are sent to the customer's mobile number. E-billing, besides being environment-friendly, is also reducing our paper costs. This practice helps us ensure that Spencer's does not promote deforestation and rather makes a green statement.

No Plastic: Our environment conservation efforts go in other directions as well. For example, we have been encouraging our customers to bring their own carry bags when they shop at their nearest Spencer's. This way, we are not only reducing our reliance on plastic, which is a major source of pollution, but we are also creating conscious buyers. We also have completely abolished single usage of plastic at Natures Basket stores.

A study published in Forbes says that consumers view environment-friendly companies positively. Some of the findings in this study are:

Keeping all these factors in mind, we at Spencer's are actively promoting green marketing.

68% **Millennials bought a product with social or environmental benefit in the last 12 months.**

87% **Consumers will have a more positive image of the Company that supports environmental issues.**

Our Initiatives

To achieve a perfect equilibrium between nature and business, following are just some of the many steps we have undertaken:

- Since water is only limited in supply, we have taken several measures to recycle our wastewater.
- At Spencer's, we have been reducing our carbon footprint through various measures. Installing solar panels is one of them. The other measures include installing energy-efficient lighting while not compromising upon our stores' ambience and efficiency.
- We conducted a Plantation drive on World's Environment Day, while keeping all the pandemic-necessary safety and hygiene measures in place.
- As part of our RWA program, we brought utilities to doorsteps, however, that also meant increased carbon emissions resulting from our carriers. To check our carbon emissions, we switched from delivering via motorcycles to mini-van trucks for deliverables.
- We laid out concise and effective SOPs in place to minimise wastage and handle unsold resources better.

  We train our staff members to be power-conscious and not waste crucial resources like that of electricity and water.
- We are also consuming less paper as part of our commitment to preserving the environment. This also helps in freeing up precious store space and using it for stocking our products. We also use Hand held scanners instead of using printed papers in our warehouses, which helps us in reducing the usage of paper.

Our Tasks Going Ahead

- Increase Spencer's's reliance on non-conventional sources of energy, with solar energy already being a practice. We will continue to explore other ways and means of consuming electricity more efficiently.
- Paper wastage will be reduced even further by resorting to electronic communication, for which training and skill procurement sessions are underway to educate even the senior management positions and facilitate a smooth progression to a digital modus operandi.
- Fewer bills would be printed on paper. We shall continue encouraging our consumers to consume less plastic.

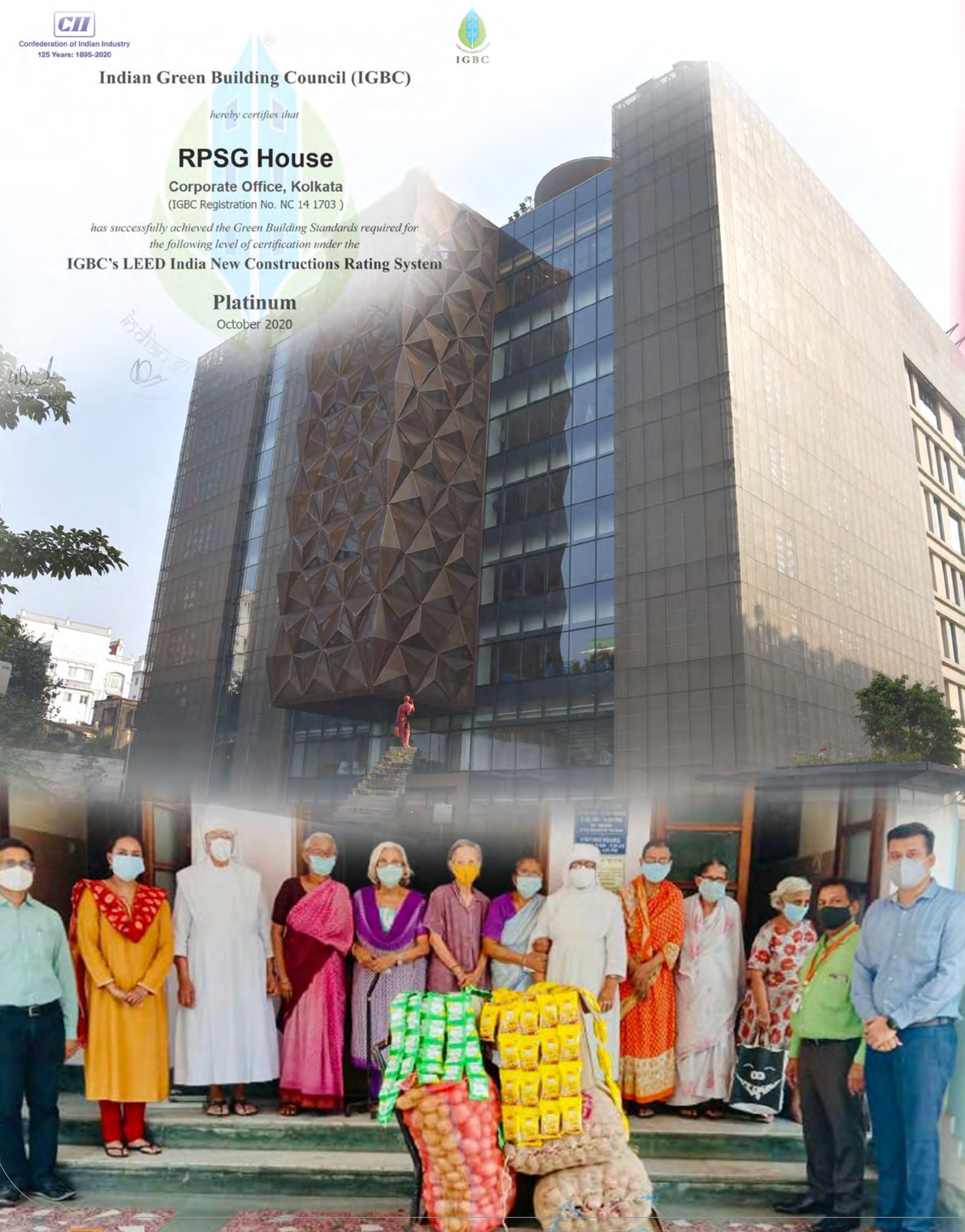
We are sure that all these steps would have a healthy effect on the Company's revenues and profits too. However, the primary focus here is to be a Company that really serves the planet, overall.

ENVIRONMENTAL

SOCIAL

GOVERNANCE


Team Spencer's
Tap to load preview
Yesterday • 7:57 pm
Thanks for shopping at Spencer's. To view your invoice, special offers, give feedback, please click esrl.in/ 200675668486433
Team Spencer's
SHOP YOUR MONTHLY ESSENTIAL ONLY FROM SPENCER'S!
Spencer's Retail Ltd
esrl.in
Sun 7:57 pm
Nilkamal


Confederation of Indian Industry
125 Years: 1895-2020
IGBC
Indian Green Building Council (IGBC)
hereby certifies that
RPSG House
Corporate Office, Kolkata
(IGBC Registration No. NC 14 1703)
has successfully achieved the Green Building Standards required for
the following level of certification under the
IGBC's LEED India New Constructions Rating System
Platinum
October 2020


Celebrating women in our lives, Everyday!
8
MARCH
HAPPY WOMEN'S DAY
with love
spencer's


A smart shopper's
Sustainable pick
Nature's Basket
FOR HOME DELIVERY 888 00 777 45
FOR GIFTING 888 3801 888
SHOP ONLINE @ naturesbasket.co.in

SOCIAL AND RELATIONSHIP CAPITAL

We would like to be thought of as an organisation that cares for its community and consumers.

An organisation is only as strong as its loyal consumer base. At Spencer's, our returning customers play a huge role in these numbers, and we make efforts to ensure no consumer feels unaddressed or desolate from the brand.

Here's how the Spencer's brand creates a recall value, and more importantly, a deeper connection with its consumers:

- **Experience Zones:** We have created several 'Experience Zones', where customers get a look and feel of various products, thus, enabling our users to make a better judgement.

Thai Kitchen Market

Bringing Thai exoticness to your kitchen

Winter Fruit Festival

Winters are for blueberries, apple, and everything nutritious at Spencer's

Farmer's Market

Over 30 types of mangoes exist, and, so, at farmer's market, we help our consumers explore and embrace the organic bounty of vegetables, fruits, and more

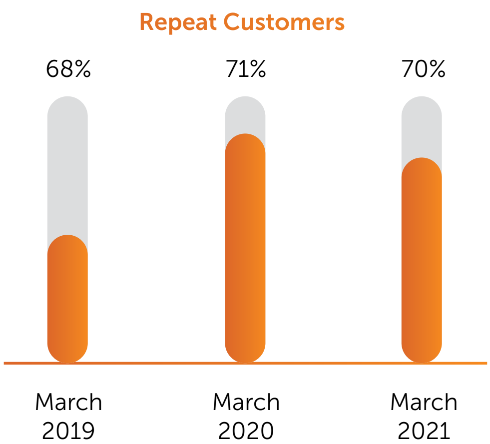
» **Defined Touchpoints:** We have launched several consumer schemes in the past for driving sales. These schemes were in sync with key occasions, such as Diwali, Dhanteras, and New Year.

» **Brand Awareness:** Our brand awareness drives during the last year showcased the uniqueness of Spencer's. We actively worked with reputed names across various new-generation media platforms to make our brand a recallable name.

» **A Gifting Outlet:** We have been clear that Spencer's should also be revered as a gifting destination, and in that direction, we launched a separate product line under The Gift Studio (TGS). With the addition of Natures basket to our label, we have expedited our gift packages. The premium offerings made by the franchise have been well-received and referred among peers.

» **Personalised Offers:** Personalised messaging drives more customers to Spencer's stores according to various studies. At Spencer's, we have been growing our customised messaging efforts through various channels, such as customer relationship management tools, social media, and also, chatbots on WhatsApp. This has resulted in increasing our wallet share. Personalised offers are important because they encourage repeat buying.

It is this exquisite assortment and unique treatment which keeps our consumers coming back



We use the data consumers provide and our analytical tools hatch to decide which offer suits which customer.

Speed
90
Minutes
and you'll have it
at your doorstep!

One of our major USPs that has granted us a lead in retail space is the Spencer's promise of a fast and a safe delivery. We ensure that our delivery time is always under 90 minutes and all our products are fresh at the time of delivery, for all online purchases.

Safe and Hygienic Environment: While being aware of the risks posed by the pandemic, we have ensured business continuity through various means. These are:

- Business continuity plan was in place
- Dedicated internal committee with leadership team members monitoring the situation regularly
- No visitors are allowed inside our stores without a mask
- Our guards keep a tab of health stats, measuring temperatures of each one of our visitors (staff or customer)
- Once inside, visitors are requested to sanitise their hands
- We ensure contactless delivery and are fully-equipped to support online payment with our own gateway too
- Physical distancing always ensured in all the stores

Suppliers and Vendors

Past one year has been especially tough from a supply chain perspective, however, the odds had to be braved.

We did three note-worthy things on the suppliers and vendors' side of the business as we tried to keep our supplies COVID-free to the extent possible.

The focus was on business continuity.

Taking Charge: Even at such reprimanding times, we had to provide only the best in our shelves. Nothing is an excuse to compromise on the freshness of products. We, thus, directly went to the warehouses of the manufacturers and collected our inventory despite transportation challenges across the country.

Spencer's also ensured that our warehouses and stores were clean and hygienic at all times. With the second wave inching closer, we struck more deals with local vendors, and had 2500+ manufacturers running despite the various lockdowns in place.

Community Relationships

As a socially responsible organisation, we are aware of the expectations that our community has of us. That is why, we at Spencer's have tied up with several apprentice organisations for our sourcing requirements. We carry out regular workshops with these apprentice institutes to ensure and enable a better quality of workforce. Spencer's also hired some of its staff from the local communities through the Skill Development Programme.

At Spencer's, relationship building is an ongoing exercise and is not restricted to just sales.

However, due to the discourse of the pandemic, our physical interaction with consumers took a toll, as evident from our numbers.

35,72,184 Total Footfall in April 2019

29,00,829 Total Footfall in March 2020

27,21,555 Total Footfall in March 2021

Some of the business transforming initiatives taken by us during the lockdown were:

Resident Welfare Association: As part of our Resident Welfare Association or RWA scheme, we tied up with as much as

3,900+ Societies

36+ Cities

This helped us ensure safe and secure delivery of items and also helped us garner a larger consumer base with our store to society approach.

- No visitors were allowed inside our stores unless they complied with the pandemic-cautionary measures as advised by the Government of India. Those included wearing a mask, recording their temperatures with our entry desk, sanitising their hands after the check, and lastly, maintain patience and distancing norms within the premises.
- As a welcoming organisation with a board of nurturing employers, we have employed people with disabilities.

STAKEHOLDER ENGAGEMENT

We, at Spencer's, believe that everyone is an equal stakeholder in our growth. From our consumers to our workers, from our investors to our suppliers, we are answerable to all. We strive to keep all our stakeholders' interests first and become a more consumer-centric organisation every day.

Here's what is being done to address and alleviate the grievances of each of our stakeholders.

STAKEHOLDERS

	MAIN ISSUES, NEEDS AND CONCERNS	ENGAGEMENT PLATFORMS	CAPITAL INVESTED
Customers	Reasonable Pricing Wide Range of Products Availability Quality with Quantity Friendly Front-desk Loyalty Benefits	RWA Strategy Out-of-Store Regular Feedback Calls Social Media Training the Retail Employees	
Investors	Return on Investment Strong Business Performance Managing Margin and Costs Prospects	Investor Meets Investor Calls Shareholder/Investors Grievance Forum Stakeholders' Grievance Committee One-on-One Interactions	
Employees	Feeling Rewarded Opportunities for Enhancement Competitive and Fair Remuneration Trust in Management Training Incentives	Weekly/Monthly Reviews HR Forum Townhalls Focussed Group Discussions	

	MAIN ISSUES, NEEDS AND CONCERNS	ENGAGEMENT PLATFORMS	CAPITAL INVESTED
Communities	» Perception of Community Upliftment » Contribution towards Education, Healthcare, Rural Development and Environment	» Resident Welfare Association Programmes » Donation to NGOs and Contributing to Society	
Suppliers and Partners	» Supply to Customers (Distribution Channel) » Operational Practices » Safety and Quality » Product Availability	» Sustainable Supply Chain Initiative » Technology Days » Supplier Meets » Vendor Council » Audits	
Government	» Compliance with Legislation » Licenses » Return through Taxes (Income Tax, Vat, and Employees' Tax) » Giving Back to the Society	» One-on-One Meetings » Meetings in Industry Forums	

STRONG CORPORATE GOVERNANCE

Our Board comprises 4 Independent Directors, each bringing their unique competencies to the table. These Directors have a vast experience behind them and guide us from time to time.

50% of our Board is Independent

₹ ~90 Lakhs Invested in technological advancements made to strengthen our governance

Our Board comprises several committees. These are:

Audit Committee which comprises Independent Directors to look after various financials and other functions as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Nomination and Remuneration Committee, the committee reviews the performance of the various other Committees, the Management team, and the Directors.

Relation Committee looks into the grievances of the shareholders and Investors and resolves them.

Corporate Social Responsibility Committee adheres to the provisions of the Corporate Social Responsibility Policy.

The Risk Management Committee looks into identification of internal and external risks specifically faced by the listed entity.

Our governance framework lays a great emphasis on regular appraisal and reward system for better performance leading to wealth creation. To strengthen our governance practice we also implemented:

Insider Trading Compliance Management Tool: Our secretarial team implemented Insider Trading Compliance Management Tool, an in-house structural digital database to comply with SEBI (Prohibition of Insider Trading) Regulations, 2015.

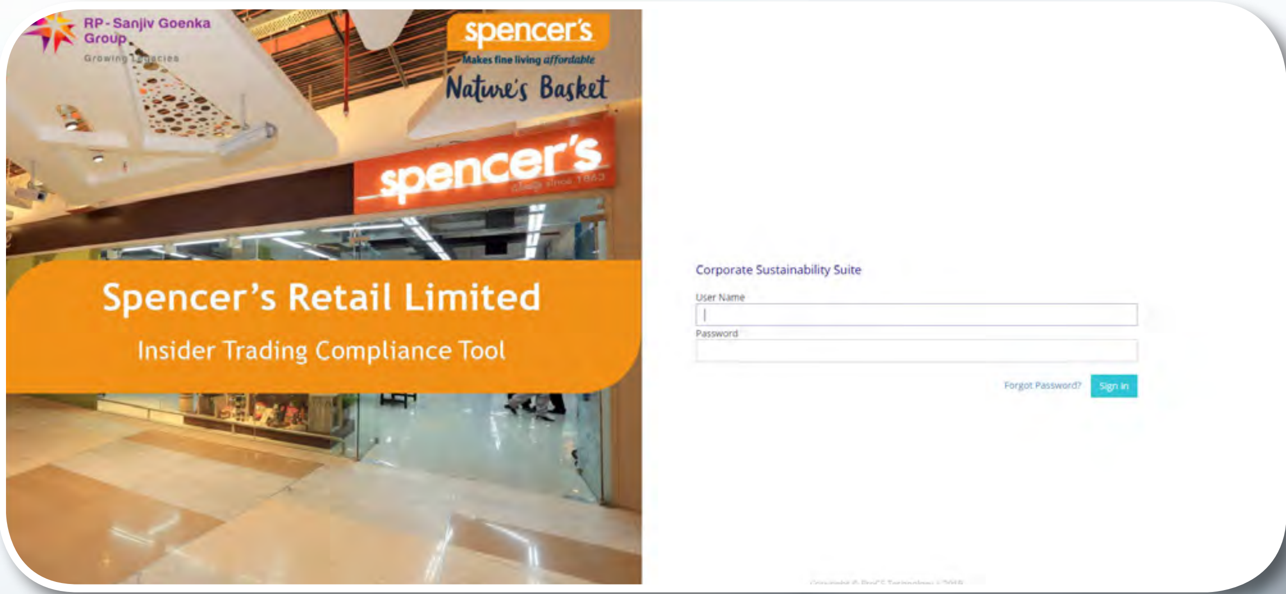
Legal Compliance Management Tool: Our legal team implemented a central repository of all statutory compliances and licenses with customised checklist and approvals.

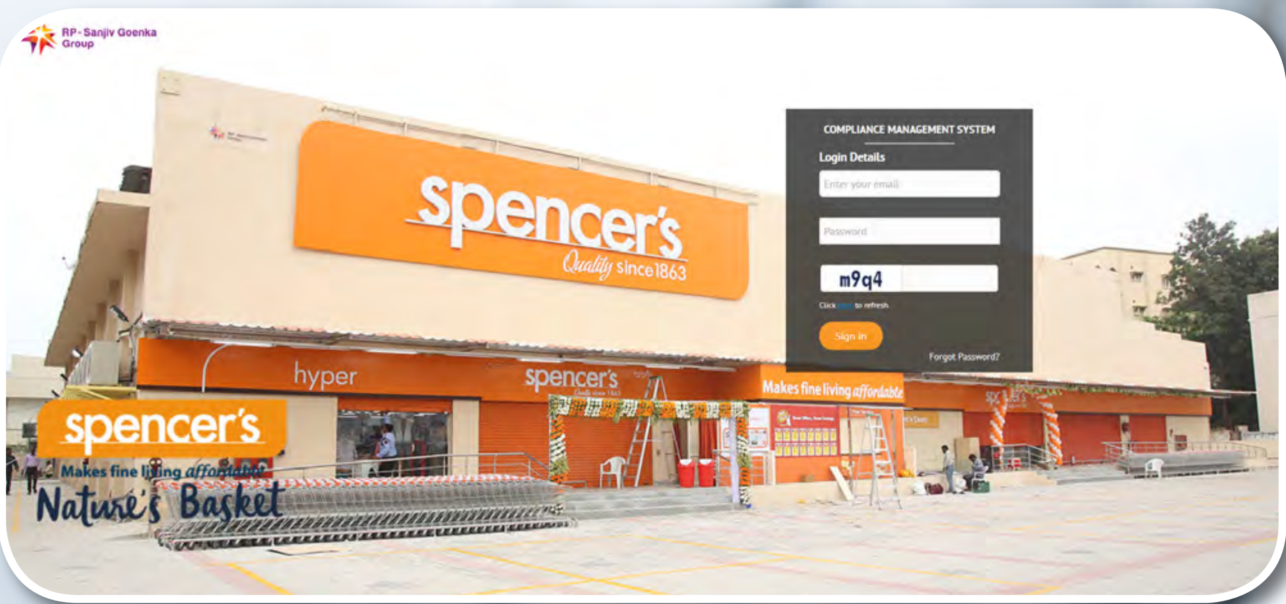
In addition to the various policies uploaded on our website as required under SEBI (LODR) Regulation, we at Spencer's, also have several internal mechanisms to control the activities covered under the below policies to strengthen our corporate governance. These are:

- Whistle Blower Policy
- Human Resources and Talent Management Policy
- Anti-Sexual Harassment Policy (POSH)
- SEBI Insider Trading Policy

Apart from the above, the Company instituted strict internal controls for effective governance, these are:

- A robust internal review and control system by the Audit Committee
- A well-equipped audit team checks all the compliance issues
- Monthly and quarterly performance reviews check the operational performance of Spencer's





BOARD OF DIRECTORS

Dr. Sanjiv Goenka
Non-executive Non-Independent Director and Chairman

Mr. Shashwat Goenka
Non-executive Non-Independent Director

Mr. Utsav Parekh
Non-executive Independent Director

Mr. Pratip Chaudhuri
Non-executive Independent Director

Ms. Rekha Sethi
Non-executive Independent Director

Mr. Debanjan Mandal
Non-executive Independent Director

Mr. Devendra Chawla
CEO & Managing Director

Mr. Rahul Nayak
Whole-time Director

OUR MANAGEMENT TEAM

Mr. Shashwat Goenka
Non-Executive Director

Mr. Devendra Chawla
CEO & Managing Director

Mr. Rahul Nayak
Whole-time Director

Mr. Kumar Tanmay
Chief Financial Officer

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Sanjiv Goenka
Non-executive Non-Independent Director and Chairman

Mr. Shashwat Goenka
Non-executive Non-Independent Director

Mr. Utsav Parekh
Non-executive Independent Director

Mr. Pratip Chaudhuri
Non-executive Independent Director

Ms. Rekha Sethi
Non-executive Independent Director

Mr. Debanjan Mandal
Non-executive Independent Director

Mr. Devendra Chawla
CEO and Managing Director

Mr. Rahul Nayak
Whole-time Director

KEY MANAGERIAL PERSON

Mr. Kumar Tanmay
Chief Financial Officer

Mr. Rama Kant
Company Secretary and Compliance Officer

Auditors

S.R. Batliboi & Co. LLP, Chartered Accountants

Solicitors

Khaitan & Co.

Registered Office

Duncan House, 31, Netaji Subhas Road, Kolkata 700 001, India

Tel: 033-66257600

Corporate Office

RPSG House, 2/4, Judges Court Road,
Kolkata 700027

Tel: 033-24871091

Corporate Identity Number:
L74999WB2017PLC219355
Email: spencers.secretarial@rpsg.in
Website: www.spencersretail.com

Wholly Owned Subsidiaries

Natures Basket Limited
Omnipresent Retail India Private Limited

Bankers

ICICI Bank Limited
Axis Bank Limited
Yes Bank Limited
State Bank of India
HDFC Bank Limited
Standard Chartered Bank
RBL Bank Limited

Listing of Shares

National Stock Exchange of India Limited (NSE)
BSE Limited (BSE)

Registrar and Share Transfer Agent

LINK INTIME INDIA PRIVATE LIMITED
C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083

Tel: 022 49186270

Email Id: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

Depositories

National Security Depository Limited (NSDL)
Central Security Depository (India) Limited (CDSL)

NOTICE TO MEMBERS

NOTICE is hereby given that the Fourth Annual General Meeting ("AGM") of the Members of Spencer's Retail Limited will be held on Wednesday, August 18, 2021 at 12:30 P.M., Indian Standard Time (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:

   a. the audited financial statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon; and

   b. the audited consolidated financial Statements for the financial year ended March 31, 2021 and the report of Auditors thereon

   and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions:**

   a. "**RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

   b. "**RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. To appoint Mr. Shashwat Goenka {Director Identification Number (DIN) – 03486121}, who retires by rotation as a Director and, being eligible, offers himself, for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Shashwat Goenka (DIN - 03486121), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. **Creation of Charge / Security on movable and immovable properties of the Company.**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** in terms of the provisions of Section 180 (1) (a) of the Companies Act, 2013, in addition to and not in supersession of resolutions passed by the members earlier, approval of the members of the Company be accorded for creation of security by way of mortgage / charge / or otherwise encumber all or any of the assets of the Company whether movable or immovable and whether present or future by way of a charge in favour of or for the benefit of one or more Bank(s) / Financial Institution(s) / NBFCs / other lenders [hereinafter collectively referred to as "Lenders"] providing financial facilities to the Company provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said financial facilities for which the charge created / to be created, shall not, at any time, exceed ₹250 Crores with such ranking of charge and on such other terms and conditions as may be agreed to by one or more of the Lenders.

   RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to finalise the arrangement with one or more of the Lenders and to give effect to the creation of the aforesaid security and to execute all such other deeds or documents connected therewith and ancillary thereto, which may be deemed necessary to give effect to the aforesaid resolution and filing of all forms with the government authorities including the Registrar of Companies and make the necessary entries in the statutory records together with all forms and documents and to do all such acts, deeds and things as may be deemed necessary and expedient in this regard."

By Order of the Board

Rama Kant
Company Secretary & Compliance Officer
(FCS 4818)

Registered office
Duncan House
31, Netaji Subhas Road,
Kolkata – 700 001
CIN: L74999WB2017PLC219355
E-mail: spencers.secretarial@rpsg.in
Website: www.spencersretail.com

Kolkata, June 15, 2021

NOTICE TO MEMBERS (Contd.)

NOTES:

1. A Statement pursuant to Section 102 of the Companies Act, 2013, ("Act") setting out material facts relating to the Special Business under Item No. 3 to be transacted at the AGM is annexed hereto.
2. A. Pursuant to the General Circular numbers 14/2020, 17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 respectively issued by Ministry of Corporate Affairs (MCA), Government of India, and Circular number SEBI / HO / CFD / CMD1 / CIR / P / 2020 / 79 dated May 12, 2020 and SEBI / HO / CFD / CMD2 / CIR / P / 2021 /11 dated January 15, 2021 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), Companies are allowed to hold AGM during the calendar year 2021 through VC / OAVM.

   B. AGM through VC/OAVM:

   a) Members are requested to join the AGM on Wednesday, August 18, 2021 through VC / OAVM mode latest by 12.15 p.m. IST by clicking on the link https://www.evoting.nsdl.com/ under members login, where the e-Voting Event Number (EVEN) of the Company will be displayed, by using the remote e-Voting credentials and following the procedures mentioned later in these Notes. The said process of joining the AGM will commence from 11.30 a.m. IST and may be closed at 12.45 p.m. IST, or, soon thereafter.

   b) The facility of attending the AGM will be made available to 1000 members on a first-come-first served basis.

   c) Members who would like to express any views or ask question during the AGM may do so in advance by sending in writing their views or questions, as may be, along with their name, DP ID and Client ID number / folio number, email id and mobile number, to reach the Company's email address at spencersagm2021@rpsg.in latest by Friday, August 13, 2021 by 5.00 p.m. IST.

   d) When a pre-registered speaker is invited to raise at the AGM his / her questions, already emailed in advance as requested in para (c) above, but he / she does not respond, the turn will go to the next pre-registered speaker to raise his / her questions. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with stable internet speed.

   e) The Company reserves the right to restrict the number of questions / speakers, as appropriate, for smooth conduct of the AGM.
3. SEBI has decided that securities of listed companies can be transferred only in dematerialised form and therefore, members are advised to dematerialise as early as possible the shares of the Company held by them in physical form.
4. The Register of Members of the Company will remain closed from Wednesday, August 11, 2021 to Wednesday, August 18, 2021, both days inclusive.
5. All documents referred to in the Notice are also upload on the Company's website and can be accessed at www.spencersretail.com.
6. **Instructions for attending the AGM**

   (i) In view of the outbreak of the COVID-19 pandemic, social distancing norm has to be followed and pursuant to the Circulars, physical attendance of the members at the AGM is not required and AGM shall be held through VC / OAVM. Hence, members can attend and participate in the ensuing AGM only through VC / OAVM as mentioned in Note 2(B) above as per the arrangement by the Company with National Securities Depository Limited (NSDL).

   (ii) Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may note the steps mentioned later in these notes for access to NSDL e-Voting system. After successful login, you can see link of "VC / OAVM link" placed under "Join General meeting" menu against Company name. You are requested to click on VC / OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed.

   (iii) 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 to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

NOTICE TO MEMBERS (Contd.)

(iv) Since the AGM will be held through VC / OAVM, where physical attendance of members has been dispensed with, there is no requirement of proxies and hence, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, Bodies Corporate are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-Voting. Corporate Members intending to authorise their representatives to participate and vote at the meeting are requested to send a certified copy of the Board Resolution / Authorisation Letter to the Scrutiniser by e-mail to smguptaandco@yahoo.com with a copy marked to evoting@nsdl.co.in.

(v) The facility of participation at the AGM through VC / OAVM will be made available for 1000 members on first-come-first served basis. This will not include large members (i.e. members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first-come-first served basis.

(vi) In compliance with the Circulars, Notice of the AGM along with the Annual Report for the financial year 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or Central Depository Services Limited ("CSDL") / NSDL ("Depositories"). Members may note that the Notice and Annual Report for 2020-21 will also be available on the Company's website at www.spencersretail.com and websites of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com respectively.

(vii) Members whose email addresses are not registered as above can register the same in the following manner:

a) Members holding share(s) in physical mode are requested to send the following details for registration of their email id: Folio No., Name of shareholder, Mobile no., Email ID, Bank Account details such as Bank and Branch name, Account no. and IFSC Code and self-attested scanned copy of PAN card by email to Spencer's Retail Limited at spencersagm2021@rpsg.in or to the Registrar and Share Transfer Agent ("RTA") of the Company, M/s. Link Intime India Private Limited ("Link Intime") at rnt.helpdesk@linkintime.co.in or upload the same at https://web.linkintime.co.in/emailreg/email_register.html.

b) Members holding share(s) in electronic mode are requested to register / update their e-mail addresses and Bank Account details as mentioned above with their respective Depository Participants ("DPs") for receiving all communications from the Company electronically.

(viii) Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

(ix) Since the AGM will be held through VC / OAVM facility, the Route Map is not annexed to this Notice.

(x) During the AGM, members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon logging to the NSDL e-Voting system at https//www.evoting.nsdl.com.

(xi) Members who need assistance before or during the AGM can:

a. Send a request at evoting@nsdl.co.in or use Toll free no.: 1800 1020 990 / 1800 224 430, or

b. Contact Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in.

(xii) Members are encouraged to join the Meeting through Laptops for better experience. When the meeting is in progress, please keep your device under 'Mute' mode, except when you have pre-registered yourself as a speaker and are invited to speak at the AGM.

(xiii) 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.

(xiv) Institutional Investors who are Members of the Company, are encouraged to attend and vote in the AGM of the Company through VC / OAVM facility.

7. **INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM THROUGH VC / OAVM ARE AS UNDER:**

   i. Pursuant to the provisions of Section 108 of the Act, 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 ("SEBI Listing Regulations"), the Company is providing the 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 entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting vote by a member using remote e-Voting system during the meeting on the date of the AGM will also be provided by NSDL.

   ii. The remote e-Voting period begins on Saturday, August 14, 2021 at 9:00 a.m. (IST) and ends on Tuesday, August 17, 2021 at 5:00 p.m. (IST). During this period, Members of the Company, holding shares in the physical or dematerialised form, as on the cut-off date of Wednesday, August 11, 2021, may cast their votes by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, August 11, 2021. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

   iii. The Members, whose name appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) may cast their vote electronically.

   iv. A person who is not a Member as on the cut-off date should treat this Notice of the Fourth AGM for information purpose only.

A. How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

a) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility,** please 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 the option against Company name under **e-Voting service provider - 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.
	2. If the user is 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

NOTICE TO MEMBERS (Contd.)

	3. 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 hold 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.
	4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote.
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (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(s).

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders 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 toll free no.: 1800 1020 990 and 1800 224 430
Individual Shareholders 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 022- 23058738 or 022-23058542-43

b) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders 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.
4. 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***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use 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 email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email 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 email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. 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.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. 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.

a) 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 General 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.

General Guidelines for shareholders

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/ Authorisation Letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to smguptaandco@yahoo.com with a copy marked to evoting@nsdl.co.in.

2. Any person holding shares in physical form and non-individual shareholders, who acquires share(s) of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Wednesday, August 11, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA. However, if you are already registered with NSDL for remote e-Voting, then you can use your existing user ID and password to cast your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 224 430 . In case of Individual Shareholders holding securities in demat mode 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 i.e. Wednesday, August 11, 2021 may follow steps mentioned in the Notice of the AGM under Step 1 "Access to NSDL e-Voting system" (Above).

NOTICE TO MEMBERS (Contd.)

3. 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.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 224 430 or send a request to Ms. Pallavi Mhatre, Manager, NSDL, Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400013 through email at evoting@nsdl.co.in

Process for those shareholders whose email 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 share(s) are held in physical mode, please provide Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN Card by email to Company's Registrar & Transfer Agent, Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in or the Company at spencers.secretarial@rpsg.in.
2. Members holding share(s) in electronic mode are requested to register / update their e-Mail addresses as mentioned above with their respective Depository Participants ("DPs"). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 2 (B) i.e. Login method for e-Voting and jointly virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

B. 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/ shareholders, 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. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

8. **Other Instructions**:

a) The voting rights of the members shall be in proportion to their shares on the paid-up equity share capital of the Company as on the cut-off date, i.e., Wednesday, August 11, 2021.

b) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.

c) Mr. S.M.Gupta, Practicing Company Secretary, (Membership No. FCS 896) has been appointed as the Scrutiniser to scrutinise the Remote e-Voting process and casting vote through the e-Voting system during the Meeting in a fair and transparent manner.

d) The Scrutiniser shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutiniser's Report.

NOTICE TO MEMBERS (Contd.)

e) The Results of voting will be declared within 2 working days from the conclusion of AGM. The declared results along with the Scrutiniser's Report will be available on the website of the Company at www.spencersretail.com and also on the website of NSDL. Such results will also be displayed on the Notice Board at the Registered Office of the Company and shall be forwarded to NSE and BSE.

Registered office
Duncan House
31, Netaji Subhas Road,
Kolkata – 700 001
CIN: L74999WB2017PLC219355
E-mail: spencers.secretarial@rpsg.in
Website: www.spencersretail.com

Kolkata, June 15, 2021

By Order of the Board

Rama Kant
Company Secretary & Compliance Officer
(FCS 4818)

Pursuant to Regulation 26(4) and 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings, the particulars of the aforementioned Director seeking re-appointment at the AGM are given below:

Mr. Shashwat Goenka

Name of Director	**Mr. Shashwat Goenka DIN: 03486121** Non-Executive Non-Independent Director
Date of birth	12.04.1990 (31 Years)
Date of appointment	14.11.2018
Expertise in specific functional areas	Mr. Shashwat Goenka, is a Director of the Company and Sector Head-Retail & FMCG of the RP-Sanjiv Goenka Group. Currently, he is Chairing FICCI's Young Leaders Forum and Chair for CII's National Retail Committee on Retail. He is also the youngest President of Indian Chamber of Commerce (2017-2018). He graduated from The Wharton School, University of Pennsylvania.
List of other directorships held	• CESC Limited; • Phillips Carbon Black Limited; • Firstsource Solutions Limited; • RPSG Ventures Limited (Formerly known as CESC Ventures Limited); • Spencer International Hotels Limited; and • Retailers Association of India
Chairman/Member of the Committees of Board of Directors of the Company	• Audit Committee – Member • Stakeholders Relationship Committee – Member • Corporate Social Responsibility Committee – Member • Risk Management Committee - Chairman

NOTICE TO MEMBERS (Contd.)

Chairman/Member of the committees of board of directors of other Indian public limited companies in which he is a director –	Firstsource Solutions Limited ● Corporate Social Responsibility Committee* ● Risk Management Committee* ● Investment Committee* ● Strategy Committee* Phillips Carbon Black Limited ● Corporate Social Responsibility Committee RPSG Ventures Limited ● Stakeholders' Relationship Committee ● Corporate Social Responsibility Committee* ● Risk Management Committee*
Shareholding in the Company (as on March 31, 2021)	75,756 Equity Shares
Relationship with other Directors, Managers and KMPs	Except Mr. Shashwat Goenka being the appointee, and Dr. Sanjiv Goenka, being related to Mr. Shashwat Goenka, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the Resolution as set out at Item No. 2 of the Notice.
Board Meetings attended during financial year 2020-21	Five (5)
Terms and conditions of appointment or re-appointment	Liable to retire by rotation.
Details of remuneration / sitting fees sought to be paid and the remuneration / sitting fees last drawn	Mr. Shashwat Goenka shall be entitled to sitting fees for attending meetings of the Board and Committees thereof as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time. The details of remuneration / sitting fees paid to Mr. Shashwat Goenka during financial year 2020-21 have been disclosed in the Corporate Governance Report of the Company.

*Chairman of the Committee

NOTICE TO MEMBERS (Contd.)

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS UNDER ITEM No. 3 AS SET OUT IN THE NOTICE CONVENING THE FOURTH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON WEDNESDAY, AUGUST 18, 2021

In the second AGM held on July 19, 2019, members had approved a Special Resolution for creation of security by way of a mortgage and / or hypothecation over all movable and immovable properties of the Company with such ranking of the said security as may be agreed with the lenders concerned, in respect of various financial facilities for an amount aggregating upto ₹ 350 Crores (Rupees three hundred and fifty Crores only).

In view of Company's existing and future fund requirements to support its business operations, the Company proposes to seek approval of the members for creation of similar security for availing of additional financial facilities of a further amount of ₹ 250 Crores (Rupees two hundred and fifty Crores only) from Financial Institutions, Banks, NBFCs and other Lenders (hereinafter collectively referred to as "Lenders"). The security will be created in favour of the Lenders with such ranking of charges and on such terms and conditions as may be agreed by one or more of the Lenders.

The Special Resolution as set out under Item No. 3 of the Notice is for obtaining the approval of the Members in terms of the provisions of Section 180(1)(a) and other applicable provisions of the Act to enable the Company to create the aforesaid mortgage and / or charge.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the said Resolution.

Accordingly, the Board recommends that the said Special Resolution as appearing in item no. 3 of the Notice be passed by the Members.

Registered office

Duncan House
31, Netaji Subhas Road,
Kolkata – 700 001
CIN: L74999WB2017PLC219355
E-mail: spencers.secretarial@rpsg.in
Website: www.spencersretail.com

Kolkata, June 15, 2021

By Order of the Board

Rama Kant
Company Secretary & Compliance Officer
(FCS 4818)

BOARD'S REPORT

Dear Members,

The Board of Directors ("Board") have the pleasure in presenting the Fourth Annual Report on the business and operations of the Company together with the audited financial statements of the Company for the financial year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The Company's financial performance (Standalone and Consolidated) for the year ended March 31, 2021, are summarised below:

(₹ Lakhs)

Particulars	Standalone		Consolidated	
	FY2020-21	FY2019-20	FY2020-21	FY2019-20
Revenue from operations and other income	2,11,613.21	2,40,283.86	2,48,146.90	2,67,662.64
Earnings before interest expenses, tax, depreciation and amortisation (EBITDA)	4,710.08	10,881.36	6,134.79	8,913.17
Finance costs	6,886.27	6,087.09	9,134.19	8,195.36
Depreciation and amortisation	10,616.93	10,496.18	13,421.03	13,814.87
Loss before tax	(12,793.12)	(5,701.91)	(16,420.43)	(13,097.06)
Tax expenses	-	-	(35.25)	(18.69)
Loss after tax	(12,793.12)	(5,701.91)	(16,385.18)	(13,078.37)
Other comprehensive income /(loss)	(66.56)	(141.80)	(65.42)	(58.55)
Total comprehensive loss for the year	(12,859.68)	(5,843.71)	(16,450.60)	(13,136.92)

The financial statements have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 ("Act"), as amended, read with Companies (Accounts) Rules, 2015.

PERFORMANCE OVERVIEW

Spencer's Retail Limited ("SRL" or "Spencer's"), the retail arm of RP-Sanjiv Goenka Group, opened 14 stores {12 in SRL and 2 in Natures Basket Limited (NBL)} spanning around 1.09 lakh square feet (1.01 lakh in SRL and 0.08 lakh in NBL) of retail space during the year. The stores cater to essentials such as groceries, fresh products, general merchandise, personal care products, apparel and accessories, consumer durables and other lifestyle products.

Spencer's has shown immense resilience in tackling the pandemic-related ongoing crisis. The financial year under review was a challenging year. We witnessed multiple intermittent lockdowns, disrupting business across all our stores. The Company created a Business Continuity Plan and formed a dedicated committee to monitor the situation. More than 90% of our stores were operational during the lockdown which helped us to serve the nation during such a global healthcare crisis, while taking all necessary precautions.

Our financial results for the year reflects the impact of the intermittent lockdowns. First quarter sales were significantly subdued. Thereafter, we witnessed significant quarter-on-quarter recovery in our business but owing to limited operating hours and restrictions on selling of higher-margin non-essential items (apparels, general merchandise and other non-food items) our revenues and margins were impacted. As at the end of March 31, 2021, our consolidated revenue stood at ₹ 2,42,807 Lakhs.

As part of our cost-efficiency enhancing measures during the pandemic, we re-designed and re-engineered most of the contracts with our partners, thereby enabling us to save costs.

While working on minimising the impact through actions above, we continue with our strategy to focus on higher margin non-food categories. Though they were impacted sharply during the year, they are crucial for pivoting the business model to significant profitability.

BOARD'S REPORT (Contd.)

Apart from our focus on higher margin non-food items, the second piece of our strategy is to build a significant "Out of Store" business. We also made investments to strengthen our mobile application and technology. We increased our local consumer connect using "Stores as hubs" and via hyper local approach for our "Out of Store" business.

DIVIDEND

In view of the accumulated losses, the Board of Directors of the Company has not declared any dividend for the financial year ended March 31, 2021.

As required under the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations") Dividend Policy of the Company has been uploaded on the website of the Company and can be accessed at http://www.spencersretail.com/investor.

COVID-19 PANDEMIC

Due to outbreak of COVID-19 globally and in India, the Company has made an assessment of likely adverse impact on economic environment in general, and financial risks on account of COVID-19. The Company is in the business of organised retail which majorly deals with essential commodities. Accordingly, it has been assessed that there is no major impact on the business of the Company since in nation-wide partial lockdown in different periods during the year, the business in essential commodities was not restricted and the requirement of delivery of essential commodities at doorstep had also increased significantly. The Company has tied up with various service providers to make available the essential products to reach its customer's places, aligned with its suppliers and transporters to have a continuous supply of products and keep them available at the Company's stores and warehouses.

MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with Regulation 34(2)(e) of the SEBI Listing Regulations, a separate section on the Management Discussion and Analysis (Annexure-A), as approved by the Board of Directors, which includes detailed review of operations, performance and future outlook of the Company, is annexed hereto and forms a part of this report.

CORPORATE GOVERNANCE

It has been the endeavor of the Company to follow and implement best practices in corporate governance, in letter and spirit. A separate Report on Corporate Governance (Annexure-B) alongwith Additional Shareholder's Information (Annexure-C), as prescribed under SEBI Listing Regulations, together with a certificate from Company's Secretarial Auditor confirming compliance, are annexed to this report.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the extract of Annual Return as on March 31, 2021 is available on the website of the Company at http://www.spencersretail.com/investor.

BUSINESS RESPONSIBILITY REPORT

A detailed Business Responsibility Report (Annexure-D) as required under Regulation 34(2)(f) of the SEBI Listing Regulations, is annexed hereto and forms a part of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In terms of the provisions of Section 152 of the Act and Article 100 of the Articles of Association of the Company, Mr. Shashwat Goenka (Director Identification Number 03486121), retires by rotation and, being eligible, offers himself for re-appointment.

Suitable resolution for re-appointment of Mr. Shashwat Goenka has been included in the Notice of the Fourth Annual General Meeting (AGM).

The details on Director's re-appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors, and also remuneration for Key Managerial Personnel and other employees forms a part of the Corporate Governance Report of this Report.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees received by them.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Act and the SEBI Listing Regulations.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, names of Independent Directors of the Company have been included in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

During the year, there was no change in the Key Managerial Personnel of the Company.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the year under review, five Board meetings were held, the details of which are given in the Corporate Governance Report forming a part of this report.

SHARE CAPITAL

As on March 31, 2021, the paid up share capital of the Company post Rights Issue was ₹ 50,06,60,045 comprising 9,01,32,009 equity shares of ₹ 5/- each and 5,00,000 preference shares of ₹ 100/- each. The equity shares of the Company are presently listed with the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

LISTING

The Company had, voluntarily delisted its equity shares from The Calcutta Stock Exchange Limited ('CSE') with effect from November 23, 2020 as there has been no trading in the equity shares of the Company listed on CSE. The equity shares of the Company are continued to be listed on BSE and NSE. The Company has paid the requisite listing fees to the Stock Exchanges up to the Financial Year 2021-22.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from public / Members under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. The Company does not have any unpaid / unclaimed deposits as on March 31, 2021

STATUTORY AUDITOR AND AUDITOR'S REPORT

As per the requirement of section 139(2) of the Act, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005), was appointed as the Statutory Auditor of the Company for a term of five consecutive years at the Third Annual General Meeting of the Company held on August 03, 2020. The Statutory Auditor has confirmed that they are in compliance under the provisions of the Act to continue as Auditor of the Company.

The notes on the financial statement referred to in the Auditors report are self explanatory and do not call for any further comments. Further, the Auditor's Report does not contain any qualification, adverse or disclaimer remark. No fraud has been reported by the auditor.

SECRETARIAL AUDIT AND AUDITOR'S REPORT

The Board had appointed M/s. S. M. Gupta & Co., Company Secretaries (Membership No. FCS 896), to conduct Secretarial audit of the Company for the financial year 2020-21.

Secretarial audit of secretarial and related records of the Company was conducted by the aforesaid auditor and a copy of the secretarial audit report is annexed and forms a part of this report (Annexure-E). Secretarial Audit Report of Natures Basket Limited, material unlisted subsidiary of the Company, is also attached (Annexure-E1). Neither of the above Secretarial audit reports contains any qualifications, reservations or adverse remarks or disclaimer.

BOARD'S REPORT (Contd.)

SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standards i.e. SS-1 and SS-2 relating to Meetings of the Board of Directors and General Meetings respectively, issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Act.

RELATED-PARTY TRANSACTIONS

All the Related-Party Transactions (RPT) entered into during the financial year were at arm's length basis and were in the ordinary course of business and as per the RPT policy of the Company. Hence, the provisions of Section 188 of the Act, as amended, are not attracted. Further, all the RPTs are placed before the Audit Committee for review and approval and prior omnibus approval was obtained for RPT which were repetitive in nature. Thus, disclosure in Form AOC-2 is not required. Further, there were no material significant Related-Party Transaction(s) during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

The policy on RPT as approved by the Board is posted on the Company's website and may be accessed at http://www.spencersretail.com/investor.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year under review, the Company has complied with the provisions of Section 186 of the Act in respect of loans given and investments made. Details of Loans and Investments are given in the notes to financial statements. Further the Company has not given any guarantee or provided any security during the financial year.

COMMITTEES OF THE BOARD

At present, the Board has five committees:

1) Audit Committee,
2) Nomination and Remuneration Committee,
3) Stakeholders' Relationship Committee,
4) Corporate Social Responsibility Committee and
5) Risk Management Committee (Constituted on June 15, 2021)

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report section of this Report.

The Company has adopted a Code of Conduct for its Directors and senior management personnel including the Managing Director and the Executive Directors. The same can be accessed using the following https://spencersretail.com/investor.

All Directors and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for Directors and Senior Management.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Act, your Directors, to the best of their knowledge and belief, confirm that:

a) in the preparation of the accounts for the financial year ended March 31, 2021, the applicable Indian accounting standards have been followed along with proper explanation relating to material departures, if any;

b) appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the period;

c) proper and sufficient care has been taken for the maintenance of 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 and during the year under review, neither the statutory auditors nor the secretarial auditors reported to the Audit Committee of the Board, any instances of fraud committed against the Company by its officers or employees.

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

e) internal financial controls laid down by the directors have been followed by the Company and that such internal financial controls were adequate and operating effectively; and

f) proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

BOARD EVALUATION

Pursuant to the provisions of the Act, SEBI Listing Regulations and Circulars and Guidance Notes issued by SEBI, the Board had carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

At a separate meeting of Independent Directors, the performances of Non-Independent Directors, the Board as a whole and the Chairman were evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

CRITERIA ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES AND REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the SEBI Listing Regulations, Nomination and Remuneration Committee (NRC) is responsible for determining qualifications, positive attributes and independence of a Director. NRC is also responsible for recommending to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted the Policy on Remuneration for Directors, Key Managerial Personnel and other employees.

RISK MANAGEMENT

The Company has laid out a proper mechanism to identify the elements of business and other risks and a risk management system to ensure compliance with the applicable laws and relevant standards. Detailed discussion on risk management is covered in Management Discussion and Analysis and Report on Corporate Governance, which form part of the Annual Report.

The senior management assists the Board in its oversight of the Company's Management on key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risks management framework.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Act and the rules made thereunder, the Company has revised the Corporate Social Responsibility ("CSR") Policy as amended on January 22, 2021 by Ministry of Corporate Affairs (MCA), a brief outline of which along with the required disclosures is annexed (Annexure-F) as a part of this Report.

The aforesaid CSR Policy has also been uploaded on the Company's website at http://www.spencersretail.com/investor.

VIGIL MECHANISM / WHISTLE-BLOWER POLICY

Pursuant to the guidelines laid down under Section 177 of the Act, Rules made thereunder and SEBI Listing Regulations, the Company has a Whistle-blower policy (vigil mechanism) in place for reporting genuine concerns pertaining to any instances of irregularity, unethical practice and/or misconduct. The details of the said policy have been disclosed in the Company's website at http://www.spencersretail.com/investor. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company through Company Secretary for redressal of their grievances. No person has been denied access to the Chairman of the Audit Committee, and no such reporting took place during the year.

BOARD'S REPORT (Contd.)

ANTI-SEXUAL HARASSMENT POLICY

The Company has in place an anti-sexual harassment policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, covering all employees of the Company. An internal committee has been set up for this purpose. During the year, there was no complaint received by the committee.

SUBSIDIARIES

As on March 31, 2021, the Company had two wholly-owned subsidiaries, Natures Basket Limited and Omnipresent Retail India Private Limited. Out of these two subsidiaries, Natures Basket Limited is the material subsidiary of the Company.

In terms of the provisions of Regulation 24(1) of the SEBI Listing Regulations, appointment of the Independent Director of the Company on the Board of material subsidiaries was not applicable to Natures Basket Limited.

The Company has prepared a consolidated financial statements for the Company and its subsidiaries in the form and manner in compliance with the applicable Indian accounting standards and the SEBI Listing Regulations and the same has been audited by S. R. Batliboi & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company.

The audited consolidated financial statements for the financial year 2020-21 forms a part of the Annual Report and shall be laid before the Members of the Company at the Annual General Meeting. Further, the Auditor's Reports of subsidiaries do not contain any qualifications, adverse or disclaimer remarks. Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Furthermore, pursuant to the provisions of Section 136 of the Act said, the said financial statements of the Company and the consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company at http://www.spencersretail.com/investor. Shareholders desirous of obtaining the Accounts of the Company's subsidiaries may obtain the same upon request.

COST RECORDS

Neither maintenance of cost records nor audit of cost records as required under Section 148 of the Act read with relevant rules made thereunder is applicable to the Company.

EMPLOYEE STOCK OPTION

The Company has formulated Spencer's Employee Stock Option Plan 2019 ("ESOP Scheme") for benefit of its employees as per applicable regulations of Securities and Exchange Board of India as amended from time to time and the said schemes are in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, [SEBI (SBEB) Regulations] as applicable.

The purpose of above ESOP Scheme is to provide the employees with an additional incentive in the form of options to receive the equity shares of the Company at a future date and reward them for their continuous hard work, dedication and support.

Under the aforesaid ESOP Scheme, the NRC of the Board of Directors at their meeting held on June 26, 2020, approved the grant of 1,20,000 options to the eligible employees under the Employee Stock Option Scheme. These options granted are being implemented through a trust viz. Spencer's Employee Benefit Trust ("Trust") in accordance with the provisions of SEBI (SBEB) Regulations and involves the secondary market acquisition of the Company's equity shares by the Trust from the Stock Exchanges. Details with respect to employee stock options under the ESOP 2019 as at March 31, 2021, are provided in the table below:

Sl. No.	Particulars	Number of Equity Shares / Options
1	Total number of options outstanding at the beginning of the year	Nil
2.	Total number of options granted under ESOP Scheme during the year	1,20,000
3.	Options vested during the year	NIL
4.	Options exercised during the year	NIL
5.	Options lapsed or forfeited during the year	NIL
6.	Total number of options outstanding at the end of the year	1,20,000

BOARD'S REPORT (Contd.)

A certificate from S.R.Batliboi & Co. LLP, Statutory Auditors, with respect to the implementation of the Company's Employee ESOP scheme can be accessed upon logging to the NSDL e-voting system as mentioned in the Notice of AGM.

AWARDS AND RECOGNITIONS

The Company has been a proud recipient of numerous awards and recognitions during the year 2020-21. The significant ones amongst them are listed hereunder:

- Certified as a Great Workplace by Great Place to Work Institute, India
- India Retail champions for Food & General Retail (Large format over 5,000 sq.ft.) powered by RAI at Bhartiya City Centre
- Winner for Apprenticeship Leader by Nexus Malls Retail Awards 2020
- Contracted Highest Apprentices In Retail (CHAIR) Award at News Mall Retail Awards 2021

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company that have occurred between the close of the financial year ended March 31, 2021, and the date of this Board's Report. The year was a year of restructuring for retailers. However, the annual online shopping has increased significantly, because of higher number of people working from home due to pandemic. There was a significant drop in physical footfall in retail outlets owing to pandemic. Our "Out of Store" initiatives, including E-Commerce, Phone Delivery, WhatsApp ordering brought many shoppers online and thus overall order position witnessed a spike. There was a change in the consumer buying behaviour from offline to online owing to safety offerings and better convenience. Going forward in 2021-22, the industry is expected to stabilise and witness many businesses adopting an Omni-channel approach. Also, higher number of COVID-19 cases, have led to consumers' hesitation to return to in-store shopping. This could be one of the important factors to empower online industry growth.

However, future performance will depend on when the pandemic fades and normalcy returns, which remains uncertain. At the same time, the risks and impact on the Company's different businesses will vary based on the industry, their target markets and the nature of operations. These risks and the approach of each of these businesses to mitigate them have been covered in their respective sections in the Management Discussion and Analysis which forms part of this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the Regulators, Courts and Tribunals impacting the going concern status and the Company's operations in future.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of the business of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains adequate internal control systems in all areas of its operations. The services of internal and external auditors are sought from time to time as well as in-house expertise and resources. The Company believes that it has sound internal control systems commensurate with the nature and size of its business. The Company continuously upgrades these systems in line with best-in-class practices.

These reports and deviations are regularly discussed with the Management Committee members and actions are taken, whenever necessary. The Audit Committee of the Board periodically reviews the adequacy of the internal control systems.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under sub-section (3)(m) of Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed hereto and forms part of this Report (Annexure-G).

BOARD'S REPORT (Contd.)

PARTICULARS OF EMPLOYEES

As required under the provisions of Section 197 of the Act and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, requisite particulars of the employees forms a part of this Report. However, as per the provisions of Section 136 of the Act, the Annual Report and Accounts are being sent to all the members of the Company excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary of the Company through email on spencers.secretarial@rpsg.in.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed hereto and forms part of this Report (Annexure-H).

INDUSTRIAL RELATIONS

Industrial relations in the Company, during the year, continued to be cordial. A detailed section on the Company's Human Resource initiatives is forming part of the Management Discussion & Analysis.

GREEN INITIATIVES

The Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including Annual Report etc. to shareholders at their e-mail address already registered with the Depositories ("DP") and Registrar and Transfer Agents ("RTA").

To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's RTA / DP for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

Pursuant to the MCA Circulars and SEBI Circulars and in view of the prevailing situation of the Pandemic, owing to the difficulties involved in dispatching of the physical copies of the Notice of the fourth AGM and the Annual Report of the Company for the financial year ended March 31, 2021, including therein the Audited Financial Statements for the financial year 2020-21, the afore-mentioned documents are being sent only by email to the Members.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the valuable services rendered by the employees of the Company, across all levels. The Directors would also like to express their appreciation to bankers, regulatory authorities, trade suppliers, customers, financial institutions and shareholders for their continued support and cooperation.

On behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN 00074796)

Kolkata, June 15, 2021

MANAGEMENT DISCUSSION AND ANALYSIS

(Annexure 'A' to the Board's Report)

Spencer's Retail Limited ('Spencer's', 'SRL' or 'the Company'), a part of the RP-Sanjiv Goenka Group ('RPSG Group', 'RP-SG Group' or 'the Group'), is a multi-format business retail industry in India. Along with its Subsidiaries, the Company operates across various categories such as Staples, Fast-Moving Consumer Goods (FMCG), including food items like Beverages, Fruits & Vegetables, Fish & Meat and non-food items such as Fashion, General Merchandise, Personal Care, Home Essentials and Electrical Electronics. The Company has also established a differentiated recall through a speciality section comprising Spencer's Gourmet, Patisserie, Wine and Liquor. Our wholly owned subsidiaries include Nature's Basket Limited, a one-stop destination for multi-cuisine cooking needs and a preferred destination for gourmet & gifting, and Omnipresent Retail India Private Limited which serves our customers through Omni-channel presence at chosen geographies.

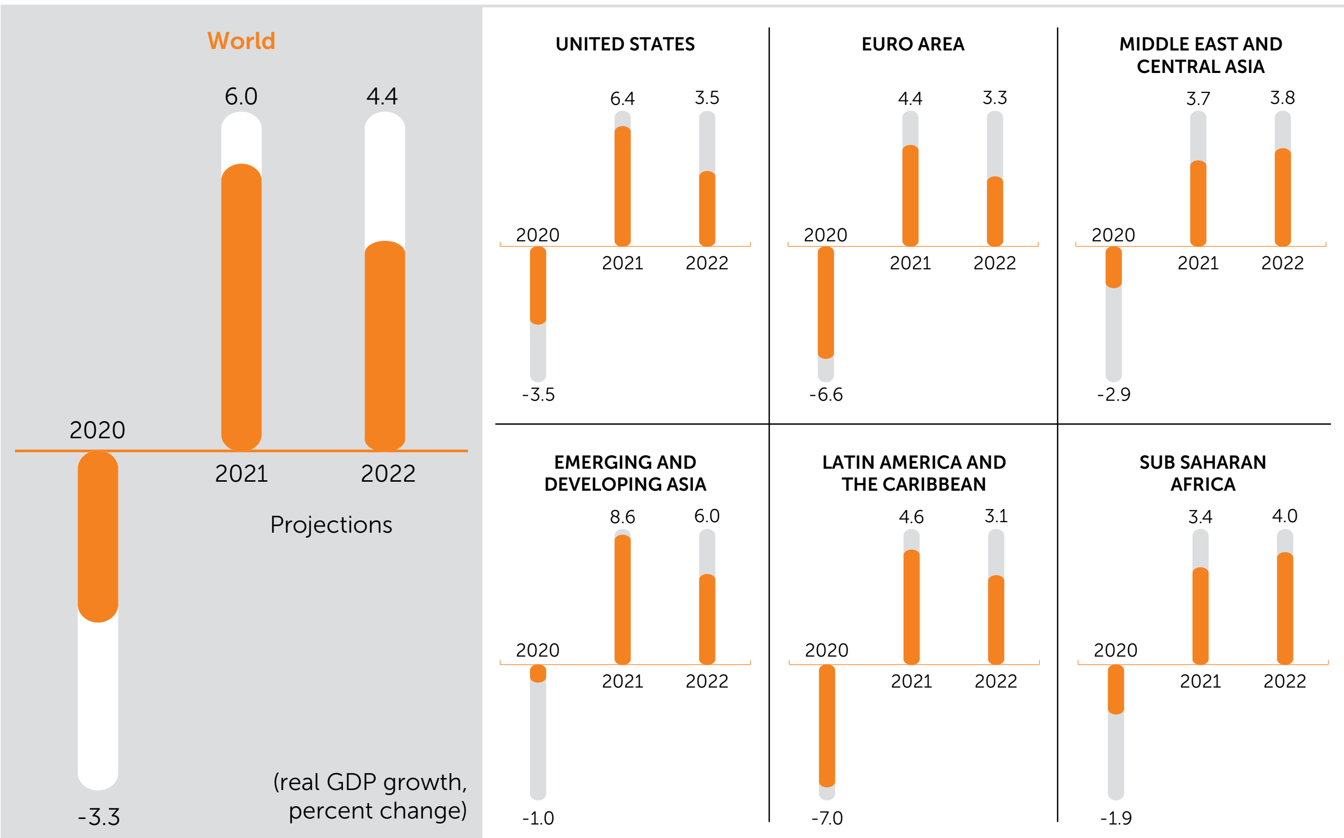
GLOBAL ECONOMY

The year 2020 started with a slowdown in global GDP growth because of a multitude factors, only further aggravated by the outbreak of the COVID-19 pandemic. Globally, Governments declared lockdowns with various other restrictions on economic activities to curb the impact of the virus – leading to a contraction of 3.5% in the global economy. The lockdown majorly impacted international trade, slowing down freight and logistics movement while also pulling the oil and metal prices down. Supply chain disruptions and announcement of policy restrictions during the early part of the pandemic severely impacted food prices, while making its easy availability a cause for concern for most of the world economies. Governments across the world intervened with various fiscal and monetary measures to protect businesses and people from economic disruptions. Tax cuts, investment incentives, changes in tax-filing deadlines, and strengthening health infrastructure, among others, were some of the measures initiated. Most economies reciprocated to the Government measures positively, leading to some rebound.

In a year battered by a major global health crisis, certain other prominent events affected the world. However, with the easing of lockdowns, most economies gradually opened up, albeit, in a staggered manner.

Outlook

The economic systems are gradually adapting to the new normal, with inoculation drives being implemented the world over, boosting economic prospects. Thus, leading towards recovery of overall demand and consumption growth. This could turn the tables favouring most economies and help gather an economic growth momentum across countries. We are already witnessing a synchronised global effort to fight the pandemic, which is eventually likely to lead to a rebound in the emerging markets as well in the advanced economies in 2021. In accordance, the global Gross Domestic Product (GDP) is estimated to witness a 6% growth in 2021. In line with this, a few major GDPs are expected to bounce back. The Emerging and Developing Asian market is estimated to grow at 8.6%, followed by the US with 6.4%. The European region is projected to grow at 4.4%.



(Source:https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021

INDIAN ECONOMY

The financial year 2020-21 was a roller-coaster ride for the Indian economy. It started with declining GDP growth, growing unemployment and slowdown in various sectors. The outbreak of COVID-19 in early 2020 and the resultant lockdown to restrict further spread, brought the economy to a standstill. The Government, however, at different intervals during the pandemic, announced various measures: In Q1 of FY20-21, a number of measures were undertaken to arrest the economic downslide resulting from lockdowns. The Government stepped forward with schemes like the Pradhan Mantri Garib Kalyan Anna Yojana – a food scheme covering about two-thirds of the population; support for the MSME sector through provision of collateral-free loans with an allocation of ₹ 3 lakhs Crores; partial credit guarantees to help NBFCs; concrete actions to boost employment amongst others. Besides, the cushion of massive forex reserves, gave the Reserve Bank of India (RBI) enough room to cut rates at different phases during the fiscal year.

Further, to provide additional relief to the economy, the Government announced a ₹ 20-Lakh-Crore (estimated at 10% of the GDP) stimulus package under the Aatmanirbhar Bharat scheme in the Q2, with an aim to make self-reliant, resilient India. Together, these resulted in a low cost of capital and positioned Indian businesses well to accelerate their capital investments. After two consecutive quarters of negative growth, the economy posted positive numbers in the Q3 of 2020-21.

In Q4 of 2020-21, improved demand and consumption aided strong output. Similarly, the private sector and Government-backed capital spending took off sharply for the first time in the pandemic-hit year. Inflation was on a higher side in 2020, and according to Statista, the average inflation rate for the year 2020 stood at 6.2%. The food inflation witnessed an increasing trend, to reach a six year high in October 2020, having stood at 11.07%. Whereas, in March 2021 food inflation stabilised to 4.94%. This was on account of a demand-supply mismatch, with the latter aggravated by a disrupted supply chain, labour shortage and higher transportation costs. Subsequently, however, there was a recovery in production with the Purchasing Managers Index (PMI) for manufacturing in March 2021 being recorded at 55.4. Yet, with the rise of the second wave of COVID-19 in March 2021, the nation is cautiously optimistic.

Outlook

The Indian economy is estimated to be one of the fastest-growing economies globally in 2021, with a GDP growth of 12.5% according to the IMF. A few downside risks such as rising inflation, wider fiscal deficit and newer COVID-19 wave could, however, dampen this growth projection. The recovery would majorly depend on how fast the population gets inoculated.

(Source: https://timesofindia.indiatimes.com/business/india-business/imf-projects-indias-growth-rate-to-jump-to-impressive-12-5-in-2021/articleshow/81933929.cms)

INDIAN RETAIL INDUSTRY

The Indian Retail Industry is one of the most dynamic and fastest-growing industries in India. In terms of market size, currently, India is the world's fifth-largest global destination in the retail space. The sector contributes to over 10% of India's GDP and generates 8% of total employment. It offers various durable and non-durable products, including food & beverages, electronic appliances and apparels and so on. According to the Retailers' Association of India (RAI), the Indian Retail Industry has more than 15 million traditional and modern retailers.

(Source: https://www.indiaretailing.com/2020/04/22/fashion/lockdown-2-0-impact-of-covid-19-on-indian-fashion-retail/).

Spencer's take

Spencer's has pioneered as a multi-format modern retailer and marked its presence in the Indian organised retail industry.

The Company provides an assortment for both food and non-food items fulfilling various customer needs and provides seamless shopping experiences across Spencer's and Nature's Basket.

According to Forrester Research, India's retail market was worth $883 billion in 2020, of which grocery retail accounted for $608 billion. Most of India's grocery retail comes from *kirana* shops, small-and mid-sized mom-and-pop outlets. These *kiranas* constitute 75-78% of the retail industry. Supermarkets account for about 12-15% of consumer goods sales. Mini-supermarkets have also been on the rise, catering for the demands of urban shoppers who buy supplies in smaller volumes daily. Additionally, there is e-commerce which has seen a phenomenal growth of late and currently accounts for about 5-7% of the Indian retail industry.

(Source: https://retail.economictimes.indiatimes.com/news/industry/indian-retail-a-nearly-900-billion-market-dominated-by-mom-and-pop-stores/81626606)

Spencer's take

Spencer's serves its customers through Large-format and Small-format stores. The Company generates 81% of its revenue from the Large-format stores and 19% from the Small-format ones. Additionally, the Company has widened its presence in Out-Of-Store service, including E-commerce sales. Further, Spencer's subisidiary Nature's Basket, contributed ~15% to the total revenue in the previous year.

Outlook

The pandemic has made it imperative for retailers to go beyond normal channels and adopt a 'OMNI-Channel' approach – converging sales through both digital and brick-and-mortar shops.

The amalgamation of offline and online services will steer the Indian retail industry, going forward. It is expected to surpass the $1.70-trillion mark by 2026 – an increase of over 80% compared to 2018.

(Source: https://www.statista.com/statistics/1021352/india-organized-retail-market-value/)

Spencer's take

The future of retail is 'OMNI-Channel', converging sales through both physical stores and online. Retailers with unique and differentiated positioning will continue to do well. Organised retailers are likely to benefit with consumers tilting towards organised space. The Company is continuously enhancing its omni-channel approach and strengthening its 'Out-Of-Store' delivery channels to continue to co-serve with brick-and-mortar channels. A significant traction has been witnessed in the Out-Of-Store channel post the COVID-19 outbreak, which can be largely attributed to a switch to higher home deliveries, on account of lower physical store visits and quest for higher convenience. The Company has already been offering online shopping options through its website and mobile app. During 2020-21, it also pioneered in Phone and WhatsApp Chatbot ordering, along with various tie-ups, including Uber, Swiggy, Dunzo, RWAs and others to strengthen its Out-Of-Store channel. Spencer's have witnessed 6.5x growth in their E-commerce Business from 2018-19 and 4.5x growth from 2019-20.

INDIAN ORGANISED RETAIL INDUSTRY

Organised retailing refers to trading activities undertaken by licensed retailers. It comprises modern retailing with multi-stored malls, shopping malls complexes and hyper and supermarket, offering a wide variety of products. The sector majorly generates its revenue from Food & Grocery, while other contibutors to the industry include Apparel and Footwear, FMCG and IT, Jewellery and Accessories, Health and Entertainment amongst many others.

65% Food & Grocery

10% Apparel & Footwear

5% Home Decor & Personal Care

10% Accessories & Entertainment

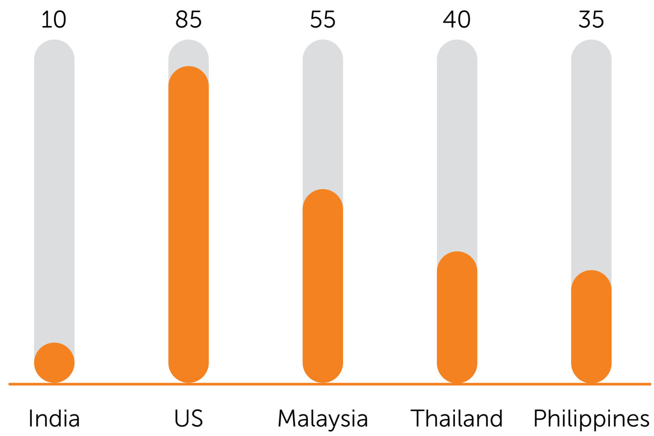
10% FMCG IT & Others

India ranks 2nd in the Global Retail Development Index (GRDI) in 2019 – an annual study that ranks the top 30 developing countries for retail expansion worldwide. This growth is primarily attributed to the developments in the 'organised retail' space, including large-scale chain stores operating using modern retail management techniques like time management systems, better in-store experiences for customers, integrated supply chain management systems, using AI and ML and other effective technological tools amongst others. The traditional *kirana* shops have largely dominated the Indian retail market in the past. Now, many organised retailers are tying up with these stores, helping them enjoy a more comprehensive geographical presence. This, while also increasing the portfolio of offerings to the customer. On the other hand, it is also helping small shops with a digital presence to expand beyond their typical catchment areas. However, lately, the organised retail industry has undergone some significant changes to become one of the fastest-growing segments in India. Strong internet penetration, changing demographic profile, brand consciousness, urbanisation, entry of foreign retailers, value for money and different shopping experiences were some of the reasons behind such a propel in demand.

(Source: https://rai.net.in/images/insights/RAI-Anarock%20Retail%20Report.pdf)

Despite all these changes taking place in the Indian retail segment, India's organised market's retail share stands at a mere 10% in 2021. It is highly under-penetrated compared to other markets such as the US and Malaysia, having penetration levels of 85% and 55%, respectively. This bodes well and gives room for expansion to the Indian players to penetrate deeper into the market.

Organised Market's Retail Market Share (%)



(Source: https://www.business-standard.com/article/companies/share-of-organised-retail-space-to-touch-19-by-2020-in-india-anarock-119012600396_1.html)

The spread of the COVID-19 pandemic impacted almost all industries across the world. However, the 'organised retail' space witnessed an upswing fuelled by the demand for essential items such as food, drugs and household basics. Besides, in contrast, there was a plunge in demand for recreational, luxury, and other non-essential items. People preferred not to indulge in leisure activities, gatherings, and events because of various uncertainties, leading to this dip.

(Source: https://www.financialexpress.com/money/organised-retail-e-commerce-to-rise-exponentially-amid-fear-of-contagion/2094123/)

Spencer's take

Opportunity for 'uniquely positioned' retailers

Out of the total organised retail share market, Spencer's currently caters to ~72% of the segments. These comprise Food and Grocery, Apparels, General Merchandise, Consumer Durables, Mobile and IT, Furniture and Household items and Footwear. Amongst these, the Grocery segment, having an overall market penetration of only ~ 5%, provides a massive headroom for growth for modern trade. And, at Spencer's, we are poised to benefit out of the same.

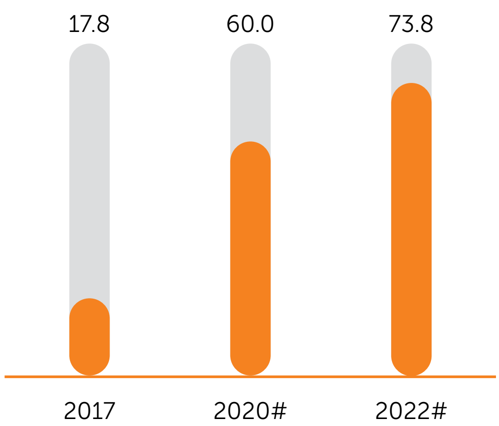
(Source: CRISIL Research % Share is calculated for FY 2018-19)

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Outlook

Going ahead, shoppers and businesses would prefer organised retail owing to factors such as Cleaner and Hygienic shopping spaces, Growing Discretionary Incomes, inclination towards Quality Products, Urbanisation and other factors. These factors, along with personalised services, E-commerce growth, ease of payment modes, are expected to increase the share of the organised retail market from 9% in 2017 to 18% in 2021. Parallelly, the *kirana* stores also contribute equally to the growth of the retail market, as they continue to co-exist with large retail. Besides, the market size of online retail in India is expected to increase going forward.

Online Retail in India (US$ billion)



(Source: IBEF, 2021)

Spencer's take

Spencer's is adept with the growing industry trends. The Company is growing and enhancing its customer reach by opening new stores at different locations, expanding into the untapped regions. The strategic acquisition of Nature's Basket in July 2019 has enabled us to expand reach in Maharashtra and other western Indian markets. The Company has opened 12 new SRL + 2 new NBL stores, adding more than ~1.09 lacs sq.ft during the year. The Company currently undertakes various in-store initiatives to offer a superior in-store customer shopping experience, while complementing its Out-Of-Store initiatives as well. The Company keeps evaluating its stores and have closed down seven loss making stores which didn't have much potential.

New stores opened during 2020-21

12 in Spencer's

2 in Nature's Basket

The Company takes utmost care towards maintaining excellent Hygiene and Cleanliness at all its stores – right from the lead up sidewalks, to in-store cleanliness, to employee hygiene. Post the COVID-19 outbreak, the Company is taking utmost care and higher caution to ensure timely sanitisation of the stores.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

OPPORTUNITIES FOR THE INDIAN ORGANISED RETAIL INDUSTRY

Changing consumer preferences

Consumers today prefer modern retails such as shopping malls, departmental stores, and supermarkets over traditional stores when it comes to shopping. Modern Retail formats offer a better consumer experience throughout the shopping journey. These formats also continuously look to enhance the experience via customer feedback and surveys, thereby gathering consumer insights helping formulate its strategies.

Spencer's take

Spencer's is fulfilling the changing consumer preferences by providing a great customer experience. The Company offers a range of products under one roof to meet all customer requirements, also offering well-differentiated, unique and diversified Private Brands. Besides, Spencer's also ensures a superior in-store experience through ambient, well-lit stores, standardised scientific store layouts to ensure higher cross-selling, benchmarking processes to ensure price competitiveness, great personalised offers and low queue waiting times, amongst others.

Correction in real estate prices

Demand for real estate and rented properties has fallen majorly owing to COVID-19. Today, real estate continues to remain unattractive for investors due to low yields. These have resulted in a drop in real estate prices – giving retailers room to renegotiate the rent price with owners.

Spencer's take

All stores of Spencer's are leased out. In the financial year 2020-21, the Company managed to reduce its rental costs through multiple rounds of negotiations.

saving ₹ ~9.3 Crores for Spencer's and ₹ ~3.9 Crores for Nature's Basket

Under-penetrated market

Compared to developed and developing nations, India's low share of organised retail underlines the vast untapped potential. Consumption patterns have witnessed a dramatic shift over the last decade, with higher demands coming from many cities such as Asansol, Bhimavaram, Dhanbad, Guntur, Hyderabad, Lucknow and Noida. Therefore, these regions look promising for retailers such as Spencer's, who are looking forward to expand and penetrate.

Spencer's take

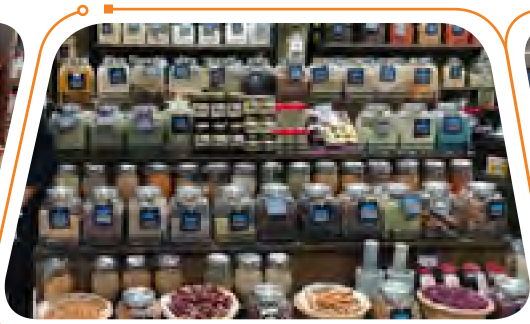
Spencer's already has a wide presence in India in high growth territories and aims to reach further by leveraging the existing presence and opening stores at untapped locations, across cities and towns, owing to the growing demand there. The aim is to open stores, which have long-term viability and profitability.

OMNI Channel model

The rise in 'Digital Natives' and tech-savvy customers augurs well for retailers embracing data-driven and advanced analytics and prediction technology. Often there are multiple entrances for stores of organised players that ensure distancing. Thus, organised retailers favour the 'Online + Offline' model, as they are equipped with the best physical and technological infrastructure and capabilities.

Catering to 3,600+ Societies

36+ Cities



Spencer's take

Spencer's is focused on becoming a truly omni-channel organised retailer. The Company has undertaken a hyperlocal approach, reaching out to the customers directly. At the same time, it is also engaged in contactless delivery through 'Out-Of-Store' mediums, while taking benefit of the E-commerce growth wave. The Company has also attained a better customer reach with introduction of new brands, products, marketplaces and serving in newer geographies.

Value-creation capability

The organised retail sector operates on a larger scale with mass procurement and sales of products. Moreover, organised retailers offer branded and decent-quality products at reasonable prices. These give them an excellent scope to strengthen the relationship with stakeholders – right from negotiating deals with suppliers, retaining customers, to attracting investors.

Spencer's take

Spencer's believes in creating value for each and every stakeholder it caters to. It serves its customers better through quick out-of-store service – delivering goods at the doorstep and within specified timelines. During the pandemic, Spencer's made sure its customers get the essentials for which the Company has strategic tie-ups such as Uber, Swiggy, Rapido and many others. Further, it has enhanced its reach through a large Residential Welfare Association (RWA) programme, setting up deliveries to reach out to residential societies, and ensure smooth supply to overcome lockdown restrictions.

Safety of employees and customers shall remain the most important endeavour of the Company. With regards to the employees, during the pandemic, the Company provided financial protection to frontline employees through COVID insurance, medical care facilities, and arranging hospital facilities for those in need. It also provided meal-on-site facilities, along with pick-up facilities for them to commute to the stores. Large number of employees have been vaccinatied for free and the drive is continuing.

Demographical advantage

India's middle-aged population is growing and constitutes about 50% of the total population. At present, 58% of the population is between 15 and 54 years of age. A median age of 29 years, along with growing prosperity, and a corresponding increase in aspirational consumption, have brought about a retail revolution in the country. The proportion of nuclear households is also increasing and has reached 70%, with a projected increase to 74% by 2025. Nuclear families generally tend to spend 30% more per capita than joint families. The number of middle-class consumers in India is also growing rapidly. With rising consumer demands and higher disposable incomes, consumers have been spending more. Nowadays, consumers expect quality products at affordable prices.

(Source: https://www.cushmanwakefield.com/-/media/cw/apac/india/insights/research/retail-white-paper.pdf)

Spencer's take

The Company believes that the population aged between 18 and 35 years, look for stores which not only provide best in class value to its customer but also a superior service experience and they account for ~71% of household income for which the Company is coming out with various offers to increase the customer base.

A wide range of products at affordable prices remains the USP of Spencer's. It has carved out a niche through its positioning 'Makes Fine Living Affordable', which is a precis of the Company's philosophy of delighting shoppers with the best products and services that enhance fine living at reasonable prices in a friendly retail environment. Right price and various offers from Spencer's and Nature's Basket have helped the Company to attract consumers.

Growing consumption

According to the World Economic Forum's report, India's consumer market is poised to become the third largest consumer market followed by the US and China. The report also states that the consumer spending in India is expected to grow to USD 6 trillion by 2030. The growing consumption is driven by growing households income.

(Source: https://www.outlookindia.com/outlookmoney/talking-money/indias-consumption-story-a-quick-look-4171)

Spencer's take

Changing consumption creates opportunities for organised retailers such as Spencer's. To grab the opportunity, the Company is trying to enhance its reach through various platforms including digital. Spencer's is continuously placing its offerings to the customers and also has in place marketing strategies that help increase the brand recall and create brand awareness.

Threats

COVID changing demographical structure

The COVID-19 pandemic has impacted many lives. People moved to their native places from big cities after the pandemic outbreak. Besides, the year also witnessed a significant impact on the income levels, with households reporting a fall in income by about 45.7% in mid-April, 2021. Going forward, this can have a medium-term impact majorly on the consumption of non-essential items in the country.

Spencer's take

There were some challenges associated with the offtake of some non-essential items, owing to restrictions on selling of non-food and intermittent lockdowns and the change in overall purchase demographics. However, the Company always believe in offering its products at competitive price ranges, along with multiple product offerings under a particular range.

Aggressive expansion

Inadequate research on store expansion, can lead to retailers opening outlets at unfeasible locations. This can result in low accessibility, visibility, and traffic, affecting the overall operational performance.

Spencer's take

Growing our stores by 1-2 Lakhs sq.ft. every year

Spencer's aspires to grow by 1-2 lacs sq.ft. every year. It tries to get a foothold in those geographies where stores can earn higher revenue and footfall. The Company is expanding its presence in its existing clusters. This will also help it leverage its back-end capabilities by optimising its operational and marketing cost. Through thorough research on all fronts, the Company ensures that the stores are opened only in viable locations.

Price war

Price wars can offer short-term solutions in beating peers and pushing up the sales volume. However, it can have adverse long-term effects on profitability, price erosion and customer loyalty. Competition can have an impact on the price margins as well.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Spencer's take

The strong distribution network of Spencer's provides an option to purchase the product directly from manufacturers. This helps retain competitive pricing as many intermediatories are eliminated, giving the Company a competitive edge.

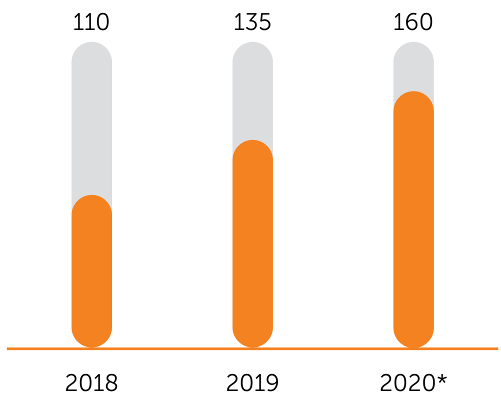
INDIAN E-COMMERCE SCENARIO

Over the last few years, India's e-commerce market has been growing with the increasing internet penetration. Further, the outbreak of COVID-19 provided a filip to the E-commerce Industry. The retail sector witnessed a transformation with a higher number of people stuck at home due to the pandemic. There was a change in the consumer buying behaviour from offline to online owing to higher convenience and safety offerings. In line with the prevailing trend, the Indian E-commerce segment is expected to grow 40% in 2020, grossing $38 Billion Gross Merchandise Value (GMV), up from $27 billion in 2019. *(Source: http://www.fnbnews.com/Top-News/ecommerce-may-become-one-of-the-major-growth-drivers-for-fmcg-in-2021-63838).* This growth is not only limited to metros and big cities but the platform is also gaining popularity in Tier-II cities, and beyond. In fact, they now make up for around 66% of India's total online consumer demand, while the rest of India contributes 34%.

(Source: https://www.thenewsminute.com/article/tier-2-cities-smaller-towns-now-contribute-66-e-commerce-demand-india-report-131315)

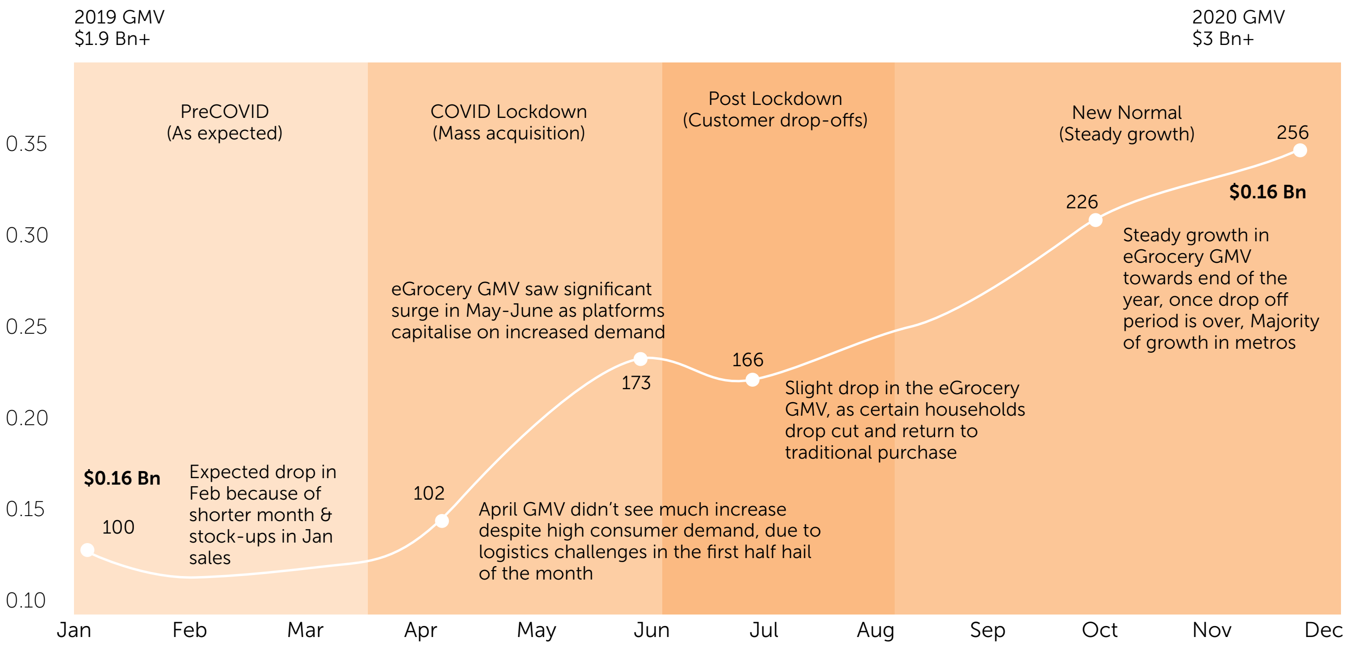
The online retail segment in India is estimated to constitute 25% of the total organised retail market in the financial year 2020-21. It is expected to reach 37% by 2030 due to the blending of physical retail with the digital world *(Source: https://www.investindia.gov.in/sector/retail-e-commerce/e-commerce).* Over the years, the E-commerce platform has become a conducive ground for testing various business models with the long-term aim of maximising customer's value for money. It provides ample opportunities for retailers to acquire new customers, engage better with existing ones, reduce the cost of operations, along with

Annual Online Shoppers (In Million)



(Source: https://www.thehindubusinessline.com/info-tech/pandemic-tailwinds-push-e-commerce-growth-estimate-to-40-in-2020/article32620816.ece)

E-Commerce Grocery Market Trend 2020 Timeline



various other benefits that have a positive influence from a revenue and margin viewpoint.

Additionally, efficient, quick and reliable logistics network have further enabled the e-commerce platforms to grow from here.

The annual online shopping increased from 110 Million in 2018 to 160 Million in 2020. Going ahead, in 2021-22, the industry will witness many businesses adopting an omni-channel approach. Also, the higher number of COVID-19 cases has led to consumers' hesitance to return to in-store shopping. This hesitance could further also dent the E-commerce industry as rising COVID-19 cases can impact household income. The E-grocery market performed well during the year 2020. In February and mid-March 2020, there was a marginal drop in sales because of stock-ups. Further, the outbreak of COVID-19 moved the nation towards strict lockdowns. This led to demand-side growth for grocery items. However, it could not be fully capitalised by the market due to supply chain disruptions. There was a boost in the e-grocery segment for the month of May and June 2020 owing to supply chain revival to some extent. Upon gradual lifting of the lockdowns in a staggerd manner, there was a marginal drop owing to certain households moving towards the conventional purchase methods. However, because of the ease and convenience offered, there was a transition of customers towards e-platform, and the e-grocery market observed a demand uptick.

(Source: https://www.consultancy.in/news/3408/indias-food-grocery-market-to-reach-790-billion-by-2024#:~:text=A%20new%20RedSeer%20Consulting%20report,from%20%24300%20billion%20to%20%24600.&text=Growing%20at%20a%20compound%20annual,food%20%26%20grocery%20market%20by%202024)

Spencer's take

Gross Merchandise Value Grew by 6.5X from 2018-19, 4.5X from 2019-20

Spencer's had already commenced its journey as an omni-channel player a few years ago, catering to the customers' needs through its stores, E-commerce Websites and Mobile Application. However, the COVID-19 outbreak, provided huge opportunity and enabled the Company to leverage digital platform and take its omni-channel presence to the next level. The Company utilised the year to increase its investments in mobile application and set up the relevant infrastructure. In addition to this, the Company commenced accepting orders through WhatsApp Chatbot, along with its other digital mediums. This shift helped Spencer's to amplify its Out-Of-Store reach further. The Company is well focused to adapt the E-commerce platform for enhancing its customer reach and create a robust logistic network for efficient and quick deliveries.

GROWTH DRIVERS OF E-COMMERCE INDUSTRY IN INDIA

Advancements in technology adoption

Indian internet users are estimated to have reached from about 68.75 Million users in 2020 to 1 Billion by 2025 *(Source: https://www.business-standard.com/article/technology/india-at-49th-spot-on-internet-inclusion-globally-facebook-study-121041500983_1.html)* . Similarly, Indian smartphone users are expected to jump from about 696 Million in 2020 to nearly 974 Million by 2025. *(Source: https://www.statista.com/statistics/269487/top-5-india-smartphone-vendors/#:~:text=The%20number%20of%20smartphone%20users,nearly%20974%20million%20by%202025).* The increasing proliferation of smartphones and access to the internet through broadband, 4G , among others, is expected to lead to an increase in the online consumer base. As a result, the E-commerce consumer base is also expected to witness a subsequent rise.

Spencer's take

Through the Company's Omni-Channel network, the Company aims to capture this shift to purchases through the E-commerce routes, and thereby directly connect with the consumers. To enhance customer experience, Spencer's invested in a touchscreen-driven point-of-sale tool, making it possible for consumers to scan available merchandise faster. The app was also enhanced to provide a "Click & Pick" feature to enable the consumers to pick up the orders from the nearby stores. Spencer's consumers are offered with contactless door-step deliveries, paperless e-Invoices and digital payments through 3rd party payment gateways.

Shopping experience

E-commerce gives price-conscious consumers the option to filter the products from cheapest to most expensive. These filters not only help save consumers' time and cost, but also 'humanises' the online-shopping experience, meeting users' real-life expectations and requirements.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Spencer's take

Spencer's has always striven to provide a greater shopping experience through an extensive product range and a great in-store experience. With varieties of products under a given SKU, the customer has to his/her disposal, a one-stop-shop.

The Company has a multilingual supporting Call Centre comprising associates who are handling customer feedback and queries across all stores. It has different channels like Tollfree Number, Email, Website, Social Media Platforms, Digital YVM and NPS through which customers can reach the Company. Thus, the Company ensures it reaches out to a wider audience, help them with their queries and feedback and ensure giving them a better shopping experience everytime. This back-end support has really helped the Company to reach out to all its customers.

E-commerce promotes savings culture

Markets where the population saves more tend to spend more online. In India, household savings have been declining steadily between 2014 and 2019. Surprisingly, it surged in 2020 to reach $200 Billion in extra savings – a 20-year high. Such savings-aware consumers are generally value-conscious. They actively pursue good deals. This is reflected by the incredible success of India's E-commerce festive sale season from October 15 to November 15 in 2020. The gross sales for brands reached $ 8.3 Billion (about ₹ 58,000 Crores), up by 65% from $ 5 Billion (₹ 35,000 Crores) last year.

Spencer's take

Bank accounts are crucial for the vast majority of E-commerce purchases. Credit and Debit Cards, mobile Wallets and UPI are the most popular ways to make online purchases. Spencer's provides various digitals options including Internet Banking, debit and credit card payments and payments though mobile wallets as well. The Company also offers payment options where many offers, cashbacks and discounts are given. The Company provides great discounts and cashbacks on different products on timely basis.

(Source: https://retail.economictimes.indiatimes.com/news/e-commerce/e-tailing/indias-e-commerce-festive-season-sees-usd-8-3-bn-worth-gross-sales-report/79457822)

COMPANY OVERVIEW

Spencer's Retail Limited, a part of the RP-Sanjiv Goenka Group, is a multi-format modern retailer in India, headquartered at Kolkata. The Company provides merchandise across various categories such as FMCG, including food items, and non-food items like Fashion, Staples, General Merchandise, Personal Care, Home Essentials, Electrical & Electronics. The Company also has established a differentiated recall through speciality section comprising Spencer's Gourmet, Patisserie, Wine and Liquor, and the recently launched Epicuisine.

Spencer's runs over 197 Stores (164 SRL and 33 NBL) stores in India, including Nature's Basket, which is present in over 41 Indian cities. The Company operates two distinct retail formats – Large-format stores and Small format. Small-format stores cater to the daily and weekly top-up shopping needs of consumers and range up to 5,000 sq.ft in size. Large-format stores have a store size of greater than 5,000 sq.ft.

OPERATIONAL PERFORMANCE

During 2020-21, the Company's Consolidated Revenue from Operations stood at ₹ 2,428 Crores and Gross Margins at 20.40%. Prior to the pandemic, more than 90% of the Company's business came from brick-and-mortar model. However, there was a significant drop in physical footfall in retail outlets owing to the COVID-19 outbreak. It brought many shoppers online and thus witnessed a spike in orders through Mobile App, Phone Delivery and WhatsApp. Online sales channels have proven considerably effective in terms of cost optimisation while giving scope for margin improvement.

During the first half of 2020-21, the Company witnessed a huge demand for food products, whereas sales of non-food items were subdued as there was restriction on selling of non-food. Though after September 2020, the Company experienced a surge in sales of non-food items, it was yet to reach the pre-pandemic level, at the time of reporting. The expansion plans for brick-and-mortar stores re-gathered steam post Diwali, as opportunities started outweighing short-term instability. Going ahead, other strategic plans such as focusing on optimal-sized formats, increasing non-food offerings, inclusion of margin-accretive private brands and catering to the omni-channel business mix, will all remain a priority.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

FINANCIAL REVIEW

Financial Results	Standalone for the year ended March 31		Consolidated for the year ended March 31	
	2021	**2020**	**2021**	**2020**
Turnover (Including other Income) (₹ in Lakhs)	**2,11,613**	2,40,284	**2,48,147**	2,67,663
Return on Equity (%)	**(0.37)**	(0.14)	**(0.88)**	(0.48)
Net Assets Value per Share (₹)	**38.23**	49.70	**20.67**	34.44
Earnings per Share (₹)	**(14.81)**	(7.06)	**(18.99)**	(16.19)

DETAILS OF SIGNIFICANT RATIO CHANGES

Standalone

	2020-21	2019-20	% change	Reason for Change
Inventory Turnover (Days)	42.00	36.00	0.17	
Interest Coverage Ratio	(6.25)	0.48	(13.96)	Loss of EBIT due to restriction on selling of non-food items due to pandemic.
Current Ratio	0.61	0.72	(0.15)	
Debt Equity Ratio	0.10	0.08	0.25	Increase in borrowings during the year and increase in YoY losses due to pandemic
Debtors Turnover	6.00	9.00	(0.33)	Well managed our receivables and cleared old dues
Operating Profit Margin (%)	(0.03)	0.00	(18.59)	Loss of trading hours and restriction on selling of high margin non-food categories
Net Profit Margin (%)	(0.06)	(0.02)	1.57	
Return on Net Worth (%)	(0.37)	(0.14)	1.57	
EPS	(14.81)	(7.06)	1.10	

Consolidated

	2020-21	2019-20	% change	Reason for change
Inventory Turnover	41.00	35.00	0.17	These ratios are not comparable, since for previous year 2019-20, NBL numbers are only for 9 months
Interest Coverage Ratio	(3.83)	(2.95)	0.30	
Current Ratio	0.59	0.67	(0.12)	
Debt Equity Ratio	0.53	0.40	0.33	
Debtors Turnover	4.00	9.00	(0.56)	
Operating Profit Margin (%)	(0.03)	(0.02)	0.62	
Net Profit Margin (%)	(0.07)	(0.05)	0.36	
Return on Net Worth (%)	(0.88)	(0.48)	0.84	
EPS	(18.99)	(16.19)	0.17	

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

RISK MANAGEMENT

Spencer's has a robust risk-management framework that prevents actual or potential risks. The Company aggregates all the information related to risks using digital tools, external evaluations and audits. The Company's senior management assesses department-wise risks, which are further reviewed by the Board of Directors for creating appropriate risk-mitigating strategies.

Risks	Description	Mitigation
Pandemic Risk	New COVID-19 waves may lead to store closures or result in lower footfalls. The Company has a business continuity plan to smoothly run its business.	Compared to other industries, the impact of lockdown was lower for us, as it has essential products as part of its offerings. 90% of stores were operational during the lockdowns. Omni-channel network, which has been strengthened in the last one year, also helped mitigate this risk, owing to increased customer reach through online E-commerce channels. Further, the Company strictly follows all the COVID-19 precautionary measures like temperature check-ups at the entrance and maintaining social distancing at stores, enabling it to safely operate amid the pandemic. The Company has a Business Continuity Plan in place to mitigate any such risk.
Inventory Risk	Unavailability of stock inventory could dissatisfy customers, and this can increase the likelihood of them shopping at competitor stores.	Store operations and supply chain teams work together and monitor the stock levels regularly. The Company's flexible inventory process helps ensure real-time reports of the inventory. Spencer's also reviews the most relevant data points, enabling it to predict inventory levels better. Thus, helping report inadequate storage of products to suppliers and vendors immediately.
Supply Chain Risk	The Company could be impacted in the event of disruption to logistics' arrangements and distribution channels, which could lead to supply-side delays.	The Company closely works with suppliers in a number of territories to reduce the risks of disruption. Spencer's has its own distribution centres and has third-party supply chain management arrangements for logistical support. It uses different models to forecast inventories. The Company has a robust inventory management system and forecasts its inventory efficiently. As the Company is dealing with 'essentials', this early forecasts, help maintain demand and supply balance.
Competitive Risk	The retail industry is highly competitive and dynamic. Therefore, the Company competes with a wide variety of retailers of varying sizes.	The Company continuously seeks to differentiate itself through Private Brand programmes. Moreover, it looks to retain and acquire new customers through various offers and campaigns. In July 2019 Spencer's acquired Natures Basket which has complemented Spencer's brand and helped enhance its product range. Spencer's also has speciality sections – Spencer's Gourmet, Patisserie, Wine and Liquor, and Epicuisine section. These sections are the Company's key differentiators in its stores.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Risks	Description	Mitigation
Compliance Risk	The Company realises that failure to comply with ethical standards could expose the business to reputational risk and loss of goodwill. One of the biggest risks affecting reputation is the potential that Material Non-Public Information ('MNPI') may be misused, leading to a charge of insider trading.	Regulatory requirements are closely monitored by the Secretarial team having a rich experience and expertise. Moreover, the Company has a 'Whistle-blower Policy' that allows employees to raise concerns in confidence. The Company has developed an in-house tool for Insider Trading Compliance as mandated by SEBI and also implemented a Compliance Management tool in its continuous endeavour to improve Corporate Governance. The Company also has in place a 'Code of Conduct' to regulate, monitor and report trading by insiders in compliance with the SEBI's Prohibition of Insider Trading.
IT Risk	The Company is dependent on the suitability of a number of critical IT systems where any sustained performance problems, including those caused by cyberattack, could potentially affect the operational capabilities of stores, centres warehouses and distribution systems.	The Company reviews its IT security systems on an ongoing basis. These systems are supported by a number of disaster recovery arrangements with appropriate firewalls in place.
Quality Risk	Ineffective product quality and services could lead to a loss of trust and confidence in customers.	The products are rigorously tested for quality and safety by dedicated quality teams. Also, customer complaints are considered as purest form of quality control. For this, the service team is trained to listen to them carefully and promptly resolve their issues.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

HUMAN RESOURCE MANAGEMENT

Spencer's believes that maximising the energy, skills and potential of each employee will help ensue sustainable growth. The Company is committed to having a healthy and supportive work environment. To follow this, the Company keenly listens to individual concerns and addresses the issues raised through various surveys and feedbacks. The Company empowers employees in a way that encourages behaviour resulting in better performances and value addition for customers. The Company promotes diversity and is striving to establish a corporate culture that embodies mutual respect. It allows employees to play active roles in a workplace that promotes personal growth, diverse values, conducive work environment - free of discrimination and harassment. As on March 31, 2021, the Company's total number of talent pool stood at 5,097, out to which about ~25% are women. Spencer's pays special attention to women empowerment for which various training programmes such as Saheli and Naari Shakti are conducted for the women employees. Spencer's have also hired people from National Apprenticeship Promotion Scheme (NAPS).

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Spencer's intricate internal control systems ensure efficient use of resources and compliance with established policies, procedures and statutory requirements. It has developed well-documented guidelines, procedures for authorisation and approvals, including regular audits. The Company has a well-established internal audit framework that covers all aspects of financial and operational controls, across units, functions and departments. It also has an efficient financial reporting system in place. Spencer's internal audit team actively engages in the review and improvement of various functions of the Company.

CAUTIONARY STATEMENT

The statements in the Management Discussion and Analysis section describing the Company's objectives, projections, estimates and prediction may be considered as forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the Company's strategy for growth, product development, market positioning, expenditures and financial results, are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievement may thus differ materially from those projected in such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement on the basis of any subsequent developments, information or events. To avoid duplication and repetition, certain heads of information required to be disclosed in the Management Discussion and Analysis have been included in the Board's Report.

On behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN - 00074796)

Kolkata, June 15, 2021

REPORT ON CORPORATE GOVERNANCE

(Annexure 'B' to the Board's Report)

[Pursuant to Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

Company's Philosophy on Corporate Governance

The Company is one of the leading multi-format Omni-channel retailers in India, catering to the needs of the upmarket urban consumers for daily fresh food to international food and ingredients. The Company is committed to continuously upgrade its operations and performance to enhance stakeholders' value. The Corporate Governance framework of the Company is based on an effective and independent Board of Directors. The separation of the supervisory role of the Board of Directors of the Company ("the Board") from the executive management team and constitution of the committees of the Board has been carried out as required under the applicable laws. A robust corporate governance framework has been implemented across the organization so as to sustain and improve, with each passing day, the Company's efficiency, effectiveness and social responsibility. The basic philosophy of corporate governance in the organization emphasizes on maintaining the highest levels of transparency, accountability, awareness and equity across all operational aspects. As a listed Company, Spencer's ensures compliance with all the applicable provisions of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations") pertaining to corporate governance, including the appointment of the Independent Directors and constitution of Committees of the Board. The Board functions independently through its various committees constituted to oversee specific operational areas. The Company's management provides the Board with detailed reports on a periodic basis. The Company continuously endeavours to design and improve the flow of activities in an effective manner and ensure economic prosperity and long-term value creation for the enterprise as well as for the stakeholders. As such, the Company has established fair, transparent and ethical governance practices.

The Company is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). During the year, the Company got delisted from The Calcutta Stock Exchange Limited (CSE) w.e.f. November 23, 2020. A report on the Company's compliance with the Corporate Governance provisions as prescribed under the SEBI Listing Regulations, as amended from time to time, is given hereunder. This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholder Information, reports the status of compliance of Corporate Governance norms of the SEBI Listing Regulations by Spencer's Retail Limited for the year ended March 31, 2021.

COMPLIANCE WITH CORPORATE GOVERNANCE GUIDELINES

The Company is in compliance with the requirements stipulated under Chapter IV read with Schedule V of the SEBI Listing Regulations, as amended from time to time with respect to corporate governance.

A report on the Company's compliance with the applicable Corporate Governance provisions for the financial year 2020-21, is given hereunder.

BOARD OF DIRECTORS

Composition and Attendance

The Board is at the core of the Company's Corporate Governance practices and oversees how the Management serves and protects the long-term interests of all its stakeholders. The Board critically evaluates Company's strategic direction, management policies and their effectiveness.

The Company believes that an active, well-informed and Independent Board is necessary to ensure the highest standards of Corporate Governance.

The Board comprises of an optimum combination of Executive, Non-Executive and Independent Directors. As on March 31, 2021, the Board comprised of eight Directors. The Board is headed by a Non-Executive Non-Independent Chairman, five Non-Executive Directors out of whom four were Independent Directors, including a Woman Director, Managing Director and a Whole-time Director are the two Executive Directors of the Company. The composition of the Board satisfies the requirements of Section 149 of the Companies Act, 2013 ("the Act") as well as Regulation 17 of the SEBI Listing Regulations.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Composition of the Board and attendance record of the Directors are detailed in Table 1 below. None of the Directors is a member of more than ten Board-level Committees of public companies in which they are Directors or is a Chairman of more than five such Committees.

Table 1: Composition of the Board of Directors as on March 31, 2021.

Name of the Directors	Category	No. of other Directorships and Committee Membership / Chairmanships in other Indian Public Companies			Attendance Particulars		
		Director (Note -1)	Member* (Note -2)	Chairman (Note -2)	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at last AGM
Dr. Sanjiv Goenka	Promoter, Non-Executive, Chairman	8	5	3	5	5	Yes
Mr. Shashwat Goenka	Promoter, Non-Executive	5	1	0	5	5	Yes
Mr. Utsav Parekh	Non-Executive, Independent	8	5	3	5	5	Yes
Mr. Pratip Chaudhari	Non-Executive, Independent	8	9	2	5	4	Yes
Ms. Rekha Sethi	Non-Executive, Independent	4	4	0	5	4	Yes
Mr. Debanjan Mandal	Non-Executive, Independent	8	4	1	5	5	Yes
Mr. Devendra Chawla	CEO and Managing Director	1	0	0	5	4	Yes
Mr. Rahul Nayak	Whole-time Director	0	0	0	5	4	Yes

*Members include Chairmanship.

Notes:

1. Directorships held by Directors as mentioned in Table 1 do not include alternate directorships, directorships of foreign companies, Section 8 companies, one person companies and private limited companies.
2. Memberships / Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of public limited companies have been considered.
3. None of the Directors except Dr. Sanjiv Goenka and Mr. Shashwat Goenka are related to each other.
4. The details of the familiarisation programme for Independent Directors are disclosed on the Company's website at http://www.spencersretail.com/investor
5. The Company has in place plans for orderly succession for appointments to the Board of Directors and Senior Management.
6. Independent Directors have confirmed that they meet the criteria of independence u/s 149(6) of the Act and the SEBI Listing Regulations. The Board is of the opinion that the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and are independent to the management. None of the Independent Directors resigned before the expiry of his /her tenure since the last Annual General Meeting of the Company and the maximum tenure of the Independent Directors are in compliance with the Act. The terms and conditions of the appointment of Independent Directors are available on the Company's website at http://www.spencersretail.com/investor.
7. Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board Meetings and Committee Meetings in financial year 2020-2021, were held through Video Conferencing.
8. The Company has proper systems to enable the Board of Directors to periodically review the compliance reports of all laws applicable to the Company.
9. The Chairman of the Company is a Non-Executive Director and is not related to the Managing Director of the Company.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Table: 2 Details of directorship of present Directors in other Listed Entities

Name of the Directors	Directorship in other Listed Entities	Category
Dr. Sanjiv Goenka	a) CESC Limited b) Phillips Carbon Black Limited c) Saregama India Limited d) Firstsource Solutions Limited e) RPSG Ventures Limited	Chairman / Non-Executive / Non-Independent
Mr. Shashwat Goenka	a) Phillips Carbon Black Limited b) Firstsource Solutions Limited c) RPSG Ventures Limited d) CESC Limited	Non-Executive / Non-Independent
Mr. Utsav Parekh	a) Xpro India Limited b) Texmaco Rail & Engineering Limited c) Texmaco Infrastructure & Holdings Limited. d) Smifs Capital Markets Limited. e) Eveready Industries India Limited	Non-Executive / Independent
Mr. Pratip Chaudhuri	a) CESC Limited b) Visa Steel Limited c) Firstsource Solutions Limited d) Cosmo Films Limited e) Muthoot Finance Limited	Non-Executive / Independent
Ms. Rekha Sethi	a) CESC Limited b) Sun Pharmaceutical Industries Limited	Non-Executive / Independent
Mr. Debanjan Mandal	a) Century Plyboards (India) Limited b) Industrial and Prudential Investment Co. Limited c) CESC Limited (w.e.f. May 10, 2021)	Non-Executive / Independent
Mr. Devendra Chawla	NIL	NIL
Mr. Rahul Nayak	NIL	NIL

SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS

As required under the Listing Regulations, the list of core skills/expertise/competencies as identified by the Board in the context of its business and sector for it to function effectively and those available with the Board are as under:

Definitions of skills/expertise/competencies

Financial	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions.
Diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide.
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
Technology	A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Board service and Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
Sustainability and Environment, Social and Governance (ESG)	Experience in leading the sustainability and ESG visions of organizations, to be able to integrate these into the strategy of the Company.
Risk expertise	Experience in identifying and evaluating the significant risk exposures to the business strategy of the Company and assess the Management's actions to mitigate the strategic, legal and compliance, and operational risk exposures.

The details of Directors of the Company who possess those skills/expertise/competencies are as given below:

Director	Financial	Diversity	Leadership	Technology	Board Service and Governance	Sales and Marketing	Sustainability and Environment, Social and Governance (ESG)	Risk Expertise
Dr. Sanjiv Goenka	√	√	√	√	√	√	√	√
Mr. Shashwat Goenka	√	√	√	√	√	√	√	√
Mr. Utsav Parekh	√	√	√	√	√	√	√	√
Mr. Pratip Chaudhari	√	√	√	√	√	√	√	√
Ms. Rekha Sethi	√	√	√	√	√	√	√	√
Mr. Debanjan Mandal	√	√	√	√	√	√	√	√
Mr. Devendra Chawla	√	√	√	√	√	√	√	√
Mr. Rahul Nayak	√	√	√	√	√	√	√	√

BOARD MEETINGS

In the financial year 2020-21, the Board met 5 (five) times on May 11, 2020, June 29, 2020, September 8, 2020, November 5, 2020 and February 11, 2021. During the financial year, atleast 1 (one) meeting was held in every quarter and the intervening period between two Board Meetings is well within the maximum time gap of one hundred and twenty days as prescribed under the SEBI Listing Regulations and Act.

MEETINGS OF INDEPENDENT DIRECTORS

During the financial year 2020-21, Independent Directors met on February 11, 2021 in order to, inter alia, review the performance of non-independent directors including that of the Chairman, assess the effectiveness of flow of information between the Company management and the Board and other related matters. All the Independent Directors attended the said meeting.

INFORMATION PLACED BEFORE THE BOARD

Along with the agenda papers, the Directors are presented with detailed notes including necessary information as required under the Statute and in line with the guidelines on Corporate Governance. These papers are circulated to the Directors well in advance so that they can come prepared at the meetings. The Board periodically reviews compliance reports prepared by the Company regarding all laws applicable to the Company. There has not been any instance of non-compliance.

Important operational matters are brought to the notice of the Board at its meetings and various divisional heads in charge of the Company's operations attend the Board Meetings to provide inputs and explain any queries pertaining to their respective areas of operation to enable the Board to take informed decisions.

CODE OF CONDUCT

The Code of Business Conduct and Ethics ('the Code') relating to matters concerning Board members and Senior Management Personnel and their duties and responsibilities have been meticulously followed. All Directors and Senior Management Personnel have confirmed compliance with the Code for the financial year ended March 31, 2021 in terms of Regulation 26(3) of the SEBI Listing Regulations and a declaration from the Managing Director to that effect is given at the end of this report. The Code is posted on the Company's website http://www.spencersretail.com/investor.

COMMITTEES OF THE BOARD

The Board has five committees namely:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination & Remuneration Committee
4. Corporate Social Responsibility Committee, and
5. Risk Management Committee (Constituted by the Board in its meeting held on June 15, 2021, required as per recent amendment dated May 5, 2021, in SEBI Listing Regulations)

The terms of reference of the Board Committees are governed by relevant Legislations and/or determined by the Board from time to time.

1. AUDIT COMMITTEE

The primary objective of the Committee is to assist the Board with an oversight of:

a) The accuracy, integrity and transparency of the Company's financial statements with adequate and timely disclosures

b) Compliance with legal and regulatory requirements

c) The Company's Independent Auditors' qualifications and independence

d) The performance of the Company's Independent Auditors and internal auditors

e) Acquisitions and investments made by the Company

(i) Composition :

As on March 31, 2021, Audit Committee comprises:

SL.No.	Name of the Director	Category	Member/ Chairman
1.	Mr. Utsav Parekh	Non- Executive Independent Director	Chairman
2.	Mr. Pratip Chaudhuri	Non- Executive Independent Director	Member
3.	Mr. Shashwat Goenka	Non-Executive Director	Member
4.	Mr. Debanjan Mandal	Non-Executive Independent Director	Member

All members of the Audit Committee have accounting and financial management expertise.

(ii) Meetings:

The Committee met four times during the year on June 29, 2020, September 8, 2020, November 5, 2020 and February 11, 2021. The attendance record of the Members at the Meeting is given below in Table 3.

Table 3: Attendance Record of Audit Committee

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Utsav Parekh	Chairman	Non-Executive Independent Director	4	4
Mr. Shahshwat Goenka	Member	Non-Executive Director	4	4
Mr. Pratip Chaudhuri	Member	Non-Executive Independent Director	4	4
Mr. Debanjan Mandal	Member	Non-Executive Independent Director	4	3

The Chief of Finance and representatives of the Statutory Auditor and Internal Auditors are invited by the Audit Committee to its meetings. The Auditor is heard in the meetings of the Audit Committee when it considers the financial results of the Company and Auditor's views thereon. The Company Secretary acts as the Secretary to the Committee.

(iii) Terms of reference

The functions of the Audit Committee of the Company include the following:

(a) oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) provide recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(c) approve payment to statutory auditors for any other services rendered by them;

(d) review 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 of directors report in terms of clause (c) of sub Section 3 of Section 134 of the Act;

   (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 judgment by the management of the Company;

   (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) review, with the management, the quarterly and any other partial year period financial statements before submission to the board of directors for their approval;

(f) review, 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 our board of directors to take up steps in this matter;

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

(h) approve or subsequently modify transactions of the Company with related parties;

(i) scrutinize inter-corporate loans and investments;

(j) provide valuation of undertakings or assets of the Company, wherever it is necessary;

(k) evaluate internal financial controls and risk management systems;

(l) review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(m) review 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;

(n) discuss with internal auditors of any significant findings and follow up there on;

(o) review the findings of any internal investigations by the internal auditors into matters 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;

(p) discuss 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;

(q) 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;

(r) to review the functioning of the whistle blower mechanism;

(s) approve the appointment of the Chief Financial Officer of the Company (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;

(t) oversee the vigil mechanism established by the Company and the chairman of audit committee shall directly hear grievances of victimisation of employees and directors, who use vigil mechanism to report genuine concerns; and

(u) carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board of Directors of the Company or specified/provided under the Act or by the Listing Regulations or by any other regulatory requirement.

(v) Reviewing the utilisation of loans and / advances from investment by the Company in its subsidiaries for an amount exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/ advances / investments.

(w) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

I. Management discussion and analysis of financial position and results of operations.

II. Statement of significant related party transactions, Management letters/letters of internal control weaknesses issued by the statutory auditors.

III. Internal audit reports relating to internal control weaknesses.

IV. The appointment, removal and terms of remuneration of the chief of internal audit function.

V. Whenever applicable, monitoring end use of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc), as part of the quarterly declaration of financial results.

In addition, Audit Committee of the Board is also empowered to review the financial statements, in particular, investments made by the unlisted subsidiary companies, in view of the requirements under Regulation 24 of the SEBI Listing Regulations.

2. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The objective of the Committee is to assist the Board and the Company to oversee the various aspects of interests of stakeholders of the Company such as:

a) Consider and resolve the security holders' concerns or complaints.

b) Monitor and review the investor service standards of the Company.

c) Take steps to develop an understanding of the views of shareholders about the Company, either through direct interaction, analysts' briefings or survey of shareholders.

d) Oversee and review the engagement and communication plan with shareholders and ensure that the views and concerns of the shareholders are highlighted to the Board at the appropriate time and that steps are taken to address such concerns.

(i) Composition :

As on March 31, 2021, the Stakeholders Relationship Committee comprises:

SL.No.	Name of the Director	Category	Member/ Chairman
1.	Dr. Sanjiv Goenka	Non-Executive Director	Chairman
2.	Mr. Shashwat Goenka	Non-Executive Director	Member
3.	Mr. Utsav Parekh	Non-Executive Independent Director	Member
4	Mr. Rahul Nayak	Whole Time Director	Member

The Company Secretary acts as the Secretary to the Committee.

(ii) Meetings:

The Committee met four times on June 26, 2020, September 8, 2020, November 5, 2020 and February 11, 2021. The attendance record of the Members at the meeting is given below in Table 4.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Table 4: Attendance Record of Stakeholders Relationship Committee

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Dr. Sanjiv Goenka	Chairman	Non-Executive Director	4	4
Mr. Shahshwat Goenka	Member	Non-Executive Director	4	4
Mr. Utsav Parekh	Member	Non-Executive Independent Director	4	4
Mr. Rahul Nayak	Member	Whole time Director	4	4

Details of the number and nature of complaints received and redressed during the financial year 2020-21 are given in the section titled "Additional Shareholder Information".

(i) The Company has a User ID and Password in place for logging into the SEBI Complaints Redressal System – 'SCORES' and can view the complaints which have been lodged by the shareholders. The Company ensures that timely redressals are made against any complaints raised by the shareholders relating to registration of share transfers, issue of new share certificates, sub-division or consolidation of shareholdings etc.

(ii) The Chairperson of the Stakeholders Relationship Committee, Dr. Sanjiv Goenka was present at the Third Annual General Meeting of the Company held on August 3, 2020 to answer the queries of the shareholders.

(iii) The Company Secretary attended all the Stakeholders' Relationship Committee Meetings.

(iii) Terms of reference:

The terms of reference of the Stakeholders Relationship Committee include the following:

(a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints;

(b) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(c) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time; Overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and

(d) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Act or SEBI Listing Regulations, or by any other regulatory authority.

For expediting the above processes, the Board has delegated necessary power to the Company Secretary who is also the Compliance Officer.

3. NOMINATION & REMUNERATION COMMITTEE

The objective of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its governance and supervisory responsibilities relating to human resource management and compensation and to ensure a fair, transparent and equitable remuneration to employees and Directors based on quality of people, their performance and capability.

(i) Composition :

As on March 31, 2021, the Nomination & Remuneration Committee comprises:

SL.No.	Name of the Director	Category	Member/ Chairman
1.	Mr. Utsav Parekh	Non-Executive Independent Director	Chairman
2.	Mr. Pratip Chaudhuri	Non-Executive Independent Director	Member
3.	Dr. Sanjiv Goenka	Non-Executive Director	Member

The Company Secretary acts as the Secretary to the Committee.

The committee met once on June 26, 2020. The attendance of members is given below in Table 5:-

Table 5: Attendance Record of Nomination & Remuneration Committee

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Utsav Parekh	Chairman	Non-Executive Independent Director	1	1
Mr. Pratip Chaudhuri	Member	Non-Executive Independent Director	1	1
Dr. Sanjiv Goenka	Member	Non-Executive Director	1	1

(ii) Remuneration Policy :

In accordance with the recommendation of the Committee, the Company has since formulated a Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company. The Committee is also responsible for recommending the fixation and periodic revision of remuneration of the CEO and Managing Director/Whole-Time Director and others KMPs.

(iii) Terms of Reference :

The role of the Nomination & Remuneration Committee includes:

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

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

(c) Devising a policy on Board diversity;

(d) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(e) Analysing, monitoring and reviewing various human resource and compensation matters;

(f) Determining the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(g) Determining remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

(h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(i) Determining 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;

(j) Perform such functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(k) Administering any employee stock option plan ("Plan");

(l) Determining the eligibility of employees to participate under the Plan;

(m) Granting options to eligible employees and determining the date of grant;

(n) Determining the number of options to be granted to an employee;

(o) Determining the exercise price under the Plan;

(p) Construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan;

(q) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

  a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

  b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(r) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

(s) Performance Evaluation Criteria:

The performance evaluation criteria for Non-Executive including Independent Directors laid down by the Committee and taken on record by the Board includes:

(i) Attendance and participation in the Meetings

(ii) Preparedness for the Meetings

(iii) Understanding of the Company and the external environment in which it operates and contributes to strategic direction

(iv) Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings

(v) Engaging with and challenging the management team without being confrontational or obstructionist.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The philosophy of our CSR Policy is to define CSR projects or programs which Company plans to undertake and which fall within the purview of the Act and Rules made thereunder as amended from time to time;

a) Modalities of execution of such CSR projects or programs;

b) Monitoring process of such CSR projects or programs;

(i) Composition :

As on March 31, 2021, the Corporate Social Responsibility Committee comprises:

SL.No.	Name of the Director	Category	Member/ Chairman
1.	Dr. Sanjiv Goenka	Non-Executive Director	Chairman
2.	Mr. Shashwat Goenka	Non-Executive Director	Member
3.	Mr. Utsav Parekh	Non-Executive Independent Director	Member

The Company Secretary acts as the Secretary to the Committee.

(ii) Meetings :

The Committee met one time on June 29, 2020.

The attendance of members is given below in Table 6:-

Table 6: Attendance Record of Corporate Social Responsibility Committee

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Dr. Sanjiv Goenka	Chairman	Non- Executive Director	1	1
Mr. Shashwat Goenka	Member	Non- Executive Director	1	1
Mr. Utsav Parekh	Member	Non-Executive Independent Director	1	1

(iii) Terms of reference :

The terms of reference of the Corporate Social Responsibility Committee are as follows:

(a) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be under-taken by the Company as specified in Schedule VII of the Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

(b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(e) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of Corporate Social Responsibility programmes; and

(f) To perform such other duties and functions as the Board may require the Corporate Social Responsibility Committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013."

5. RISK MANAGEMENT COMMITTEE

The objective of Risk Management Committed is as under:

a) make a comprehensive review of the Company's significant activities in order to define the risks flowing from such activities,

b) prioritize not more than ten risks for focused approach thereon,

c) embed a risk management culture across the Company,

d) revise risk management policies appropriately from time to time, and

e) keep the Board of Directors / Shareholders appropriately informed of the risk management initiatives and status thereof.

(i) Composition :

The Board in its meeting held on June 15, 2021, constituted Risk Management Committee as per SEBI Listing Regulations:

SL.No.	Name of the Director	Category	Member/ Chairman
1.	Mr. Shashwat Goenka	Non-Executive Director	Chairman
2.	Mr. Utsav Parekh	Non-Executive Independent Director	Member
3.	Mr. Devendra Chawla	CEO & Managing Director	Member
4.	Mr. Rahul Nayak	Whole-time Director	Member

The Company Secretary acts as the Secretary to the Committee.

(ii) Meetings :

Since the committee was constituted on June 15, 2021, no meeting has taken place yet.

(iii) Terms of reference :

The terms of reference of the Risk Management Committee are as follows:

1. To formulate a detailed risk management policy which shall include:
   a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
   b) Measures for risk mitigation including systems and processes for internal control of identified risks.
   c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Committee Recommendation

Since the Company was recently constituted there were no instances of any recommendation by the Committees to the Board.

REMUNERATION OF DIRECTORS

Payment of remuneration to the CEO & Managing Director and the Whole-time Director are governed by the agreements executed between them and the Company and will be governed by Board and Shareholders' resolutions. Their remuneration structure comprises of salary, variable pay, perquisites and allowances and retirement benefits in the forms of superannuation and gratuity. The details of remuneration to the Directors have been given below:-

Remuneration to Non-Executive Directors for the year ended March 31, 2021:

Details of Sitting Fees paid to Non-Executive Directors during the financial year 2020-21 are as follows: Dr. Sanjiv Goenka, Chairman – ₹ 8.00 Lakhs, Mr. Shashwat Goenka – ₹ 11.00 Lakhs, Mr. Utsav Parekh – ₹ 12.00 lakhs, Mr. Pratip Chaudhuri – ₹ 7.00 lakhs, Ms. Rekha Sethi – ₹ 4.50. lakhs and Mr. Debanjan Mandal – ₹ 8.00 lakhs.

Sitting fees includes payment for Board Meetings and Committee Meetings including Rights Issue Committee Meetings. Apart from sitting fees, no other payments have been made to the Non-Executive Directors during the year.

Remuneration of Executive Directors:

The remuneration of Mr. Devendra Chawla, CEO and Managing Director of the Company was paid by way of salary and other benefits of ₹ 969.39 Lakhs (includes the arrear amount) during the financial year ended March 31, 2021.

The remuneration of Mr. Rahul Nayak, Whole Time Director of the Company was paid salary and other benefits of ₹ 170.89 Lakhs during the financial year ended March 31, 2021.

Shares held by Non-Executive Directors as on March 31, 2021:

Name	No of shares held
Dr. Sanjiv Goenka	91,659
Mr. Shashwat Goenka	75,756

As on March 31, 2021, no convertible instruments of the Company were outstanding.

SUBSIDIARY COMPANIES

As on March 31, 2021, the Company had two subsidiaries, Natures Basket Limited and Omnipresent Retail India Private Limited. The Company is having a material subsidiary in the current financial year, namely Natures Basket Limited. Further, in terms of the provisions of Regulation 24(1) of the SEBI Listing Regulations, appointment of one of the Independent Directors of the Company on the Board of material subsidiaries was not applicable to Natures Basket Limited.

The Company's policy for determining material subsidiary is posted at: http://www.spencersretail.com/investor.

MANAGEMENT DISCUSSION AND ANALYSIS

The Annual Report has a detailed chapter on Management Discussion and Analysis.

DISCLOSURES BY MANAGEMENT TO THE BOARD

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion nor do they vote on such matters.

DISCLOSURE OF ACCOUNTING CONVENTION IN PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared to comply with in all material aspects with the applicable accounting principles in India, including accounting standards notified under Section 133 of the Act and other relevant provisions of the Act. The financial statements have also been prepared in accordance with relevant presentational requirements of the Act.

Amount payable to the Statutory Auditor, by the Company and its Subsidiaries

Auditor / Firm Name	Company Name	Services rendered	Amount (₹ in lakhs)
S. R. Batliboi & Co. LLP and Network Firms	Spencer's Retail Limited	Audit Fees and related services.	152.53
S. R. Batliboi & Co. LLP and Network Firms	Spencer's Retail Limited	Other Advisory Services	32.20
S. R. Batliboi & Co. LLP and Network Firms	Natures Basket Limited	Other Advisory Services	11.00
S. R. Batliboi & Co. LLP and Network Firms	Omnipresent Retail India Private Limited	Other Advisory Services	15.05

CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

The Company has in place a code – "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The code lays down guidelines, which advises the insiders on procedures to be followed and disclosures to be made, while dealing with the Company's securities. The code clearly specifies, among other matters, that "Designated Persons" including Directors of the Company can trade in the Company's securities only when the 'Trading Window' is open. The trading window is closed during the time of declaration of financial results, dividend and other important events as mentioned in the Code.

Apart from the above, the Company also has in place a "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" in terms of the aforesaid regulations. Company Secretary is the Compliance Officer who also heads the Investor Relation Functions. The above two codes are posted on the Company's website http://www.spencersretail.com/investor

STRUCTURED DIGITAL DATABASE FOR PREVENTION OF INSIDER TRADING PRACTICE

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, ('SEBI PIT Regulations') as amended, the Company has customized a secure Insider Trading Compliance Tool (maintained in house) to prohibit insider trading activity. The Company has in place a structured digital database wherein details of persons with whom UPSI is shared on a need to know basis and for legitimate business purposes is maintained with time stamping and audit trails to ensure non-tampering of the database.

Further, in compliance with the SEBI PIT Regulations, the Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders, for its Directors, Senior Management Officers and Other Designated Person. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. The Code clearly specifies, among other matters, that Directors and Designated Persons of the Company, as defined in the Code, can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results and other material events as per the Code. The intimation of the closure of Trading Window, as per the SEBI Listing Regulations or SEBI PIT Regulations, is given to the Stock Exchanges before the end of every quarter with effect from the 1st day of the month immediately succeeding the end of every quarter till 48 hours after the declaration of financial results of the Company to the Stock Exchanges. The same is intimated to the Designated Persons through the aforesaid portal as well. The Codes are posted on the website of the Company at the http://www.spencersretail.com/investor. Under this Insider Trading Compliance Tool all its Designated Employees (who are deemed to be Insiders having access to "UPSI" i.e. Unpublished Price Sensitive Information) have declared their personal information along with Initial holding as required under aforesaid Regulations.

CREDIT RATINGS

The Company has obtained credit rating during the financial year 2020-21 from Credit Analysis & Research Limited (CARE), as specifically required by the lender banks. The rating obtained is "BBB" and the outlook is stable.

RIGHTS ISSUE

The Board of Directors in its meeting held on February 11, 2020 approved an issue of equity shares on Rights basis for an amount aggregating upto ₹ 8,000 Lakhs to eligible equity shareholders. In the meeting, Board constituted a Rights Issue Committee to take decisions from time to time with regards to Rights Issue. The Rights Issue Committee consists of Mr. Shashwat Goenka being the Chairman of the Committee and Mr. Utsav Parekh and Mr. Debanjan Mandal being the Members of the Committee. The Rights Issue Committee met once in financial year 2019-20 on March 20, 2020 and two times during the financial year 2020-21 on July 23, 2020 and August 25, 2020.

The Company in the Rights Issue process has allotted 1,05,97,783 equity shares of ₹ 5/- each for cash at a price of ₹ 75/- per equity share (including a premium of ₹ 70/- per rights equity share) of total paid up share capital of the Company for an amount of ₹ 79,48,33,725 of which 74,26,703 equity shares amounting to ₹ 55,70,02,725 constituting 70.08% of total issue was subscribed by promoters and promoters group, resultantly the overall promoters and promoters group share increased from 54.70 % to 56.51% of the total paid up share capital of the Company.

The details of Rights Issue are as below:

Filing of draft Letter of Offer with SEBI and Stock Exchanges	May 12, 2020
Application to the Stock Exchanges requesting to grant In-Principle Approval	May 20, 2020
Receipt of In-Principle approval from Stock Exchanges	
NSE	May 27, 2020
BSE	June 5, 2020
CSE	June 22, 2020
Filing of Letter of Offer with SEBI and Stock Exchanges	July 24, 2020
Record Date	July 29, 2020
Issue period	August 4, 2020 - August 18, 2020
Allotment of shares to shareholders	August 25, 2020
Ratio	2 shares for every 15 shares held

UTILIZATION OF FUNDS

The Rights Issue proceeds have been utilized as mentioned under the Object Clause of the Letter of Offer and there is no deviation in the use of proceeds.

RELATED PARTY TRANSACTIONS

Details of transactions of a material nature with any of the related parties as specified in Indian Accounting Standard (IND AS–24) issued by the Institute of Chartered Accountants of India are disclosed in Note 36 to the financial statements for the financial year 2020-21. There has been no material transaction with any of the related parties which may have potential conflict with the interests of the Company. There has been no material pecuniary relationships or transactions between the Company and its Non-Executive Directors during the year. The Company's policy on dealing with Related Party Transactions is posted at http://www.spencersretail.com/investor.

WHISTLE BLOWER POLICY

As required under the Act and SEBI Listing Regulations, the Company has formulated a Vigil Mechanism / Whistle Blower Policy for its Directors and permanent employees. Under the Policy, instances of any irregularity, unethical practice and / or misconduct can be reported to the management for appropriate action. No such case has been reported during the year and accordingly, the question of denying any personnel due access to Audit Committee did not arise.

ANTI SEXUAL HARASSMENT POLICY

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Work-place (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. Further, the Company has set up an Internal Complaint Committee in compliance with Sexual Harassment of Women and Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.

Disclosure in relation to the Sexual Harassment of Women at Workplace

Number of complaints pending at the beginning of the financial year	NIL
Number of complaints filed during the financial year	02
Number of complaints disposed off during the financial year	02
Number of complaints pending as on end of the financial year	Nil

CEO/CFO CERTIFICATION

Certification on financial statements pursuant to Regulation 17(8) of the SEBI Listing Regulations has been obtained from the Managing Director & CEO and CFO of the Company. Extract of the same is given at the end of this report.

SHAREHOLDER APPROVAL

APPOINTMENT/RE-APPOINTMENT OF DIRECTOR

Mr. Shashwat Goenka (Director Identification Number 03486121) who retires by rotation and, being eligible, offers himself for re-appointment. The details of director, mentioned above, is given below:

Name of the Director	Mr. Shashwat Goenka (DIN 03486121)
Age	31 years
Brief Resume	Mr. Shashwat Goenka, is a Director of the Company and Sector Head-Retail & FMCG of the RP-Sanjiv Goenka Group. Currently he is Chairing FICCI's Young Leaders Forum and Chair for CII's National Retail Committee on Retail. He is also the youngest President of Indian Chamber of Commerce (2017-2018). He graduated from The Wharton School, University of Pennsylvania.
Other Directorships	CESC Limited,
	Phillips Carbon Black Limited;
	Firstsource Solutions Limited;
	RPSG Ventures Limited (Formerly known as CESC Ventures Limited);
	Spencer International Hotels Limited; and
	Retailers Association Of India
Shareholding in the Company	75,756 Equity shares

COMMUNICATION TO SHAREHOLDERS

The Company puts forth key information about the Company and its performance, including quarterly results, official news releases and presentations to Analysts, on its website http://www.spencersretail.com/investor regularly for the benefit of its shareholders and the public at large.

During the year, the Company's quarterly / annual results / annual report have been published in English and Bengali newspapers i.e. Business Standards / Financial Express and Aajkaal respectively and also posted on its website. Hence, they are not separately sent to the Shareholders. However, the Company furnishes the quarterly results on receipt of request from any Shareholder.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The Company does not deal in commodities and does not have any foreign currency exposure.

GENERAL BODY MEETINGS

The Fourth Annual General Meeting of the Company shall be held on Wednesday, August 18, 2021 at 12.30 p.m. IST via Video Conferencing ("VC") and Other Audio Visual Means ("OAVM").

REPORT ON CORPORATE GOVERNANCE (Contd.)

The date, time and venue of the last three annual general meetings are given below.

Financial year	Date	Time	Venue	Special Resolutions Passed	Details of the Special Resolution
2019-20	August 03, 2020	12-30 P.M	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Nil	NA
2018-19	July 19, 2019	10-30 A.M	Rangmanch, Raajkutir Swabhumi, 89C, Moulana Abul Kalam Azad Sarani, Kolkata, West Bengal - 700054	Five	1. Appointment of Mr. Devendra Chawla as CEO and Managing Director. 2. Appointment of Mr. Rahul Nayak as Whole-time Director. 3. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings. 4. Investment up to ₹ 250 Crore for acquiring shares / other securities of body(ies) corporate. 5. Introduction and implementation of 'Spencer's Employees Stock Option Scheme.
2017-18	October 29, 2018	11-30 A.M	CESC House, Chowringhee Square, Kolkata - 700001	Two	1. Approval to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013. 2. Alteration of Articles of Association of the Company.

No resolution is proposed to be passed through postal ballot as on the date of this report. There was no Extra-Ordinary General Meeting /Postal Ballot Meeting held during the financial year 2020-21.

COMPLIANCE

MANDATORY REQUIREMENTS

The Company is fully compliant with the applicable mandatory requirements of SEBI Listing Regulations.

NON-MANDATORY /DISCRETIONARY REQUIREMENTS

The details of compliance of the non-mandatory/discretionary requirements are listed below:

a) Shareholders Rights

Details of the shareholders' rights in this regard are given in the section 'Communication to Shareholders'.

b) Audit Qualifications

During the current financial year, there are no audit qualifications in the financial statements of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements.

OTHER DISCLOSURES

1. Disclosures on Compliance of Law

The Company has complied with the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets since its listing. During the said period no penalties or strictures were imposed by SEBI, Stock Exchanges, or any statutory authorities on any matter related to capital markets.

REPORT ON CORPORATE GOVERNANCE (Contd.)

2. **Policy for determining 'material' subsidiaries**

   The Company has adopted a Policy on Material Subsidiary in line with the requirements of the SEBI Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries. The policy on Material Subsidiary is available on the website of the Company at the following link: http://www.spencersretail.com/investor.

3. **Annual Secretarial Compliance Report**

   The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2020-21 for all applicable compliances as per SEBI Listing Regulations and Circulars/Guidelines issued thereunder. Accordingly, the Annual Secretarial Compliance Report for the financial year ended March 31, 2021 has been submitted to the Stock Exchanges within the prescribed timeline.

4. **Directors and Officers Insurance ('D and O Insurance')**

   The Company has in place D and O Insurance Policy for all its Independent Directors/Directors/KMP of such quantum and covering all such risks as may be determined by the Board of Directors of the Company.

5. **Anti-Bribery Policy**

   The Company has formulated an Anti-Bribery Policy which explains the Company's individual responsibilities to comply with anti-bribery and anti-corruption laws around the world and to ensure that any third parties that the Company engages to act on its behalf, do the same. The policy is posted on the Company's website at the following link: http://www.spencersretail.com/investor.

6. **Internal Audit**

   Internal Auditors of the Company make presentations to the Audit Committee on their Reports and has direct access to the Audit Committee.

CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a Certificate from Secretarial Auditor regarding the status of compliance of conditions of corporate governance, as mandated in Regulation 27 of the SEBI Listing Regulations. The certificate is annexed to this report.

The Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Reg. 46 of the SEBI Listing Regulations.

To the best of its knowledge, the Company has complied with all requirements of the Regulatory Authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets from the date of listing.

On behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN - 00074796)

Kolkata, June 15, 2021

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To the members of Spencer's Retail Limited

1. We have examined the compliance of conditions of corporate governance by Spencer's Retail Limited for the year ended March 31, 2021 as stipulated in Regulation 17 to 27 and 34(3) read with Schedule – V of the SEBI (Listing Obligations and Disclosure Requirement(s) Regulations, 2015, as amended.
2. The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India and was Limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial Statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, including by way of electronic mode (remote audit), we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations to the extent applicable to it.
4. 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.
5. This certificate is issued under the precautionary measures of work from home due to COVID-19 with limited resources available to us.

(S. M. Gupta)
Partner
S. M. Gupta & Co. Company Secretaries
Firm Registration No.: P1993WB046600
Membership no. : FCS- 896, CP No : 2053
Peer Review No: 718/2020
UDIN: F000896C000465261

Kolkata, June 15, 2021

CERTIFICATION FROM THE MANAGING DIRECTOR & CEO AND THE CFO

In terms of Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, we hereby certify as under:

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that 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 listed entity'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 Company during the year which are fraudulent, 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 internal control systems of the Company pertaining to financial reporting. 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. The Company have indicated to the Auditors and the Audit Committee:
   (1) significant changes in internal control over financial reporting during the year;
   (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   (3) instances of significant fraud of which the Company 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.

Devendra Chawla
CEO & Managing Director

Kumar Tanmay
Chief Financial Officer

June 15, 2021

ADDITIONAL SHAREHOLDER INFORMATION

(Annexure 'C' to the Board's Report)

ANNUAL GENERAL MEETING

Date / Day	:	August 18, 2021 / Wednesday
Time	:	12:30 p.m.
Venue	:	The Company in continuation to MCA General Circular No. 20/2020 & 02/2021 dated May 5, 2020 and January 13, 2021 respectively, wherein it has been allowed to conduct meeting through VC / OAVM till December 31, 2021 and as such there is no requirement to have a venue for the Annual General Meeting (AGM). For details, please refer to the Notice of this AGM.
FINANCIAL CALENDAR	:	April 1 to March 31

For the financial year ended March 31, 2021, results were announced on:

Period	First Quarter	Second Quarter	Third Quarter	Fourth Quarter and Annual Results
Date	September 8, 2020	November 5, 2020	February 11, 2021	June 15, 2021

The above details are in compliance with the circular dated May 5, 2020, issued by MCA.

For the financial year ended March 31, 2022, results will be announced by:

Period	First Quarter	Second Quarter	Third Quarter	Fourth Quarter and Annual Results
Date	on or before August 14, 2021	on or before November 14, 2021	on or before February 14, 2022	on or before May 30, 2022

The above details are subject to any statutory extension allowed in due course.

DIVIDEND

In view of the accumulated losses, the Board of Directors of the Company didn't declare any dividend for the financial year ended on March 31, 2021.

LISTING

Equity shares of Spencer's Retail Limited are listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE").

During the year under review, the equity shares of the Company got delisted from The Calcutta Stock Exchange Limited w.e.f November 23, 2020.

STOCK CODES

Stock Exchange	Address	Stock Code
National Stock Exchange of India Limited	Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	SPENCERS
BSE Limited	Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001	542337
ISIN No.	-	INE020801028

The Company has paid the requisite listing fees to the Stock Exchanges for the financial year 2021-22.

ADDITIONAL SHAREHOLDER INFORMATION (Contd.)

STOCK DATA AND PERFORMANCE

Table 1 below gives the monthly high and low prices of the Company's equity shares at the BSE and NSE for the financial year 2020-21.

Table 1: High and Low Prices at the BSE and NSE for the financial year 2020-21:-

(in ₹)

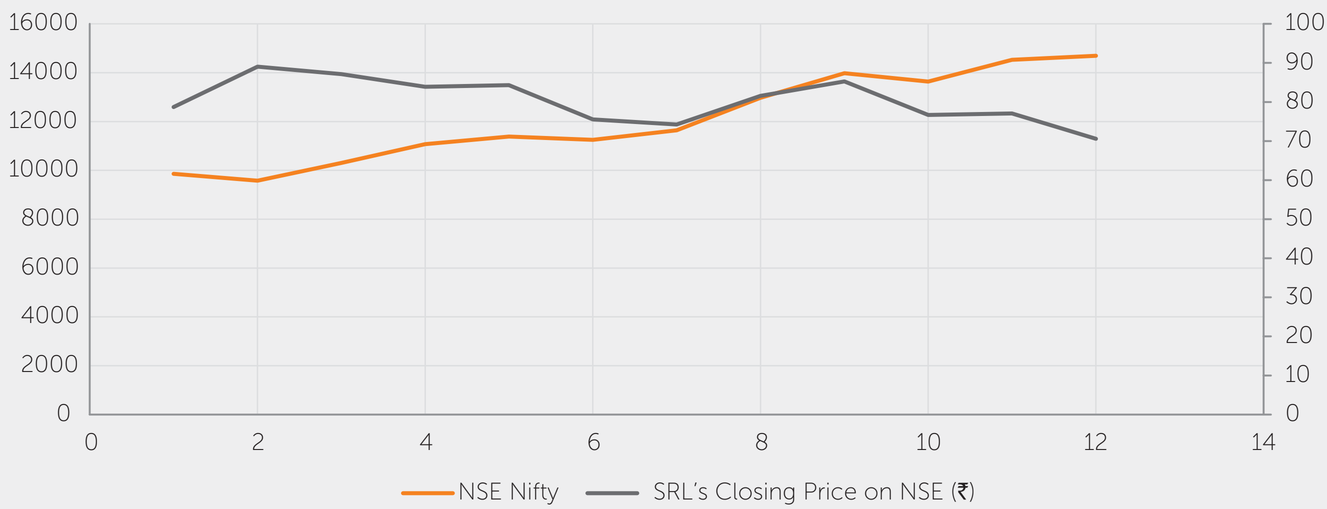
Month	BSE		NSE	
	High	Low	High	Low
April, 2020	84.00	71.90	84.00	71.85
May, 2020	93.55	72.00	93.70	72.05
June, 2020	98.25	84.15	98.25	84.10
July, 2020	107.40	80.75	107.70	81.15
August, 2020	95.90	81.70	95.90	81.60
September, 2020	92.55	72.50	92.70	70.00
October, 2020	80.75	71.00	80.90	72.00
November, 2020	84.60	72.05	84.70	72.00
December, 2020	89.70	74.30	89.90	74.50
January, 2021	92.70	75.00	92.30	75.00
February, 2021	82.50	74.80	82.70	74.50
March, 2021	85.90	69.85	86.00	69.90

Table 2 provides the closing price of the Company's equity shares on NSE & BSE with leading market and sector indices at the last trading day for each month during the financial year 2020-21:

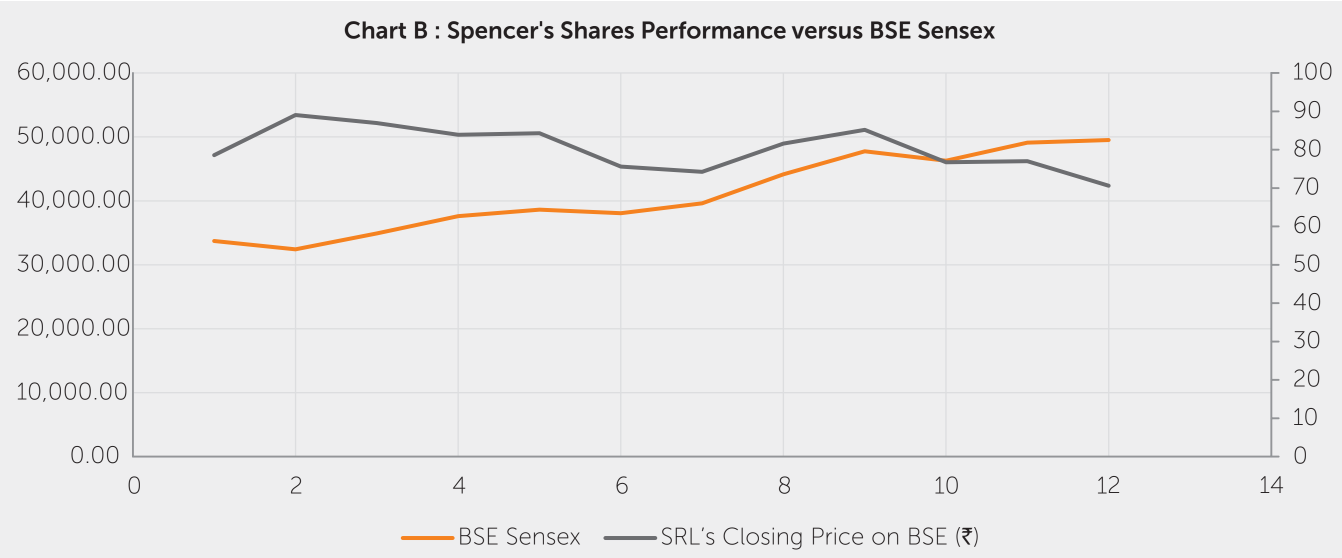
Table 2: Performance in Comparison to NSE Nifty, BSE Sensex, and BSE 500 Index for 2020-21:-

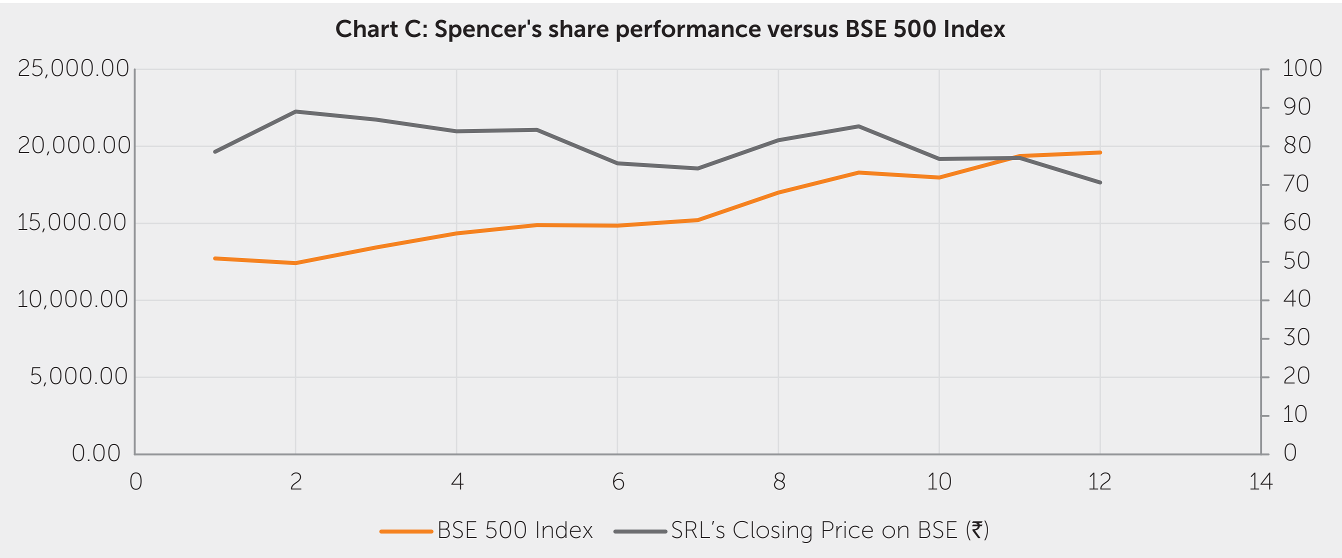
As on close of last trading day for each Month	SRL's Closing Price on NSE (₹)	SRL's Closing Price on BSE (₹)	NSE Nifty	BSE Sensex	BSE 500 Index
April, 2020	78.70	78.60	9859.90	33,717.62	12,721.00
May, 2020	89.05	89.05	9580.30	32,424.10	12,414.85
June, 2020	87.15	86.95	10302.10	34,915.80	13,438.14
July, 2020	83.90	83.90	11073.45	37,606.89	14,346.18
August, 2020	84.30	84.30	11387.50	38,628.29	14,890.06
September, 2020	75.55	75.60	11247.55	38,067.93	14,851.00
October, 2020	74.25	74.25	11642.40	39,614.07	15,215.01
November, 2020	81.55	81.60	12968.95	44,149.72	16,995.01
December, 2020	85.25	85.20	13981.75	47,751.33	18,300.10
January, 2021	76.70	76.75	13634.60	46,285.77	17,975.30
February, 2021	77.05	77.00	14529.15	49,099.99	19,371.25
March, 2021	70.60	70.60	14690.70	49,509.15	19,601.95

Chart A : Spencer's Share Performance versus NSE Nifty



ADDITIONAL SHAREHOLDER INFORMATION (Contd.)





SHARE TRANSFER ARRANGEMENT, INVESTOR GRIEVANCES & CONTACT INFORMATION

The Company processes share transfers through its Registrar and Share Transfer Agent, whose details are given below:

Name	Link Intime India Private Limited
Address	C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083
Telephone No.	+91 22 49186270
E-mail	rnt.helpdesk@linkintime.co.in
Website	www.linkintime.co.in

Investors correspondence and /or grievances, if any may be sent to the Company's Registrar and Share Transfer Agent at the above address or at the Secretarial Department of Company's Registered /Corporate Office, address of which are given below:

Name	Spencer's Retail Limited
Registered Office Address	Duncan House, 31, Netaji Subhas Road, Kolkata -700001
Corporate Office Address	RPSG House, 2/4, Judges Court Road, Kolkata – 700027
Telephone No.	033-24871901/66257600
E-mail	spencers.secretarial@rpsg.in
Website	www.spencersretail.com

ADDITIONAL SHAREHOLDER INFORMATION (Contd.)

Mr. Rama Kant, Company Secretary, is the Compliance Officer entrusted with overseeing the redressal of shareholder grievances. In compliance with the SEBI circular dated December 27, 2002, which mandated that share registry to be maintained in both physical and electronic modes at a single point, Spencer's has established direct connections with the two depositories - National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) - through its Registrar and Share Transfer Agent.

Shares received in physical form are processed and the share certificates are returned within 10 to 15 days from the date of receipt, subject to the documents being complete and valid in all respects. The Company's equity shares fall under compulsory dematerialised trading. Shares held in the dematerialised form are electronically traded in the depositories. The Registrar and Share Transfer Agent of the Company periodically receive data regarding beneficiary holdings, so as to update their records and send corporate communications, among others. Equity shares of the Company are available for dematerialisation. Address of both the depositories are given below:

S. No.	Name of the Depository	Address
1.	National Securities Depository Limited (NSDL)	Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400013
2.	Central Depository Services (India) Limited (CDSL)	Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai -400013

Number of Shareholders and Shares held in Physical and Dematerialised form as on March 31, 2021.

Nature of holding	Holders	Percentage	Shares	Percentage
DEMAT	65,414	93.51	8,93,73,761	99.16
Physical	4,540	6.49	7,58,248	0.84
Total	**69,954**	**100**	**9,01,32,009**	**100**

The Company had not issued any GDRs /ADRs /Warrants and there are no convertible instruments outstanding as on March 31, 2021. However this is to note that the Company had made Rights Issue during the year under consideration to the tune of ₹ 79,53,42,225 and the same was allotted to the shareholders on August 25, 2020. There is no subsisting court order in legal proceedings against the Company in any share transfer/transmission matter. Table 3 gives details of the number and nature of complaints for the financial year 2020-21:

Table 3: Complaints from Shareholders during 2020-21

Particulars	Complaints				
	Non receipts of Equity shares (Demat & Physical)	Non-Receipt of Dividend	Regarding Untilised RE's Reports / Non Receipt of Demat Credit	Others	Total
Received during the year	2	-	7	5	14
Resolved during the year	2	-	7	5	14
Pending as on March 31, 2021	NIL	NIL	NIL	NIL	NIL

SHAREHOLDING PATTERN

Tables 4 and 5 mentioned hereunder, report the pattern of shareholding by ownership and shareholding class respectively.

ADDITIONAL SHAREHOLDER INFORMATION (Contd.)

Table 4: Pattern of Shareholding by Ownership as on March 31, 2021

Sl. No.	Category	As on March 31, 2021	
		Number of Shares	Percentage
1	Promoters / Promoter's Group	5,09,35,607	56.51
2	Institutional investors		
A)	Mutual Funds	4,03,811	0.45
B)	Banks, Financial Institutions and Insurance Companies	18,80,502	2.09
C)	FIIs	47,23,443	5.24
3	Others		
A)	Bodies Corporate	51,97,724	5.77
B)	Indian Public	2,36,07,991	26.19
C)	NRI's	11,50,161	1.27
D)	Others	22,32,770	2.48
	Total	**9,01,32,009**	**100.00**

Table 5: Pattern of Shareholding by Share Class as on March 31, 2021

Shareholding Class	Number of Shareholders	% of Total Shareholders	Number of Shares held	Shareholding %
1 to 500	62108	88.78	5723451	6.35
501 to 1000	3816	5.46	3048098	3.38
1001 to 2000	1967	2.81	2957371	3.28
2001 to 3000	697	1.00	1776819	1.97
3001 to 4000	304	0.43	1094426	1.21
4001 to 5000	287	0.41	1374804	1.53
5001 to 10000	417	0.60	3052615	3.39
10001 and above	358	0.51	71104425	78.89
TOTAL	**69954**	**100.00**	**90132009**	**100.00**

Store Locations

The Company was operating 164 stores till March 31, 2021. The location of these stores can be checked at the website of the Company http://www.spencersretail.com/investor

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF)

The Company was incorporated on February 8, 2017 and since the Company has not yet completed 7 years of its incorporation, none of the IEPF provisions are applicable to the Company.

Unclaimed Shares

In terms of the SEBI Listing Regulations, the Company opened separate Unclaimed Suspense Account wherein 78,066 equity shares credited. These shares may be claimed back by the concerned shareholders on compliance of necessary formalities. It may also be noted that all the corporate benefits accruing to these shares shall also be credited to the said "Unclaimed Suspense Account" and the voting rights of these shares shall remain frozen until the rightful owner claims the shares.

ADDITIONAL SHAREHOLDER INFORMATION (Contd.)

The status of equity shares lying in the Company's Unclaimed Suspense Account is given below:

Sl. No.	Particulars	No. of Shareholders	No. of Equity Shares held
1	Aggregate number of shareholders and the outstanding shares transferred in the suspense account during the year	132	78,066
2.	No of shareholders who approached the Company for transfer of shares from the suspense account	-	-
3.	No of shareholders to whom shares were transferred from the suspense account	-	-
4.	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	132	78,066

CERIFICATE FROM PRACTICING COMPANY SECRETARY ON NON-DISQUALIFICATION OF DIRECTORS

A certificate from practicing Company Secretary that, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Board/Ministry of Corporate Affairs or any such Statutory Authority is annexed as "**Annexure-1**".

For and on behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN : 00074796)

Kolkata, June 15, 2021

DECLARATION

As required under the relevant provisions of SEBI Listing Regulations, it is confirmed that all Directors and Senior Management Officers have affirmed compliance of the Code of Business Conduct and Ethics during the financial year 2020-21.

Devendra Chawla
CEO & Managing Director
(DIN: 03586196)

Kolkata, June 15, 2021

ADDITIONAL SHAREHOLDER INFORMATION (Contd.)

Annexure – 1

CERTIFICATE OF 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) as amended.

To,
The Members
SPENCER'S RETAIL LIMITED
Duncan House,
31, Netaji Subhas Road,
Kolkata - 700001,
West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SPENCER'S RETAIL LIMITED (CIN: L74999WB2017PLC219355),** having its registered office at Duncan House, 31, Netaji Subhas Road, Kolkata – 700001, West Bengal and Corporate Office at RPSG House, 2/4 Judges Court Road, Kolkata – 700027, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers (including by way of remote audit), we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Dr. Sanjiv Goenka	00074796	14/11/2018
2	Mr. Shashwat Goenka	03486121	14/11/2018
3	Mr. Utsav Parekh	00027642	14/11/2018
4	Mr. Pratip Chaudhuri	00915201	14/11/2018
5	Ms. Rekha Sethi	06809515	14/11/2018
6	Mr. Debanjan Mandal	00469622	11/02/2019
7	Mr. Devendra Chawla	03586196	11/02/2019
8	Mr. Rahul Nayak	06491536	14/11/2018

Ensuring the eligibility of the directors for 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 the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued under the precautionary measures of work from home due to COVID-19 with limited resources available to us.

(S. M. Gupta)
Partner

S. M. Gupta & Co.
Company Secretaries
Firm Registration No.: P1993WB046600
Membership No: .FCS – 896
CP No : 2053
Peer Review No: 718/2020
UDIN: F000896C000367231

Kolkata, May 25, 2021

BUSINESS RESPONSIBILITY REPORT

(Annexure 'D' to the Board's Report)

ABOUT THIS REPORT

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and National Guidelines on Responsible Business Conduct (NGRBC) as issued and revised by Ministry of Corporate Affairs (MCA), Government of India, the "Business Responsibility Report" (BRR) of the Company for the financial year 2020-21 forming part of this Annual Report is as follows:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L74999WB2017PLC219355
2.	Name of the Company	Spencer's Retail Limited
3.	Registered Office Address: Corporate Office Address:	Duncan House, 31, Netaji Subhas Road, Kolkata - 700 001 RPSG House, 2/4, Judges Court Road, Kolkata - 700 027
4.	Website	www.spencersretail.com
5.	E-mail ID	spencers.secretarial@rpsg.in
6.	Financial Year reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	**Sl.** / **Product** / **Industrial Activity Code (NIC Code)** 1. / Retail / 47
8.	Three key products/services that the Company manufactures/ provides	➢ Retail
9.	Total number of locations where business activity is undertaken by the Company.	
	(a) Number of International locations	Nil
	(b) Number of National locations	Spencer's Retail Limited (SRL) has its registered and corporate office in Kolkata. Natures Basket Limited (NBL) was having its registered and corporate office in Mumbai. During the year, the registered office of NBL was shifted from Mumbai to Kolkata. Omnipresent Retail India Private Limited (ORIPL) was having its registered office in Delhi and corporate office in Kolkata. During the year the registered office of ORIPL was shifted from Delhi to Kolkata. Presently, the Registered Office of both the subsidiary companies (NBL and ORIPL) are situated at Kolkata, West Bengal. It has following stores/distribution centres: Stores 197 (Spencer's 164 and Natures Basket 33) Distribution centres 14 (Spencer's 12 and Natures Basket 2)
10	Markets served by the Company Local/State/National/International	SRL and its subsidiaries operates across India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY (STANDALONE)

1.	Paid up Capital (INR) (As on 31.03.2021)	50,06,60,045
2.	Total Turnover (in Lakhs) (2020-21)	2,11,613.21
3.	Total profit/(loss) after taxes (in Lakhs) (2020-21)	(12,793.12)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Nil
5.	List of CSR activities in which expenditure has been incurred:-	NA

BUSINESS RESPONSIBILITY REPORT (Contd.)

SECTION C: OTHER DETAILS

1.	Subsidiary Company/ Companies	As on March 31, 2021, SRL has two subsidiaries namely: 1. Natures Basket Limited 2. Omnipresent Retail India Private Limited
2.	Participation of Subsidiary Company/ Companies in the Business Responsibility (BR) initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(s)	NIL
3.	Participation and percentage of participation of other entity/ entities (e.g. suppliers and distributors, among others) that the Company does business with, in the BR initiatives of the Company	SRL engages with various stakeholders like suppliers, distributors and other entities in the value chain. The Company encourages adoption of BR initiatives by its business partners as well. Based on discussions with the suppliers and distributors of the Company, currently less than 30% of its stakeholders participate in the BR initiatives of the Company.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/ Directors responsible for BR
   (a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies
   (b) Details of the BR head

Sl.	Particulars	Details
1	DIN	06491536
2	Name	Mr. Rahul Nayak
3	Designation	Whole time Director
4	Telephone number	033-2487-1901
5	e-mail id	spencers.secretarial@rpsg.in

2. Principle-wise (as per National Voluntary Guidelines prescribed by MCA) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

Principle 1 : Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability [P1]

Principle 2 : Sustainability of Products & Services across Life-cycle

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle [P2]

Principle 3 : Employees' Well-being

Businesses should promote the wellbeing of all employees [P3]

Principle 4 : Stakeholders' Engagement

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised [P4]

Principle 5 : Human Rights

Businesses should respect and promote human rights [P5]

Principle 6 : Environmental Protection

Business should respect, protect, and make efforts to restore the environment [P6]

Principle 7 : Responsible Policy Advocacy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner [P7]

Principle 8 : Inclusive Growth and Equitable Development

Businesses should support inclusive growth and equitable development [P8]

Principle 9 : Customer Value

Businesses should engage with and provide value to their customers and consumers in a responsible manner [P9]

BUSINESS RESPONSIBILITY REPORT (Contd.)

Details of compliance

Sl.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies has been laid down on the basis of applicable laws, code of conduct & applicable standards								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ CS/ CFO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Policies mandated under the Companies Act, 2013 (the Act) and the SEBI (listing obligations and disclosures requirements) Regulation, 2015 are approved by the Board and other policies are approved by the Managing Director/Whole time Director / functional heads of the Company as appropriate from time to time.								
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The CEO and Managing Director/Whole time Director through the Functional Heads of the Departments/ Store Heads of the Company, overseas the implementation of the policy across the organisation.								
6	Indicate the link for the policy to be viewed online?	Policies mandated to be displayed on the website of the Company as per the Act and SEBI (LODR) are displayed at http://www.spencersretail.com/investor								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been communicated to all the internal and external stakeholders. The same is also made available on the Company's website.								
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N
		The BR policies and its implementation are evaluated internally.								

3.	Governance related to Business Responsibility	
	Frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the Company's BR performance.	The overall BR performance of the Company is assessed annually by the Management/ Board of Directors and its Committees, while the varied aspects of BR performance of each department/ store are assessed by the respective department/ store heads on a regular basis.
	Publishing of Business Responsibility or a Sustainability Report, its frequency and hyperlink.	This Business Responsibility Report being published by the Company, as part of annual report, annually. The Report can also be accessed on the Company's website at http://www.spencersretail.com/investor

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?**

   A company's governance practices have a direct bearing on its sustainable growth. Ethics and transparency are fundamental pillars which underline our business activities. As a responsible organisation, the Company does its business with utmost integrity and adheres to best governance practices. The Company's Code of Conduct for Directors and Senior Management Executives serves as a guiding tool and ensures that principles get translated into consistent practice, thereby leading the Company towards high standards of business conduct.

   A Whistle Blower Policy/ Vigil Mechanism is also in place which provides a channel to the employees and Directors to report to the management, promptly and directly, concerns about unethical behaviour, actual or suspected fraud or any irregularity in the Company practices or violation of its codes and policies. The Code, policies and standards communicate our zero tolerance approach to ethical violations, and communicate our commitment and requirement for legal compliance and ethical good practice.

   To ensure that all employees are well-versed with the Code, a mandatory training is provided for new recruits, and refresher workshops on anti-corruption policies and procedures are conducted for all the employees at various levels.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   The Company has in place different mechanisms for receiving and dealing with complaints from different stakeholder's viz. shareholders, customers, employees etc. There are dedicated resources to respond to the complaints within a time bound manner.

   The Company has stakeholder relationship committee (SRC) which reviews the shareholders complaint and their resolution. During the year ended March 31, 2021 opening balance of the complaints was NIL and 14 complaints were received from the shareholders and all of them were resolved during the year under review and no complaints were pending at the end of the year

   Further, Customer complaints are addressed in the normal course of business by dedicated Customer Care Department of the Company.

Principle 2: Sustainability of Products & Services across Life-cycle

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   The Company's principle nature of business is to provide daily need use products to end consumers.

   It is our constant endeavor to ensure that all applicable laws and regulation related environment are adhered to along with periodic internal quality control checks.

   The Company is intended to promote use of natural fiber like cotton to be used by Customers for carrying the goods. The Company also encouraging the customers to bring their own bag and to reduce the plastic bag usage and reuse the bags.

   The Company strictly prohibit employment or engagement child force at work place and expect its vendors to follow the same.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   We are in the business of retailing goods/products to end consumers through our stores. We strive to optimize use of resources at our new and existing stores. Wherever feasible, all efforts are made to use more natural lights in offices/store premises to optimize the consumption of energy.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Considering the nature of business of the Company the said question is not applicable to the Company.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company is sourcing fruits and vegetables directly from farmers wherever possible and setup a consolidating centers from where fruits and vegetable are distributed to the Stores.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company is contributing to the society at large by procuring goods & services from small scale industries and small producers including from communities surrounding its place of work.

The Company believes in inclusive growth and encourages local sourcing wherever possible. Local suppliers/ vendors are evaluated based on the quality parameters set by the Company.

We have encouraged MSME vendors and work with them to improve their capabilities & capacity. We have shorter payment cycle for MSME vendors. We provide early payment facility so that they are able to manage their finance without any difficulties

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company is not into manufacturing, thus there is not much waste generation in the Company, the waste generated at its offices and stores are managed as per the applicable laws & internal waste disposal process and also sent to recycle purpose to the authorised recyclers.

Principle 3: Employees' Well-being

Businesses should promote the well-being of all employees

Our employees contribute significantly to success of our business. We conduct training sessions for all of our employees to upgrade their knowledge and skills from time to time. Our Company has been recognised again of year on a row as a 'Great Place to Work' by the Great Place to Work Institute which is considered as the gold standard for defining great workplaces across business, academia and government organisations.

Further we employ a diverse workforce where women employees, employees from various economic strata and demographic backgrounds come together and earn a respectable living. We also provide a fair opportunity for them to work as per laid down procedures and we contribute towards them to develop skills and grow. We provide them with all social benefits mandated as per law and also take an extra care to ensure staffs is adequately covered for various health and safety hazards. We provide staff with Medical insurance, accident cover and Death insurance cover. We ensure that employees have safe, clean and hygienic work conditions. We ensure that the staff are well provided work environment where they are free to express their views and feel empowered to positively contribute. We have Suggestions schemes, grievance handling mechanism and whistle blower policies along with employee engagement framework where we reach out to employee and hear from them on various matters of work life.

Information with reference to BRR framework:

1	Total number of employees	5097 (out of which 1018 are woman employees)
2	Total number of employees hired on temporary/ contractual/ casual basis.	1357
3	Number of permanent women employees	675
4	Number of permanent employees with disabilities	15
5	Employee associations recognised by the management.	The Company does not have any recognised employee association.
6	Percentage of permanent employees who are members of recognised employee association.	NA

BUSINESS RESPONSIBILITY REPORT (Contd.)

<table>
<tr><td>7</td><td>Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.</td><td>
<table>
<tr><th>Category</th><th>No. of complaints filed during the financial year</th><th>No. of complaints pending as on end of the financial year</th></tr>
<tr><td>Child labour/ forced labour/ involuntary labour</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Sexual harassment</td><td>2</td><td>Nil</td></tr>
<tr><td>Discriminatory employment</td><td>Nil</td><td>Nil</td></tr>
</table>
The Company has also constituted an Internal Complaints Committee where employees can register their complaints against sexual harassment.</td></tr>
<tr><td>8</td><td>Percentage of under mentioned employees who were given safety & skill up-gradation training in the last year?</td><td>
<table>
<tr><td>Permanent Employees</td><td>100%</td></tr>
<tr><td>Permanent Women Employees</td><td>100%</td></tr>
<tr><td>Casual/ Temporary/ Contractual Employees</td><td>100%</td></tr>
<tr><td>Employees with disabilities</td><td>100%</td></tr>
</table>
</td></tr>
</table>

Principle 4: Stakeholders' Engagement

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. Has the Company mapped its internal and external stakeholders? Yes
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders? Yes
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

   The Company recognizes the vital role played by the Society at large in its growth and development. Further we have not undertaken any CSR activities as the same is not applicable to the Company.

Principle 5: Human Rights

Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   The Company upholds the spirit of human rights and adhere to the applicable laws and regulations and has framed a policy on human rights, which is a guidance document for its Employees and Group Company.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company has not received any complaints relating to human rights during the financial year 2020-21.

Principle 6: Environment

Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/others.**

   The Company's Environmental, health & safety policy extends to all Stores, employees and Group Company.

BUSINESS RESPONSIBILITY REPORT (Contd.)

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   The Company has taken some energy initiatives such as:

   - Installation of LED lights & power saving equipment across the stores to reduce the electricity consumption
   - Optimum use of air conditioner (AC) at the stores in order to reduce the electricity consumption
   - The Company installed solar roof tops in some of the stores with a capacity of 450KVp, and also wanted to implement the same for some more stores.
   - Automation of processes to reduce the use of paper
   - Installation of glass doors, walls and windows at the stores to use the daylight and reduce electricity consumption
   - Encouraging the customers to bring their own bags hence lesser use of plastic carry bags at the stores.
   - The Company is intended to promote the use of natural fiber like cotton etc.

3. **Does the Company identify and assess potential environmental risks?**

   We have performed risk assessment to identify these risks, owing to the nature of the business involved, no significant aforementioned potential risk is foreseen as of now.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   We do not have any projects registered under Clean Development Mechanism.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   The initiatives taken by the Company towards energy conservation during the year under review are given in the Board Report

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Not applicable, since the Company is in retailing business, hence providing the consumers its everyday use of products.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   There were no show cause/ legal notices received from CPCB / SPCB as on end of the financial year 2020-21.

Principle 7: Responsible Policy Advocacy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company generally conveys its policy positions through its membership with Retailers Association of India (RAI) & Confederation of Indian Industries (CII).

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   The company's engagement and advocacy with the relevant authority in a transparent manner complying all applicable laws and regulations. The company has been actively participating in various seminars, conferences and other forums on issues and policy matters that impact the interest of its stakeholders.

Principle 8: Inclusive Growth and Equitable Development

Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. No
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation? NA

BUSINESS RESPONSIBILITY REPORT (Contd.)

3. Have you done any impact assessment of your initiative? NA
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken? NA
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. NA

Principle 9: Customer Value

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   Customer Satisfaction is of utmost important for the Company. The Company has a dedicated customer care representative/cell to handle the day to day complaints of the customers. Once the complaints received from the customer then it will be redressed within the legal means and sometimes complaints will be filed on the manufacture and the Company is added as a proforma party, around 24 cases are pending. In terms of percentage of consumer to consumer cases it is less than 0.1%.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws?**

   The requisite information as mandated as per the local laws is mentioned on all the product labels of the Company.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   There are no cases pending in relation to unfair trade practices, irresponsible advertising and/or anti-competitive behavior. There are a few consumer product complaints pending in the normal course of business, which the Company defends appropriately.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Yes, the Company regularly conducts consumer surveys.

For and on behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN: 00074796)

Kolkata, June 15, 2021

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED – MARCH 31, 2021

[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]

(Annexure 'E' to the Board's Report)

To,
The Members,
Spencer's Retail Limited
Duncan House,
31, Netaji Subhas Road,
Kolkata-700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SPENCER'S RETAIL LIMITED (CIN: L74999WB2017PLC219355)** (hereinafter called the Company). Secretarial Audit was conducted in accordance with the Guidance Note issued by the Institute of Company Secretaries of India (A statutory body constituted under the Company Secretaries Act, 1980) and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and read with the Statutory Auditors' Report on Financial Statements and Certificate on compliance of conditions of Corporate Governance and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, including by way of remote audit, we hereby report that in our opinion and to the best of our information, knowledge and belief and according to the explanations given to us, the Company has, during the audit period covering the financial year ended on 31.03.2021 generally complied with the applicable 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:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **SPENCER'S RETAIL LIMITED** "the Company" for the financial year ended on 31.03.2021 according to the applicable provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (`SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act; 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the Company: **As reported to us, there were no FDI and ODI transactions in the Company during the year under review.**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) to the extent applicable to the Company:
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009:- **As mentioned hereinafter;**

FORM NO. MR-3 (Contd.)

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as replaced by the SEBI(Share Based Employee Benefits) Regulations, 2014:- **As mentioned hereinafter;**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **No instances were reported during the year.**

f) 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 - **The Company has duly appointed a SEBI authorized Category I Registrar and Share Transfer Agent as required under Law.**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **As mentioned hereinafter;**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **No buy – back was done during the year**

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by the Institute of Company Secretaries of India;

ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable to it including the following observations:

1. No amount was required to be spent by the Company on CSR during the year as the Company which was incorporated only on 08.02.2017, had negative average profit during the year under review. However, the company has constituted a CSR committee to take steps as required under law.

We further report that as far as we have been able to ascertain:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes, if any, in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. 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.
3. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. Based on the compliance mechanism established by the Company and on the basis of the certificates placed before the Board and taken on record by the Directors at their meetings, we are of the opinion that the Company has adequate systems and processes commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and the Company has complied with the following laws specifically applicable to it, as reported to us:-

   (i) Food Safety & Standards Act, 2016 and Regulations framed thereunder;

   (ii) The Essential Commodities Act, 1955;

   (iii) Legal Metrology Act, 2009 and Packaged Commodities Rules, 2011;

   (iv) Consumer Protection Act, 1986;

   (v) Insecticides Act, 1968;

   (vi) Trade Marks Act, 1999;

   (vii) The Payment of Bonus Act, 1965.

   (viii) The Industrial Disputes Act, 1947.

   (ix) The Employees Provident Fund and Miscellaneous Provisions Act, 1952.

   (x) The Employees' State Insurance Act, 1948.

FORM NO. MR-3 (Contd.)

We further report that as informed to us, during the audit period, the Company has had the following specific events / updates:

1) The Company has alloted 1,05,97,783 fully paid-up equity shares of the face value of ₹ 5 each for cash at a premium of ₹ 70 per share on rights basis on 25.08.2020 to its eligible existing equity shareholders as per the letter of offer issued earlier.
2) The company has granted 1,20,000 options during the year in terms of the "Spencer's employees stock option scheme, 2019" (ESOP 2019)
3) The equity shares of the company were delisted from The Calcutta Stock Exchange Limited with effect from 23.11.2020
4) The Preference shares which were allotted to CESC Limited pursuant to the composite scheme are not listed.
5) During the year under review the company created following charges on its assets-

Sl. No.	Charge Id No.	SRN	Name of the banker	Date of creation of charge	Date of charge certificate	Amount of charge
1.	100426141	T09818501	ICICI Bank Limited	17.02.2021	23.03.2021	60 Crores
2.	100426149	T09820754	ICICI Bank Limited	17.02.2021	23.03.2021	75 Crores
3.	100411645	R97072540	Standard Chartered Bank	14.12.2020	09.02.2021	100 Crores

6) All provisions of IEPF Rules are not applicable to the company as it has not yet completed seven years of its incorporation. However the Company has complied with the Rules to the extent applicable to it.
7) Natures Basket limited (NBL), a wholly owned subsidiary of the Company has become a material subsidiary during the year under review.
8) In this certificate, we have not taken into consideration the events which are already in public domain and also not those events which have not come to our knowledge while conducting this audit.
9) This certificate is issued under the precautionary measures of work from home due to COVID-19 with limited resources available to us.

It is stated that the compliance of all the applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the management. We have relied on the representation made by the Company and its officers for systems and mechanism set-up by the Company for compliances under applicable Laws. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We 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 its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities / statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned corporate laws of the Union of India.

(S. M. Gupta)
Partner

S. M. GUPTA & CO.
Company Secretaries
Firm Registration No.: P1993WB046600
Membership No: FCS – 896
CP No.: 2053
Peer Review No: 718/2020
UDIN: F000896C000465404

Kolkata, June 15, 2021

Encl.: Annexure 'A' forming an integral part of this Report

"ANNEXURE A"

To,
The Members,
Spencer's Retail Limited
(CIN: L74999WB2017PLC219355)
Duncan House,
31, Netaji Subhas Road,
Kolkata-700 001

Our Report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on such secretarial records based on our audits.
2. We have followed the audit practices and processes as we considered appropriate to obtain reasonable assurance on the correctness and completeness of the secretarial records. Our verification was conducted on a test basis to ensure that all entries have been made as per statutory requirements. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained Management representation with respect to compliance of laws, rules and regulations and of significant events during the year.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations is the responsibility of the management. Our examination was limited to the verification of secretarial records on test basis to the extent applicable to the Company.
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.

(S. M. Gupta)
Partner

S. M. GUPTA & CO.
Company Secretaries
Firm Registration No.: P1993WB046600
Membership No: FCS – 896
CP No.: 2053
Peer Review No: 718/2020
UDIN: F000896C000465404

Kolkata, June 15, 2021

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

(Annexure 'E1' to the Board's Report)

To,
The Members,
Natures Basket Limited
Duncan House, 31, Netaji Subhas Road,
Kolkata, 700001, West Bengal

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by M/s. **Natures Basket Limited** (hereinafter called the "Company") having (CIN-U15310WB2008PLC244411). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing opinion thereon.

Based on our verifications of the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized 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 on March 31, 2021 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:

We have examined the Books, Papers, and Minute Books, Forms and Returns filed and other records maintained by M/s. **Natures Basket Limited** as given in **Annexure - I** for the Financial Year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder is not applicable to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

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

  c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  f) 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;

  g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

  h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The other Laws applicable specifically to the company is Annexed with this Report as **Annexure- II**.

The Company is not listed on any Stock Exchange in India hence compliance related to Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015 is not applicable to the Company and only clause (i), (iii) and (vi) are applicable to the Company.

We have also examined Compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, 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 Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board Meetings, Agenda. As per first proviso of Section 173(3) of the Companies Act, 2013, Independent Directors were present in the Board Meeting(s) held during the year under review, therefore detailed notes on agenda were not sent at least seven days in advance. Further a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

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 audit period, the following specific events were held:

1. Change of Registered office of the Company from 2nd Floor, Spencer Building, 30 Forjett Street, Mumbai – 400036 to Duncan House, 31, Netaji Subhas Road, Kolkata 700001 West Bengal w.e.f April 8, 2021. As a result of such change the CIN of the company got changed from U15310MH2008PLC182816 to U15310WB2008PLC244411
2. Mr. Devendra Chawla was re-appointed as Director.
3. The Company has increased its Authorised Share Capital from ₹ 500 crores to ₹ 750 crores.
4. M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W / W-100022) resigned as statutory Auditors of the company w.e.f October 30, 2020 and M/s. S. R Batliboi & Co. LLP (SRB) Chartered Accountants (Firm Registration No. 301003E/E300005) was appointed as statutory Auditors of the company w.e.f October 30, 2020
5. Mr. Sanketh Koka has resigned from the company as Whole Time Director w.ef November 22, 2020
6. Mr. Vijeet Singh Shekhawat was appointed as Manager of the Company w.e.f. December 23, 2020.

Note:

1. This report is to be read with our letter of even date which is annexed as 'Annexure-III' and forms an integral part of this report.

For Aabid & Co
Company Secretaries

Mohammed Aabid
Partner
Membership No.: F6579
COP No.: 6625
UDIN: F006579C000465158

Mumbai, June 15, 2021

ANNEXURE – I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial Year ended March 31, 2021.
3. Minutes of the meetings of the Board of Directors, Audit Committee, held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Agenda papers submitted to all the directors / members for the Board Meetings and Committee meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 164 (2) and 184 (1) of Companies Act, 2013.
7. E-forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
8. Statutory Registers under Companies Act, 2013.

ANNEXURE – II

LIST OF OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY

1. The Maternity Benefit Act, 1961.
2. The Payment of Gratuity Act, 1972.
3. The Maharashtra Shops & Establishment Act, 1972
4. The Employee's State Insurance Act, 1948.
5. Employee's Compensation Act, 1923.
6. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
7. The Employees Provident Funds and Miscellaneous Provisions Act, 1952
8. The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975
9. The Information Technology Act, 2000
10. The Food, Safety & Standard Act, 2006

ANNEXURE-III

To,
The Members,
Natures Basket Limited
Duncan House, 31, Netaji Subhas Road,
Kolkata, 700001, West Bengal

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

1. Maintenance of secretarial records 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 Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, we have obtained Management Representation about the compliance 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 a 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.

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

(Annexure 'F' to the Board's Report)

1. Brief outline on Corporate Social Responsibility (CSR) policy of the Company

   The Company is dedicated to the cause of providing access to basic services, empowering people, educating them and to improving their quality of life. The Company undertakes programmes based on the identified needs of the community healthcare, education, art and community like the following:

   a) Provision of access to basic healthcare services / facilities, safe drinking water & sanitation and conducting health awareness camps;

   b) Empowerment of the disadvantaged sections of society through promoting inclusive education for all, as well as through livelihood generation and skill development;

   c) Supporting environmental and ecological balance through energy conservation, adoption of initiatives resulting into Greenhouse Gas Emissions (GHG) reduction and transformation into a low carbon business practices;

   d) Undertaking livelihood generation / promotion and women empowerment projects;

   e) Any other programme that falls under the Company's CSR Policy and is aimed at the empowerment of disadvantaged sections of the society.

   The details of the projects undertaken during the year are stated in Management Discussion and Analysis which forms a part of the Director's Report.

2. Composition of CSR Committee:

SL. No	Name of the Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Dr. Sanjiv Goenka	Chairman and Non-Executive Director	1	1
2	Mr. Shashwat Goenka	Member and Non-Executive Director	1	1
3	Mr. Utsav Parekh	Member and Non-Executive Independent Director	1	1

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.

   The Company's revised policy on CSR committee, CSR Policy and CSR projects is posted at http://www.spencersretail.com/investor

4. Provide the details 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 (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : Not Applicable

6. Average net profit of the Company as per section 135(5): Not Applicable

7. (a) Total amount of average net profit of the Company as per Section 135(5): Not Applicable

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable

   (c) Amount required to be set off for the financial year, if any: Not Applicable

   (d) Total CSR obligation for the financial year (7a+7b+7c): Not Applicable

8. (a) CSR amount spent or unspent for the financial year: Not Applicable

   (b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

   (c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

   (d) Amount spent in Administrative Overheads: Not Applicable

   (e) Amount spent on Impact Assessment, if applicable: Not Applicable

   (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Not Applicable

   (g) Excess amount for set off, if any : Not Applicable

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES (Contd.)

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

    No amount was required to be spent by the Company on CSR during the year as the Company had incurred losses in past.

Dr. Sanjiv Goenka
Chairman
DIN: 00074796

Devendra Chawla
CEO and Managing Director
DIN: 03586196

Kolkata, June 15, 2021

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(Annexure 'G' to the Board's Report)

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy:

i.	The steps taken or impact on conservation of energy	The operations of your company are not energy intensive, however, adequate measures have been taken to reduce energy consumption, wherever possible.
ii.	The steps taken by the company for utilising alternate sources of energy	All efforts are made to use more natural lights in offices/ stores premises to optimize the consumption of energy. The Company is also using solar panel at some of its stores.
iii.	The capital investment on energy conservation Equipments	Nil

(B) Technology absorption:

i.	The efforts made towards technology absorption	N.A.
ii.	The benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
iii.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	N.A.
iv.	The expenditure incurred on Research and Development.	Nil

(C) Research and Development:

Research and Development activities are an area of focus for the Company for achieving constant improvements in various operational functions for enhancing quality, productivity and consumer satisfaction.

(D) Foreign Exchange Earnings and Outgo:

There has been no foreign exchange earnings and outgo for the Company during the year.

For and on behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN 00074796)

Kolkata, June 15, 2021

PARTICULARS OF REMUNERATION

(Annexure 'H' to the Board's Report)

DETAILS PERTAINING TO REMUNERATION 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

The ratio of the remuneration (including sitting fees) of the Directors constituted during the financial year 2020-21 –Dr. Sanjiv Goenka, Mr. Shashwat Goenka, Mr. Utsav Parekh, Mr. Pratip Chaudhari, Ms. Rekha Sethi, Mr. Debanjan Mandal Non-Executive Directors and Mr. Devendra Chawla and Mr. Rahul Nayak, Executive Directors to the median remuneration of employees of the Company for the financial year 2020-21 is 5.86:1, 8.05:1, 8.79:1, 5.12:1, 3.29:1, 5.86:1, 709.68:1 and 125.10:1. The percentage increase in remuneration of each director is (6)%, 29%, 0%, (26)%, 0%, 33%, 98% and 9% respectively. The percentage increase in remuneration of Chief Financial Officer and Company Secretary is 4.67% and 8% respectively.

During the said financial year, there was an increase of 7.27 % in the median remuneration of employees on the roll as at March 31, 2021. There were 5097 permanent employees on the roll of Company as at March 31, 2021.

1) During the financial year 2020-21, the average increase in the remuneration was 5.78 %.

2) The average % increase in the salaries of the employees on roll as at March 31, 2021 other than the managerial personnel was 5.90 % in the financial year 2020-21, whereas the increase in the managerial remuneration for the same financial year was 5.77 %.

3) It is hereby affirmed that the remuneration paid was as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN 00074796)

Kolkata, June 15, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of

Spencer's Retail Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Spencer's Retail Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, 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, 2021, its loss including other comprehensive loss, 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 judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
Impairment Testing for Brand *(as described in Note 4 of the standalone financial statements)*	
The Company has an acquired brand (intangible asset) as at March 31, 2021 assessed to be with an indefinite life. As required by Ind AS 36 "Impairment of Assets", such brand is tested for impairment every year as stated in the accounting policy note no 2.2(e) of the standalone financial statements. For this assessment, the Company engages a valuer to determine the recoverable value of the brand using valuation techniques, which is sensitive to changes in inputs used in valuation and involves judgment due to inherent uncertainty in the assumptions related to discount rate, future growth rate and future royalty rates. Accordingly, impairment testing for the brand is determined to be a key audit matter in our audit of the standalone financial statements.	Our audit procedures included, among others the following: • We read and assessed the Company's accounting policies with respect to impairment testing • We obtained and reviewed the impairment testing report for brand prepared by the Company's independent valuation specialist and also assessed the valuation specialist's objectivity and independence • We evaluated the independent valuation specialist's methodology, assumptions and estimates used in the calculations. In performing these procedures, we also engaged valuation specialists • We assessed management's sensitivity analysis around the key assumptions • We assessed the disclosures made in the standalone financial statements
Fair Valuation of Investment in Subsidiaries *(as described in Note 6 of the standalone financial statements)*	
The Company carries its investment in subsidiaries at fair value through Other Comprehensive Income (FVTOCI). The Company engages a valuer to determine the fair value of such investment using the discounted cash flow method of valuation, which is sensitive to changes in inputs used in valuation and involves judgment due to inherent uncertainty in the assumptions used for forecasting the future cash flows. Accordingly, the fair valuation of investment in subsidiary companies is determined to be a key audit matter in our audit of the standalone financial statements.	Our audit procedures included, among others the following: • We obtained and reviewed the fair valuation reports prepared by the Company's independent valuation specialist and also assessed the valuation specialist's objectivity and independence • We evaluated the independent valuation specialist's methodology, assumptions and estimates used in the calculations. In performing these procedures, we also engaged valuation specialists • We assessed the disclosures made in the standalone financial statements

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 Directors Report, Management Discussion and Analysis, Report on Corporate Governance, Additional Shareholder Information, Report on Corporate Social Responsibility Activities and Statement containing salient features of the financial statements of subsidiaries, 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 judgments 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 judgment and maintain professional skepticism 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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, 2021 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, 2016 ("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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 2021 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 30(a) 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.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652
UDIN: 21058652AAAABO6915

Place of Signature: Kolkata
Date: June 15, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SPENCER'S RETAIL LIMTED

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(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 noticed on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment/ fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon. Provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees and securities given have been complied with by the Company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and as explained, 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 regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature	Disputed Amount (₹ in Lakhs)	Period	Forum where the dispute is pending
Maharashtra Value Added Tax Act, 2002	Mismatch and Disallowance of Input Tax Credit	751.49	2009-10 & 2013-14	Jt.Comm. of Sales Tax (Appeal)
Uttrakhand Value Added Tax Act, 2005	Disallowance of Input Tax Credit, dispute on turnover and tax thereon	103.35	2016-17	Deputy Commissioner
West Bengal Sales Tax Act,1994	Demand on disputed stock transfer	29.57	2003-04	WBCT Appellate & Revisional Board.
Tamil Nadu General Sales Tax Act, 1959	Tax demand on first point sales	25.32	2001-02	Appellate DC

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SPENCER'S RETAIL LIMTED (Contd.)

Name of the Statute	Nature	Disputed Amount (₹ in Lakhs)	Period	Forum where the dispute is pending
Tamil Nadu GST Act, 2017	Demand Raised against excess Input Tax Credit claimed for the period Nov-17	1.17	2017-18	Commissioner (Appeals)
Delhi Value Added Tax Act, 2004	Disallowance of input tax credit	4.32	2012-13	DC Appeals
Jharkhand Value Added Tax Act, 2005	Disallowance of input tax credit	1.61	2009-10	Commissioner of Commercial Taxes
Andhra Pradesh General Sales Tax Act, 1957.	Demand on single point tax	0.74	2003-04	AP State Appellate Authorities

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings from banks. The Company did not have any outstanding loans or borrowings in respect of a financial institution or Government or dues to debenture holders during the year.

ix. In our opinion and according to the information and explanations given by the management, the Company has utilised the monies raised by way of rights issue of equity shares and term loans for the purposes for which they were raised.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652
UDIN: 21058652AAAABO6915

Place of Signature: Kolkata
Date: June 15, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SPENCER'S RETAIL LIMITED

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 Spencer's Retail Limited ("the Company") as of March 31, 2021 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.

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SPENCER'S RETAIL LIMITED (Contd.)

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, 2021, 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. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652
UDIN: 21058652AAAABO6915

Place of Signature: Kolkata
Date: June 15, 2021

STANDALONE BALANCE SHEET
AS AT MARCH 31, 2021

₹ in Lakhs

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	14,688.24	15,736.10
Capital work in progress	3	178.93	867.35
Right-of-use assets	31	44,744.43	40,976.19
Other intangible assets	4	9,235.92	9,235.87
Financial assets			
(i) Investments	6	35,327.05	31,617.07
(ii) Loans	10	3,837.39	4,418.46
(iii) Other financial assets	11	619.12	258.56
Tax assets (net)		1,941.82	1,456.14
Other assets	12	334.94	193.41
Total non-current assets (A)		**1,10,907.84**	**1,04,759.15**
Current assets			
Inventories	5	23,581.67	23,063.03
Financial assets			
(i) Trade receivables	7	3,145.53	6,119.42
(ii) Cash and cash equivalents	8	5,271.80	5,963.21
(iii) Bank balances other than cash and cash equivalents	9	76.00	-
(iv) Other financial assets	11	154.87	114.66
Other assets	12	1,968.09	1,764.93
Total current assets (B)		**34,197.96**	**37,025.25**
TOTAL ASSETS (A+B)		**1,45,105.80**	**1,41,784.40**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	4,506.60	3,976.71
Other equity	14	29,948.29	35,548.32
Total equity (C)		**34,454.89**	**39,525.03**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	2,706.21	2,333.20
(ii) Lease liabilities	31	52,214.13	47,725.80
(iii) Other financial liabilities	16	103.87	94.43
Provisions	20	1,141.45	975.70
Total non-current liabilities (D)		**56,165.66**	**51,129.13**
Current liabilities			
Contract liabilities	17	900.64	644.88
Financial liabilities			
(i) Borrowings	15	13,815.36	6,856.26
(ii) Lease liabilities	31	7,120.65	6,801.80
(iii) Trade payables	18		
- Total outstanding dues of micro enterprises and small enterprises		62.07	136.43
- Total outstanding dues of creditors other than micro enterprises and small enterprises		27,282.07	30,880.22
(iv) Other financial liabilities	16	3,199.16	2,893.91
Other current liabilities	19	859.82	1,657.46
Provisions	20	1,245.48	1,259.28
Total current liabilities (E)		**54,485.25**	**51,130.24**
TOTAL EQUITY AND LIABILITIES (C+D+E)		**1,45,105.80**	**1,41,784.40**

The accompanying notes form an integral part of these Standalone Financial Statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

Kamal Agarwal
Partner
Membership number - 058652

Place : Kolkata
Date : June 15, 2021

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536

Rama Kant
Company Secretary

Kumar Tanmay
Chief Financial Officer

Place : Mumbai
Date : June 15, 2021

Place : Kolkata

Place : Mumbai

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

₹ in Lakhs

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	21	2,06,895.21	2,37,328.94
Other income	22	4,718.00	2,954.92
Total Income (I)		**2,11,613.21**	**2,40,283.86**
Expenses			
Cost of raw materials consumed	23	712.59	620.77
Purchases of stock-in-trade		1,66,825.84	1,82,668.89
Changes in inventories of finished goods and stock-in-trade	24	(489.36)	3,923.57
Employee benefits expense	25	15,835.20	16,056.96
Other expenses	26	24,018.86	26,132.31
Total Expenses (II)		**2,06,903.13**	**2,29,402.50**
Earnings before interest expenses, tax, depreciation and amortisation (EBITDA) [(I)-(II)]		**4,710.08**	**10,881.36**
Depreciation and amortisation	27	10,616.93	10,496.18
Finance costs	28	6,886.27	6,087.09
Loss before tax (III)		**(12,793.12)**	**(5,701.91)**
Tax expense			
Current tax	34	-	-
Loss for the year (IV)		**(12,793.12)**	**(5,701.91)**
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to Statement of profit and loss			
Remeasurement of defined benefit plans	36	(66.56)	(141.80)
Other comprehensive loss for the year (V)		**(66.56)**	**(141.80)**
Total comprehensive loss for the year [(IV)+(V)]		**(12,859.68)**	**(5,843.71)**
Earnings per share - Basic and Diluted	29	**(14.81)**	**(7.06)**
[Nominal value per equity share ₹ 5 (March 31, 2020: ₹ 5)]			

The accompanying notes form an integral part of these Standalone Financial Statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

Kamal Agarwal
Partner
Membership number - 058652

Place : Kolkata
Date : June 15, 2021

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai
Date : June 15, 2021

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

A. Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Balance at the beginning of the year	7,95,34,226	3,976.71	7,95,34,226	3,976.71
Equity shares allotted pursuant to rights issue (refer note 13(a))	1,05,97,783	529.89	-	-
Balance at the end of the year	**9,01,32,009**	**4,506.60**	**7,95,34,226**	**3,976.71**

B. Other equity

	Reserves and Surplus				Total
	Capital reserve	Retained earnings	Securities Premium	Share based payment reserve	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Balance as at April 01, 2020	**55,965.23**	**(20,416.91)**	**-**	**-**	**35,548.32**
Loss for the year	-	(12,793.12)	-	-	(12,793.12)
Remeasurement of defined benefit plans	-	(66.56)	-	-	(66.56)
Covid - 19 related rent concessions (refer note 31)	-	44.45	-	-	44.45
Premium on equity shares alloted pursuant to rights issue (refer note 13 (a))	-	-	7,418.45	-	7,418.45
Expenses incurred on account of equity shares issued on rights basis	-	-	(221.88)	-	(221.88)
Addition on account of Spencer's Employee Stock Option Plan 2019 (ESOP 2019) (refer note 38)	-	-	-	18.63	18.63
Balance as at March 31, 2021	**55,965.23**	**(33,232.14)**	**7,196.57**	**18.63**	**29,948.29**

	Reserves and Surplus				Total
	Capital reserve	Retained earnings	Securities Premium	Share based payment reserve	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Balance as at March 31, 2019	55,965.23	(292.15)	-	-	55,673.08
Adjustment on account of adoption of Ind AS 116 Leases (refer note 31)	-	(14,281.05)	-	-	(14,281.05)
Balance as at April 01, 2019 after adjustment	**55,965.23**	**(14,573.20)**	**-**	**-**	**41,392.03**
Loss for the year	-	(5,701.91)	-	-	(5,701.91)
Remeasurement of defined benefit plans	-	(141.80)	-	-	(141.80)
Balance as at March 31, 2020	**55,965.23**	**(20,416.91)**	**-**	**-**	**35,548.32**

The accompanying notes form an integral part of these Standalone Financial Statements.
This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

Kamal Agarwal
Partner
Membership number - 058652

Place : Kolkata
Date : June 15, 2021

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai
Date : June 15, 2021

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Operating Activities		
Loss before tax	**(12,793.12)**	**(5,701.91)**
Adjustments :		
Depreciation and amortisation	10,616.93	10,496.18
Provision for bad & doubtful debts / bad debts	2,866.88	947.06
Provision for doubtful store lease deposit	250.41	49.79
Interest expense on decommissioning liability	26.61	25.54
Provision for obsolete stocks	622.22	282.31
Interest on non-cumulative non-convertible redeemable preference shares	9.44	8.96
Finance costs	6,850.22	6,052.58
Fair value gain on investments measured at fair value through profit and loss (FVTPL)	(1,109.49)	(879.75)
Gain on sale of investments	(849.95)	(411.86)
Interest income	(511.29)	(649.59)
Reversal of net liability on termination of lease	(1,016.78)	(395.80)
Gain on sale of property, plant and equipment	-	(40.84)
Covid - 19 related rent concessions	(758.59)	-
Cash from operations before working capital changes	**4,203.49**	**9,782.67**
Working capital changes:		
(Increase)/decrease in inventories	(1,140.86)	3,636.79
(Increase)/decrease in trade receivables	107.01	(2,498.71)
(Increase)/decrease in loans	582.40	(869.93)
(Increase)/decrease in other financial assets	(137.28)	10.77
(Increase)/decrease in other assets	(247.76)	344.42
Decrease in trade payables	(3,672.51)	(227.85)
Increase in financial liabilities	484.42	436.90
Increase/(decrease) in other current liabilities	(206.33)	613.32
Increase in contract liabilities	255.76	251.29
Increase/(decrease) in provisions	77.41	(169.63)
Cash flow generated from operating activities	**305.75**	**11,310.04**
Income taxes paid	(485.68)	(657.97)
Net cash (used in) / generated from operating activities (A)	**(179.93)**	**10,652.07**
Investing Activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(2,172.55)	(3,813.53)
Proceeds from sale of property, plant and equipment	-	51.91
Payment towards acquisition of wholly owned subsidiary in a business combination	(126.80)	(17,438.04)
Investment in subsidiary companies	(3,065.00)	(5,800.00)
Investment in alternative investment fund	-	(202.50)
Proceeds from alternative investment fund	806.94	14.31
Purchase of mutual fund units	(16,461.00)	(49,983.69)
Proceeds from sale of mutual fund units	16,504.01	51,378.94
Investment in bank deposits	(56,211.00)	(20.50)
Redemption / maturity of bank deposits	55,882.81	19,036.64
Inter corporate deposit given	2,000.00	(3,600.00)
Inter corporate deposit received back	(2,000.00)	3,600.00
Interest received	134.41	389.58
Net cash used in investing activities (B)	**(4,708.18)**	**(6,386.88)**

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Financing Activities		
Payment of lease liabilities (principle)	(4,062.42)	(4,957.49)
Proceeds from issue of shares (net of expenses)	7,726.46	-
Proceeds from non-current borrowings	1,039.68	3,000.00
Repayment of non-current borrowings	(666.67)	-
Net movement in current borrowings	6,959.10	6,856.26
Interest paid	(6,799.45)	(6,003.27)
Net cash generated from / (used in) financing activities (C)	**4,196.70**	**(1,104.50)**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(691.41)**	**3,160.69**
Cash and cash equivalents at the beginning of the year	5,963.21	2,802.52
Cash and cash equivalents at the end of the year	**5,271.80**	**5,963.21**
Components of cash and cash equivalents :		
Balance with banks		
- In current accounts	4,571.36	5,318.40
Balance with credit card, e-wallet companies and others	388.22	289.71
Cash on hand	312.22	355.10
Total cash and cash equivalents (refer note 8)	**5,271.80**	**5,963.21**

Change in liabilities arising from financing activities :

₹ in Lakhs

Particulars	As at April 01, 2020	Cash flows Inflow/(outflow)	Non-cash changes	As at March 31, 2021
Other Financial Liabilities - Preference Shares	94.43	-	9.44	103.87
Non current borrowings*	3,000.00	373.01	-	3,373.01
Current Borrowings	6,856.26	6,959.10	-	13,815.36
Lease Liabilities [refer note 31]	54,527.60	(4,062.42)	8,869.60	59,334.78

₹ in Lakhs

Particulars	As at April 01, 2019	Cash flows Inflow/(outflow)	Non-cash changes	As at March 31, 2020
Other Financial Liabilities - Preference Shares	85.47	-	8.96	94.43
Non current borrowings*	-	3,000.00	-	3,000.00
Current Borrowings	-	6,856.26	-	6,856.26
Lease Liabilities [refer note 31]	50,900.05	(4,957.49)	8,585.04	54,527.60

*Includes current maturities of long term borrowings

The accompanying notes form an integral part of these Standalone Financial Statements.
This is the Standalone Cash Flow Statement referred to in our report of even date.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

Kamal Agarwal
Partner
Membership number - 058652

Place : Kolkata
Date : June 15, 2021

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai
Date : June 15, 2021

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

1. CORPORATE INFORMATION

Spencer's Retail Limited ("the Company") was incorporated as a public limited company under the provisions of the Companies Act, 2013 ("the Act"), pursuant to the certificate of incorporation dated February 08, 2017, under the corporate identity number L74999WB2017PLC219355 having its registered office at Duncan House, 31, Netaji Subhas Road, Kolkata - 700001. The name of the Company was changed from "RP-SG Retail Limited" to "Spencer's Retail Limited" vide certificate of incorporation pursuant to change of name issued by the Registrar of Companies, Kolkata dated December 13, 2018.

The Company is primarily engaged in developing, conducting and promoting organised retail and operates departmental and neighbourhood stores under various formats across the country.

Information on related party relationships of the Company is provided in Note 37.

2.1 Basis of preparation

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Standalone Ind AS financial statements.

Accordingly, the Company has prepared these Standalone financial statements which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Cash Flows statement and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone financial statements" or "financial statements").

These financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated.

These financial statements of the Company for the year ended March 31, 2021 were approved for issuance in accordance with the resolution passed by the Board of Directors on June 15, 2021.

(b) Basis of measurement

The financial statements have been prepared on accrual basis under historical cost convention, except for the following assets and liabilities, which had been measured at fair value as required by the relevant Ind AS:

- Certain Financial Assets and Liabilities (refer accounting policy regarding Financial Instruments);
- Defined Employee Benefit Plans

(c) Functional and presentation currency

These financial statements are presented in Indian Rupee (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest Lakhs, unless otherwise indicated.

(d) Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the years in which the estimate is revised and future years affected.

The information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as given below:

(i) Useful life and residual value of property, plant and equipment and intangible assets - Note 2.2 (c), (e), 3 & 4

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

(ii) Impairment of intangible assets - Note 2.2 (e) & 4

(iii) Determining the fair values of investments - Note 2.2(g) & 6

(iv) Measurement of defined benefit obligations: key actuarial assumptions - Note 2.2(i) & 36

(v) Non recognition of deferred tax assets - Note 2.2 (q) & 34

(vi) Discounting rate and lease term for accounting of Right-of-use assets and lease liabilities under Ind AS 116 - Note 2.2(p) & 31

2.2 Significant accounting policies

(a) Current and non-current classification

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle or
- Held primarily for the purpose of trading or
- 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 or
- It is held primarily for the purpose of trading or
- 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

(b) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of initial transaction. Exchange differences are recognised in the Statement of Profit and Loss in the year in which they arise.

(c) Property, plant and equipment (PPE)

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price inclusive of non-refundable duties and taxes, incidental expenses, erection/commissioning expenses, borrowing cost, any directly attributable cost of bringing the item to its working condition for its intended use and costs of dismantling and removing the item and restoring the site on which it is located. Trade discounts and rebates are deducted from the purchase price. Expenditure incurred in setting up of stores are capitalised as a part of lease hold improvements.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Act and based on management's estimate of useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Expenditure in respect of improvements, etc. carried out at the rented / leased premises are depreciated over the initial period of lease or useful life of assets, whichever is lower. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation is calculated on a straight line basis using the rates arrived based on the useful lives estimated by the management, which are as follows:

Class of assets	Management estimate of useful life
Computer hardware	3 to 6 years
Furniture and fixtures	3 to 15 years
Vehicles	5 years
Office equipments	5 years
Plant and machineries	15 to 25 years

Based on the internal assessment carried out by the in-house technical team, management believes that the residual value and useful lives as given above best represents the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under part C of schedule II of the Companies Act 2013.

Capital work in progress (CWIP)

Capital work-in-progress includes cost of property, plant and equipment under installation / under development net off impairment loss, if any, as at the balance sheet date. Directly attributable expenditure incurred on project under implementation are shown under CWIP. At the point when an asset is capable of operating in the manner intended by management, the capital work in progress is transferred to the appropriate category of property, plant and equipment.

(d) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date, to determine if there is any indication of impairment based on the internal/external factors. An impairment loss is recognised wherever the carrying amount of assets exceeds its recoverable amount which is the greater of net selling price and value in use of the respective assets. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost, which includes purchase price and any cost directly attributable to bringing the asset to the conditions necessary for it to be capable of operating in the manner intended by management. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

All relatable expenditure incurred with respect to developing designs which are capable of being used for more than one season are capitalised and amortised over the useful period of the design.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite life intangible assets are amortised using straight line method over the period of their expected useful lives. Estimated useful lives of intangible assets are as follows:

Class of assets	Management estimate of useful life
Computer softwares	6 years
Know-how and licenses	10 years
Designs	3 years
Brand	Indefinite life

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

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.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

(f) Inventories

Inventories of traded goods, finished goods and packing materials 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 under moving weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts.

Raw materials are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Obsolete, slow moving and damaged stock is valued at lower of cost less provision and net realisable value. Such inventories are identified from time to time and where necessary a provision is made for such inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through income statement, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost
- Financial assets designated at fair value through OCI (equity instruments)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A 'financial asset' 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.

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. The Company's financial assets at amortised cost includes trade receivables, loans and other financial assets.

Financial assets designated at fair value through OCI (equity instruments)

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its equity investments in subsidiaries under this category.

Financial assets at fair value through profit or loss (FVTPL):

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes investments in units of mutual funds, alternative investment fund. It also includes equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition:

A financial asset is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In accordance with Ind AS 109, the Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost.

The Company considers a financial asset in default when contractual payments are due for a period greater than a predefined period as per management policy. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. After initial recognition, Interest-bearing loans and borrowings are measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are off set 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.

Fair value measurement

The Company measures financial instruments, such as, equity share, mutual funds etc. at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, etc.

(h) Cash and cash equivalents

Cash and cash equivalent (including for Statement of Cash Flows) comprise cash at banks, cash on hand and short-term deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

(i) Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as and when the related services are provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays a fixed contribution and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to provident and superannuation fund are recognised as an employee benefit expense in Statement of Profit and Loss when the contributions to the respective funds are due.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plans.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is measured on the basis of an independent actuarial valuation using the projected unit credit method, for the unused entitlement that has accumulated as at the balance sheet date. Non-accumulating compensated absences are recognised in the period in which the absences occur.

Share-based payment arrangement

Equity-settled share-based payments to eligible employees of the Company are measured at the fair value of the equity instruments/option at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 38. The fair value determined at the grant date of the equity settled share-based payments to eligible employees of the Company 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 year. At the end of each year, the Company revisits its estimate of the number of equity instruments expected to vest and recognizes any impact in profit or loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share based payment reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its eligible employees. The Company uses the Trust as a vehicle for distributing shares to eligible employees under the Employee Stock Option Plan, 2019. The Trust buys shares of the Company from the market, for giving shares to eligible employees. The Company treats Trust as separate entity controlled by the company.

(j) Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Decommissioning liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

(k) Contingent liabilities

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(l) Revenue from operations

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised on delivery of merchandise to the customer, when the property in the goods is transferred for a price, and significant risks and rewards have been transferred and no effective ownership control is retained. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates, Goods and Services tax (GST) and amounts collected on behalf of third parties.

Where the Company is the principal in the transaction, the sales are recorded at their gross values. Where the Company is effectively the agent in the transaction, the cost of the merchandise is disclosed as a deduction from the gross value.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. Any amounts received for which the Company does not have any separate performance obligation are considered as a reduction of purchase costs.

The Company has contracts with concessionaire whereby it facilitates in the sale of products of these concessionaires. The inventory of the concessionaire 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 separately as sale of goods and cost of goods sold 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. Thus, the Company is an agent and records revenue at the net amount that it retains for its agency services.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other operating revenue

Other operating revenue mainly represents recoveries made on account of advertisement for use of space by the customers and other expenses recovered from suppliers. These are recognised and recorded over time or at the point in time based on the arrangements with concerned parties.

(m) Interest income

Interest income is recognised based on time proportion basis considering the amount outstanding and using the effective interest rate (EIR). Interest income is included as other income in the Statement of Profit and Loss.

(n) Expenses

All expenses are accounted for on accrual basis.

(o) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

(p) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements under taken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to its operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for store. The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use assets (ROU) and a corresponding lease liability for all lease arrangements, in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and non-lease components (like maintenance charges, etc.). For these short-term leases and non-lease components, the Company recognizes the lease rental payments as an operating expense.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The present value of the expected cost to be incurred on removal of assets at the time of store closure (referred as "Decommissioning liability") is included in the cost of right-of-use assets.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liabilities are initially measured at the present value of the future lease payments. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expense.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates for similar term of borrowing as the leases, for the Company. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term lease is recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

(q) Income tax

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 are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases and accounting bases of assets and liabilities at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets and liabilities are offset when there is 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 offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

(r) Business combination

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method whereby the assets and liabilities of the combining entities / business are reflected at their carrying value and necessary adjustments, if any, have been given effect to as per the scheme approved by National Company Law Tribunal.

(s) Compound instrument - non-cumulative non-convertible redeemable preference shares

Non-cumulative non-convertible redeemable preference shares where payment of dividend is discretionary and which are mandatorily redeemable on a specific date, are classified as compound instruments. The fair value of liabilities portion is determined by discounting amount repayable at maturity using market rate of interest. Difference between proceed received and fair value of liability on initial recognition is included in equity, net of tax effects and not remeasured subsequently. Liability component of non-convertible redeemable preference shares are subsequently measured at amortised cost. The interest on these non-convertible redeemable preference shares are recognised in profit or loss as finance costs.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(u) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(v) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss, for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(w) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(x) Measurement of EBITDA

The Company has elected to present Earnings (including interest income) before Interest expense, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of Profit and Loss.

(y) New and amended standards

Amendments to Ind AS 116: Covid-19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has applied the practical expedient during the year ended March 31, 2021 in respect of lease agreements where negotiations have been completed and accounted the unconditional rent concessions as per Note 31.

Following are the other amendments and interpretations issued for the year, but either are not applicable on the Company or does not have a material impact on these financial statements of the Company:

- Amendments to Ind AS 103: Business Combinations
- Amendments to Ind AS 1 and Ind AS 8: Definition of Material
- Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

3. Property, plant and equipment

₹ in Lakhs

	Leasehold improvements	Plant and machineries	Computer hardwares	Vehicles	Furniture and fixtures	Office equipments	Total
Gross carrying amount							
As at April 01, 2019	**10,878.75**	**5,255.21**	**2,166.44**	**19.55**	**7,687.79**	**144.49**	**26,152.23**
Additions during the year	1,174.05	392.27	327.55	-	616.40	0.46	2,510.73
Disposals during the year	37.28	-	-	-	26.88	-	64.16
As at March 31, 2020	**12,015.52**	**5,647.48**	**2,493.99**	**19.55**	**8,277.31**	**144.95**	**28,598.80**
Additions during the year	1,259.19	329.58	140.73	-	521.61	17.63	2,268.74
Disposals during the year	39.62	-	-	-	12.00	-	51.62
As at March 31, 2021	**13,235.09**	**5,977.06**	**2,634.72**	**19.55**	**8,786.92**	**162.58**	**30,815.92**
Accumulated depreciation							
As at April 01, 2019	**3,087.26**	**1,572.74**	**1,402.22**	**18.73**	**3,356.22**	**41.65**	**9,478.82**
Depreciation for the year (refer note 27)	1,947.42	485.15	299.31	0.29	695.00	11.66	3,438.83
Disposals for the year	37.28	-	-	-	17.67	-	54.95
As at March 31, 2020	**4,997.40**	**2,057.89**	**1,701.53**	**19.02**	**4,033.55**	**53.31**	**12,862.70**
Depreciation for the year (refer note 27)	1,640.71	592.39	281.11	-	790.42	9.09	3,313.72
Disposals for the year	39.62	-	-	-	9.12	-	48.74
As at March 31, 2021	**6,598.49**	**2,650.28**	**1,982.64**	**19.02**	**4,814.85**	**62.40**	**16,127.68**
Net carrying amount							
As at March 31, 2021	**6,636.60**	**3,326.78**	**652.08**	**0.53**	**3,972.07**	**100.18**	**14,688.24**
As at March 31, 2020	**7,018.12**	**3,589.59**	**792.46**	**0.53**	**4,243.76**	**91.64**	**15,736.10**

Capital work in progress	₹ in Lakhs
As at April 01, 2019	**105.71**
Addition during the year	3,524.50
Less : Capitalised to Property, plant and equipment and intangible assets during the year	2,762.86
As at March 31, 2020	**867.35**
Addition during the year	548.06
Less : Capitalised to Property, plant and equipment and intangible assets during the year	1,236.48
As at March 31, 2021	**178.93**

Note :

Refer note 15 for hypothecation of Property, plant and equipment.

4. Other intangible assets

₹ in Lakhs

	Computer softwares	Know-how and licenses	Designs	Brand *	Total
Gross carrying amount					
As at April 01, 2019	**890.99**	**295.05**	**116.73**	**8,625.00**	**9,927.77**
Additions during the year	49.18	-	202.95	-	252.13
Disposals during the year	-	37.23	-	-	37.23
As at March 31, 2020	**940.17**	**257.82**	**319.68**	**8,625.00**	**10,142.67**
Additions during the year	92.33	-	121.12	-	213.45
Disposals during the year	-	-	-	-	-
As at March 31, 2021	**1,032.50**	**257.82**	**440.80**	**8,625.00**	**10,356.12**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

₹ in Lakhs

	Computer softwares	Know-how and licenses	Designs	Brand *	Total
Accumulated amortisation					
As at April 01, 2019	**491.85**	**232.70**	**23.56**	**-**	**748.11**
Amortisation for the year (refer note 27)	96.83	29.46	67.77	-	194.06
Disposals for the year	-	35.37	-	-	35.37
As at March 31, 2020	**588.68**	**226.79**	**91.33**	**-**	**906.80**
Amortisation for the year (refer note 27)	84.64	-	128.76	-	213.40
Disposals for the year	-	-	-	-	-
As at March 31, 2021	**673.32**	**226.79**	**220.09**	**-**	**1,120.20**
Net carrying amount					
As at March 31, 2021	**359.18**	**31.03**	**220.71**	**8,625.00**	**9,235.92**
As at March 31, 2020	**351.49**	**31.03**	**228.35**	**8,625.00**	**9,235.87**

Brand has been considered to have an indefinite useful life taking into account that there are no technical, technological, commercial risks of obsolescence or limitations under contract or law.

The Company has a single operating segment i.e. organised retail which is the only Cash Generating Unit (CGU).

The Company tests whether brand has suffered any impairment on an annual basis. The recoverable amount has been determined based on value in use for current and previous financial year.

Value in use has been determined based on relief from royalty method using future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

Basis the assessment, the management has concluded that there is no impairment in respect of brand.

5. Inventories

(at the lower of cost and net realisable value)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Raw materials	60.76	86.62
Finished goods	51.44	121.73
Stock-in-trade	23,118.28	22,558.63
Packing materials	351.19	296.05
	23,581.67	**23,063.03**

6. Investments

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Non-current		
Unquoted		
Investments in equity instruments		
Wholly owned subsidiaries : (At FVTOCI)		
Natures Basket Limited : 502,580,000 equity shares (March 31, 2020: 492,580,000 equity shares) of ₹ 10 each, fully paid up [refer note (i) below]	23,239.84	22,704.35
Omnipresent Retail India Private Limited : 77,196,569 equity shares (March 31, 2020: 56,546,569 equity shares) of ₹ 10 each, fully paid up	8,633.58	6,568.58
Others : (at FVTOCI)		
Retailer's Association of India: 10,000 equity shares (March 31, 2020: 10,000 equity shares) of ₹ 10 each, fully paid up	1.00	1.00
Investment in Alternative Investment Fund (at FVTPL)		
Fireside Ventures Investment Fund I : 1307.196 units (March 31, 2020: 1307.196 units) of face value ₹ 100,000 each	3,452.63	2,343.14
	35,327.05	**31,617.07**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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(i) On July 04, 2019, the Company has acquired 44,58,30,000 fully paid-up equity shares of ₹ 10 each, consisting 100% shareholding stake of Natures Basket Limited from Godrej Industries Limited ("Seller"), at an enterprise value of ₹ 30,000.00 Lakhs settled through cash and takeover of outstanding debts. Consequent to this acquisition, Natures Basket Limited has become as a wholly owned subsidiary of the Company.

The share purchase agreement stipulated a 1 year window from July 04, 2019 for settlement on account of working capital adjustments. The Company had an outstanding liability of ₹ 591.31 Lakhs as at March 31, 2020 on account of working capital adjustments. Subsequently, on August 07, 2020, ₹ 126.80 Lakhs was paid to the seller and remaining liability of ₹ 464.51 Lakhs has been extinguished by crediting investment.

Post acquisition, the Company has infused ₹ 1,000.00 Lakhs (March 31, 2020: ₹ 4,675.00 Lakhs) as equity investment in Natures Basket Limited.

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Aggregate value of unquoted investments	35,327.05	31,617.07

7. Trade receivables
(Unsecured)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
- Considered good	3,145.53	6,119.42
- Significant increase in credit risk	3,389.93	1,122.81
	6,535.46	7,242.23
Impairment allowance:		
- Significant increase in credit risk	(3,389.93)	(1,122.81)
	3,145.53	**6,119.42**

Refer note 37 for receivables from related parties.

8. Cash and cash equivalents

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Balance with banks		
- in current accounts	4,571.36	5,318.40
Balance with credit card, e-wallet companies and others	388.22	289.71
Cash on hand	312.22	355.10
	5,271.80	**5,963.21**

9. Bank balances other than cash and cash equivalents

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Deposits with original maturity of more than 3 months and less than 12 months	76.00	-
	76.00	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

10. Loans

(Unsecured)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Security Deposits		
- Considered good	3,837.39	4,418.46
- Significant increase in credit risk	80.16	20.89
- Credit impaired	191.24	181.79
	4,108.79	4,621.14
Impairment allowance:		
- Significant increase in credit risk	(80.16)	(20.89)
- Credit impaired	(191.24)	(181.79)
	(271.40)	(202.68)
	3,837.39	**4,418.46**

11. Other financial assets

(Unsecured and considered good)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Non-current		
Margin money deposit *	508.43	256.24
Interest accrued on bank deposits	8.69	2.32
Advance to Spencer's Employee Benefit Trust (ESOP Trust) (refer note 38)	102.00	-
	619.12	**258.56**
(ii) Current		
Interest accrued on bank deposits	5.26	0.33
Advances to employees	13.37	74.63
Other receivables	136.24	39.70
	154.87	**114.66**

* Margin money deposit are encumbered with banks against bank guarantees.

12. Other assets

(Unsecured and considered good)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Non-current		
Capital advances	310.38	158.67
Deposits for claims and tax disputes	24.56	34.74
	334.94	**193.41**
(ii) Current		
Advances for goods and services	844.26	661.33
Prepaid expenses	423.61	561.71
Balance with Statutory / Government authorities	700.22	541.89
	1,968.09	**1,764.93**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

13. Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised:				
Equity shares of ₹ 5 each	2,99,01,00,000	1,49,505.00	2,99,01,00,000	1,49,505.00
Preference shares of ₹ 100 each *	5,00,000	500.00	5,00,000	500.00
	2,99,06,00,000	**1,50,005.00**	**2,99,06,00,000**	**1,50,005.00**
Issued, subscribed and fully paid-up:				
Equity shares of ₹ 5 each	9,01,32,009	4,506.60	7,95,34,226	3,976.71
	9,01,32,009	**4,506.60**	**7,95,34,226**	**3,976.71**

* 0.01% non-cumulative non-convertible redeemable preference shares of ₹ 100 each issued are classified as financial liability [refer note 16(i)].

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year:

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Equity shares				
At the beginning of the year	7,95,34,226	3,976.71	7,95,34,226	3,976.71
Equity shares alloted pursuant to rights issue*	1,05,97,783	529.89	-	-
At the end of the year	**9,01,32,009**	**4,506.60**	**7,95,34,226**	**3,976.71**

During the year, 1,05,97,783 Equity Shares at an issue price of ₹ 75 per Equity Share (including a premium of ₹ 70 per Equity Share) were allotted by way of rights issue to the eligible Equity Shareholders for an amount aggregating to ₹ 7,948.34 Lakhs.

(b) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. 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) Particulars of shareholders holding more than 5% shares of fully paid up equity shares:

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	%	No. of shares	%
Rainbow Investments Limited	3,96,04,042	43.94%	3,80,32,979	47.82%

(d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date :

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Equity shares of ₹ 5 each allotted as fully paid-up pursuant to the Scheme [refer note 14 (a) & 2.2 (r)]	7,95,34,226	7,95,34,226	7,95,34,226	-	-
Preference shares of ₹ 100 each allotted as fully paid-up pursuant to the Scheme [refer note 14 (a) & 2.2 (r)]	5,00,000	5,00,000	5,00,000	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

14. Other equity

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Capital reserve		
Balance as at beginning of the year	55,965.23	55,965.23
Balance as at end of the year (a)	**55,965.23**	**55,965.23**
Securities premium		
Premium on equity shares alloted pursuant to rights issue (refer note 13 (a))	7,418.45	-
Less: Expenses incurred on account of equity shares issued on rights basis*	(221.88)	-
Balance as at end of the year (b)	**7,196.57**	**-**
* Includes ₹ 40.00 Lakhs paid to auditors.		
Share based payment reserve		
Balance as at beginning of the year	-	-
Addition on account of ESOP 2019 (refer note 38)	18.63	-
Balance as at end of the year (c)	**18.63**	**-**
Retained earnings		
Balance as at beginning of the year	(20,416.91)	(292.15)
Adjustment on account of adoption of Ind AS 116 Leases (refer note 31)	-	(14,281.05)
Balance as at beginning of the year after adjustment	**(20,416.91)**	**(14,573.20)**
Loss for the year	(12,793.12)	(5,701.91)
Remeasurement of defined benefit plans	(66.56)	(141.80)
Covid - 19 related rent concessions (refer note 31)	44.45	-
Balance as at end of the year (d)	**(33,232.14)**	**(20,416.91)**
Total Other Equity (a) + (b) + (c) + (d)	**29,948.29**	**35,548.32**

Note :

(a) The Capital Reserve had arisen pursuant to the composite Scheme of Arrangement amongst the Company, CESC Limited and eight other companies and their respective shareholders which has been made effective from October 01, 2017, being appointed date, as approved by Hon'ble National Company Law Tribunal (NCLT).

(b) The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(c) The Company has an ESOP 2019 scheme under which options to subscribe for the Company's equity shares have been granted to eligible employees. The share based payment reserve is used to recognise the grant date fair value of such options granted (refer note 38).

(d) Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

15. Borrowings

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Non- Current Borrowings		
(Secured)		
Term Loan from Banks	3,461.50	3,000.00
Less : Current maturities of long term borrowings transferred to other financial liabilities (refer note 16)	666.80	666.80
Less : Unamortised borrowings costs	88.49	-
	2,706.21	**2,333.20**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

15. Borrowings (continued)

1. Security & other terms

Out of the term loan from banks:

a) ₹ 2,333.34 Lakhs (March 31, 2020 : ₹ 3,000.00 Lakhs) is secured by first Pari Passu charge by way of mortgage over moveable fixed assets including plant and equipment of the Company and second Pari Passu charge by way of hypothecation on the entire current assets of the Company. The said loan is payable after 9 months from the date of disbursement in 18 equal quarterly installments of ₹ 166.67 Lakhs each. It carries an interest rate @ 6 Month Marginal Cost of Funds based Lending Rate (MCLR) plus 0.10% p.a. i.e. 8.65% p.a as at year end.

b) ₹ 1,128.16 Lakhs (March 31, 2020 : Nil) is secured by first Pari Passu charge by way of mortgage over moveable fixed assets of the Company and second Pari Passu charge on the entire current assets of the Company. The said loan is payable after 15 months from the date of disbursement in 20 equal quarterly installments. It carries an interest rate @ 1 year MCLR plus 1.15% p.a. i.e. 8.45% p.a as at year end.

₹ in Lakhs

c) Maturity profile of non current borrowings outstanding as at year end	As at March 31, 2021	As at March 31, 2020
Payable within 1 year	666.80	666.80
Payable between 1 to 3 years	1,784.60	1,333.57
Payable between 3 to 5 years	784.60	999.63
Payable beyond 5 years	225.50	-

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Current Borrowings		
Working Capital Loan from Bank (secured)	4,500.00	4,000.00
Invoice financing facility from Bank		
- Secured	9,315.36	-
- Unsecured	-	2,856.26
	13,815.36	**6,856.26**

1. Security & other terms

a) Working Capital loan from Bank is secured by first Pari Passu charge by way of hypothecation over entire current assets of the Company and second Pari Passu charge by way of Hypothecation over entire moveable fixed assets of the Company.

b) Working Capital loan carries interest @ 6 Month MCLR plus applicable spread i.e. 8.60% p.a. as at year end payable at monthly rest. It is payable on demand.

c) Invoice financing facility from Bank is secured by first Pari Passu charge by way of hypothecation over entire current assets of the Company and second Pari Passu charge by way of Hypothecation over moveable fixed assets of the Company. It carries interest at MCLR plus applicable spread (i.e. 9.00% p.a. as at year end). Loan is payable in maximum period of 90 days.

16. Other financial liabilities

(i) Non Current

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Non-cumulative non-convertible redeemable preference shares		
0.01% non-cumulative non-convertible redeemable preference shares of ₹ 100 each: 500,000 shares (March 31, 2020 : 500,000 shares) issued pursuant to the Scheme (refer note 14 (a))	103.87	94.43
	103.87	**94.43**

Rights, preferences and restrictions attached to preference shares :

The non-cumulative non-convertible redeemable 500,000 preference shares of ₹ 100 each carrying dividend @ 0.01% per annum is redeemable at par after 20 years from the date of allotment.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

16. Other financial liabilities (continued)

(ii) Current

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Current maturities of long term borrowings (refer note 15)	666.80	666.80
Interest accrued but not due on borrowings	100.10	49.32
Sundry deposits	326.30	415.69
Liability for capital goods	181.72	411.67
Payable to employees	1,760.86	1,349.09
Others	163.38	1.34
	3,199.16	**2,893.91**

17. Contract liabilities

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Advances from customers	900.64	644.88
	900.64	**644.88**

Note : The Company expects to recognise the above amount as revenue within next year.

18. Trade payables

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Total outstanding dues of micro enterprises and small enterprises (refer note 32)	62.07	136.43
Total outstanding dues of creditors other than micro enterprises and small enterprises	27,282.07	30,880.22
	27,344.14	**31,016.65**

Refer note 37 for dues to related parties.

Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with them and the auditors have relied on the same.

19. Other current liabilities

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Other liabilities [Refer note 6(i)]	-	591.31
Statutory dues	619.90	831.40
Others	239.92	234.75
	859.82	**1,657.46**

20. Provisions

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Non-current		
Provisions for employee benefits		
Provision for gratuity (refer note 36)	366.15	341.59
Provision for compensated absences	397.06	297.20
	763.21	**638.79**
Other provisions		
Provision for decommissioning liability [refer note (a) below]	378.24	336.91
	1,141.45	**975.70**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

20. **Provisions** (continued)

(ii) Current

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Provisions for employee benefits		
Provision for gratuity (refer note 36)	20.62	7.75
Provision for compensated absences	14.34	4.45
	34.96	**12.20**
Other provisions		
Provision for tax disputes [refer note (b) below]	27.47	64.03
Provision for claims on leased properties [net of amount deposited - refer note (c) below]	1,183.05	1,183.05
	1,210.52	**1,247.08**
	1,245.48	**1,259.28**

Note :

(a) A provision is recognised for expected cost of removal of assets situated at various rented premises and is measured at the present value of expected costs to settle the obligation. The table below gives information about the movement in provision for decommissioning liability :

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Opening balance	**336.91**	**300.45**
Provision created during the year	14.72	10.92
Interest expense during the year	26.61	25.54
Closing balance	**378.24**	**336.91**

(b) The management has estimated the provisions for pending disputes, claims and demands relating to indirect taxes based on it's assessment of probability for these demands crystallising against the Company in due course.

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Opening balance	**64.03**	**179.73**
Provision created / (reversed) during the year	(10.36)	27.04
Paid during the year	(26.20)	(142.74)
Closing balance *	**27.47**	**64.03**

* Net of deposits as at March 31, 2021 ₹ 24.26 Lakhs (March 31, 2020: ₹ 64.41 Lakhs) made under appeal.

(c) Retailers Association of India (RAI) of which the Company is a member, has filed Special Leave Petition before the Hon'ble Supreme Court of India, about the applicability of service tax on commercial rent on immovable property. Pending disposal of the case, the Supreme Court has passed an interim ruling in October 2011 directing the members of RAI to pay 50% of total service tax liability up to September 2011 to the department and to furnish a surety for balance 50%. The Supreme Court has also clarified that the successful party in the appeal shall be entitled to interest on the amount stayed by the Court, at such rate as may be directed at the time of the final disposal of appeal. Accordingly the Company has already deposited ₹ 460.00 Lakhs and furnished a surety for ₹ 460.00 Lakhs towards the balance service tax liability, while interest, whose quantum and applicability is presently not ascertainable, will be provided on the disposal of the petition, if required.

Further, the Company has also been making provision for service tax on rent from October 2011 onwards, the balance whereof as on March 31, 2021 is ₹ 1,183.05 Lakhs (March 31, 2020: ₹ 1,183.05 Lakhs).

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Balance as at the start and end of year	1,183.05	1,183.05

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

21. Revenue from operations

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Revenue from contract with customers		
Sale of goods	2,17,279.42	2,46,324.51
Sale of concessionaire products	2,617.52	3,861.91
Total	2,19,896.94	2,50,186.42
Less: Goods & Services Tax	(19,057.31)	(22,121.70)
Less: Cost of goods sold for concessionaire products	(2,041.14)	(2,974.48)
	1,98,798.49	2,25,090.24
Other operating revenue		
- Display income	5,017.17	7,501.00
- Others	3,079.55	4,737.70
Total revenue from contract with customers	**2,06,895.21**	**2,37,328.94**

22. Other income

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Interest income on		
- Bank deposits	145.71	372.11
- Security deposits	365.58	270.53
- Others	-	6.96
Gain on sale of investments	849.95	411.86
Fair value gain on investments measured at FVTPL	1,109.49	879.75
Net gain on sale of property, plant and equipment	-	40.84
Reversal of net liability on termination of lease	1,016.78	395.80
Covid - 19 related rent concessions [refer note 2.2(y) & 31]	758.59	-
Miscellaneous income *	471.90	577.07
	4,718.00	**2,954.92**

* includes provision / liabilities no longer required written back.

23. Cost of raw materials consumed

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Inventories at the beginning of the year	86.62	78.01
Purchases during the year	686.73	629.38
	773.35	707.39
Less: Inventories at the end of the year	60.76	86.62
	712.59	**620.77**

24. Changes in inventories of finished goods and stock-in-trade

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Inventories at the beginning of the year	22,680.36	26,603.93
Less: Inventories at the end of the year	23,169.72	22,680.36
	(489.36)	**3,923.57**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

25. Employee benefits expense

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Salaries, wages and bonus *	14,226.71	14,469.09
Gratuity defined benefit plan [refer note 36]	108.74	101.43
Contribution to provident and other funds	836.79	926.56
Staff welfare expenses	662.96	559.88
	15,835.20	**16,056.96**

* Net of ₹ 196.55 Lakhs (March 31, 2020: Nil) claimed as subsidy under National Apprenticeship Promotion Scheme (NAPS).

26. Other expenses

	For the year ended March 31, 2021 ₹ in Lakhs		For the year ended March 31, 2020 ₹ in Lakhs	
Power and fuel		3,858.96		4,870.49
Freight		460.68		297.79
Rent [refer note 2.2(y) & 31]		1,993.60		2,513.13
Repairs and maintenance				
- Buildings		353.69		382.89
- Others		2,944.92		3,054.74
Insurance		149.47		102.62
Rates and taxes		476.13		855.79
Advertisement and selling expenses		2,779.74		4,125.20
Packing materials consumed		605.57		702.01
Travelling and conveyance		434.15		459.18
Payment to auditors				
As auditor				
- Audit fees	80.50		65.00	
- Tax audit fees	10.00		10.00	
- Limited Review	18.00		9.00	
- Other services	0.75		-	
- Reimbursement of expenses	3.39	112.64	0.42	84.42
Communication expenses		239.37		210.51
Printing and stationery		213.87		265.39
Legal and consultancy expenses		463.28		758.88
Housekeeping expenses		2,535.71		3,450.49
Security expenses		1,619.07		2,026.87
Provision for doubtful store lease deposits		250.41		49.79
Bad debts written off		599.76		-
Provision for bad & doubtful debts		2,267.12		947.06
Miscellaneous expenses		1,660.72		975.06
		24,018.86		**26,132.31**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

27. Depreciation and amortisation

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Depreciation of property, plant and equipment (refer note 3)	3,313.72	3,438.83
Depreciation on right-of-use assets (refer note 31)	7,089.81	6,863.29
Amortisation of intangible assets (refer note 4)	213.40	194.06
	10,616.93	**10,496.18**

28. Finance costs

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Interest expense on		
- Borrowings	945.61	799.35
- Lease liabilities (refer note 31)	5,321.96	4,601.05
- Non-cumulative non-convertible redeemable preference shares	9.44	8.96
- Decommissioning liability	26.61	25.54
- Others	21.71	30.60
Other costs	560.94	621.59
	6,886.27	**6,087.09**

29. Earning per share (EPS)

Basic and diluted EPS have been calculated by dividing the loss for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Loss for the year (₹ in Lakhs)	(12,793.12)	(5,701.91)
Weighted average number of equity shares	8,63,84,516	8,07,63,276
Earnings per share – basic and diluted (face value of ₹ 5 each)	(14.81)	(7.06)

Note : Pursuant to allotment of equity shares on rights basis (refer note 13 (a)), basic and diluted earnings per share for the previous year ended March 31, 2020 have been restated for the bonus element in accordance with Ind AS 33 - Earnings per share.

30. Commitments and contingencies

(a) Contingent liabilities

		As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Contingent liabilities not provided for in respect of:			
(i)	Sales Tax / Value Added Tax (VAT) / Goods and Services Tax demands (GST) under appeal	907.69	1,085.79
(ii)	Claims against the Company not acknowledged as debt	4,789.60	4,700.14

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

30. Commitments and contingencies (continued)

(b) Commitments

		As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i)	Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	257.79	555.34
(ii)	For Investments - Others	172.50	172.50

31. Ind AS - 116 Leases

The effect of adoption of Ind AS 116 as at April 01, 2019 (increase/(decrease)) is as follows:

	As at April 01, 2019 ₹ in Lakhs
Assets	
Right-of-use assets [refer note (i) below]	38,926.24
Other Asset - Non Current [refer note (ii) below]	(2,032.24)
Other Asset - Current [refer note (ii) below]	(275.00)
Total Assets	**36,619.00**
Liabilities	
Lease Liabilities	50,900.05
Total Liabilities	**50,900.05**
Total Adjustment on equity - Retained Earnings	**(14,281.05)**

(i) Right-of-use assets includes prepaid expenses on fair valuation of security deposits.

(ii) Represents prepaid expenses on fair valuation of security deposits.

The movement in right-of-use ("ROU") assets and lease liabilities are as below :

Right-of-use Assets : -

Particulars	Buildings As at March 31, 2021 ₹ in Lakhs	Buildings As at March 31, 2020 ₹ in Lakhs
Opening Balance	40,976.19	38,926.24
Additions [refer note (iii) below]	13,867.62	11,370.93
Deletions [refer note (iv) below]	(3,009.57)	(2,457.69)
Depreciation (refer note 27)	(7,089.81)	(6,863.29)
Closing balance	**44,744.43**	**40,976.19**

(iii) Includes ₹ 372.27 Lakhs (March 31, 2020: ₹ 391.83 Lakhs) on account of prepaid expenses on fair valuation of security deposits.

(iv) Includes ₹ 203.64 Lakhs (March 31, 2020: ₹ 459.62 Lakhs) pertaining to reversal of prepaid expenses (recognised on fair valuation of security deposits) on termination of leases.

Lease Liabilities :

Particulars	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Opening Balance	54,527.60	50,900.05
Additions	13,495.35	10,979.10
Interest expenses incurred for the year (refer note 28)	5,321.96	4,601.05
Deletions	(3,822.71)	(2,394.06)
Covid - 19 related rent concessions [refer note (v) below]	(803.04)	-
Payment of lease liabilities [refer note (vi) below]	(9,384.38)	(9,558.54)
Closing balance	**59,334.78**	**54,527.60**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

31. Ind AS - 116 Leases (continued)

(v) The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS: 116 "Leases", by inserting a practical expedient with respect to "Covid-19 Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has applied the practical expedient during the year ended March 31, 2021 in respect of lease agreements where negotiations have been completed and accounted the unconditional rent concessions of ₹ 758.59 Lakhs in "Other income" (refer note 22). The Company has also accounted for ₹ 44.45 Lakhs in "Retained Earnings" (refer note 14), against unconditional rent concessions received pertaining to period before April 01, 2020.

The Company has further adjusted rent concessions amounting to ₹ 129.31 Lakhs during the year ended March 31, 2021, for stores with variable lease payments in "Other expenses" (refer note 26) in the Statement of Profit and Loss.

(vi) Includes ₹ 5,321.96 Lakhs (March 31, 2020: ₹ 4,601.05 Lakhs) on account of interest expenses.

The following is the break-up of current and non-current lease liabilities

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Particulars		
Current lease liabilities	7,120.65	6,801.80
Non-current lease liabilities	52,214.13	47,725.80
Total	**59,334.78**	**54,527.60**

The table below provides details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis:

Particulars		
Less than one year	11,933.10	11,095.48
One to five years	34,278.81	35,958.42
More than five years	48,963.72	32,556.28
Total	**95,175.63**	**79,610.18**

(vii) The effective discount rate for lease liabilities is 8.76% p.a.

The table below provides details of amount recognised in Statement of profit and loss :

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Depreciation on Right-of-use assets (refer note 27)	7,089.81	6,863.29
Interest expenses on lease liabilities (refer note 28)	5,321.96	4,601.05
Rental expenses (excluding taxes) recorded for short term leases (refer note 26)	443.05	528.66
Rental expenses (excluding taxes) recorded for variable leases (refer note 26)	1,102.76	1,532.30
Total	**13,957.58**	**13,525.30**

(viii) The Company had total cash outflows for leases of ₹ 10,658.12 Lakhs for the year ended March 31, 2021 (March 31, 2020 - ₹ 11,506.99 Lakhs).

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

32. Information relating to Micro, Small and Medium Enterprises (MSME):

		As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i)	The principal amount and interest due there on remaining unpaid to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 as at the end of each accounting year		
	Principal	33.96	121.62
	Interest	0.94	3.22
(ii)	The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to suppliers beyond the appointed day during the year		
	Principal	-	-
	Interest	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006		
	Principal	362.03	486.34
	Interest	12.36	10.06
(iv)	The amount of interest accrued and remaining unpaid at the end of the year being interest outstanding as at the beginning of the accounting year.	14.81	1.53
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	28.11	14.81

33. Contract balances under Ind AS 115

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Trade receivables	3,145.53	6,119.42
Contract liabilities	900.64	644.88

Trade receivables are non-interest bearing and are generally on terms of 15 to 90 days.

Contract liabilities include advances received from customers against sale of gift cards and prepaid cards.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

34. Deferred tax assets/(liabilities) (net)

		As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(a)	**Deferred tax relating to assets and liabilities:**		
	-Deferred tax liabilities		
	Property, plant and equipment and intangible assets	-	(33.60)
	Fair value gain on investment	(749.70)	(339.99)
	Right-of-use assets	(15,635.49)	(14,318.72)
	Total	**(16,385.19)**	**(14,692.31)**
	-Deferred tax assets		
	Property, plant and equipment and intangible assets	44.58	-
	Carry forward business losses / unabsorbed depreciation	35,990.22	36,355.52
	Disallowance under Tax Laws	332.21	277.23
	Lease Liabilities	20,733.95	18,798.67
	MAT (Minimum Alternative Tax) credit entitlement	141.34	141.34
	Others	1,901.84	782.91
	Total	**59,144.14**	**56,355.67**
	- Deferred tax assets (net)	**42,758.95**	**41,663.36**
	- Unrecognised Deferred tax assets (net)*	**42,758.95**	**41,663.36**
	- Deferred tax asset as per balance sheets	**-**	**-**

* Deferred tax asset has not been recognised in the balance sheet in the absence of evidence supporting reasonable certainty of future taxable income when such losses would be set off and deferred tax assets to be recovered.

(b) There being no charge on account of tax expense, reconciliation between effective tax rate and statutory rate of tax is not disclosed.

(c) The Company has tax losses of ₹ 45,630.44 Lakhs (March 31, 2020 : ₹ 49,954.12 Lakhs) and unabsorbed depreciation of ₹ 57,363.54 Lakhs (March 31, 2020: ₹ 54,085.25 Lakhs) as at year end. Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

(d) MAT credits entitlements are taxes paid to tax authorities which can be offset against future tax liabilities, subject to certain restrictions, within a period of 15 years from the year of origination.

The Company recognises MAT assets only to the extent it expects to realise the same within the prescribed period. The Company has not recognised MAT assets in the absence of reasonable certainty. The expiry date of Unrecognised MAT credit of ₹ 141.34 Lakhs is 13 years (March 31, 2020: 14 years).

35. Segment information

The Company has a single operating segment i.e. organised retailing. The Company at present operates only in India and therefore the analysis of geographical segment is not applicable to the Company. There are no customers contributing more than 10% of Revenue from operations.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

36. Assets and Liabilities relating to employee defined benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of the Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation are as follows :

		For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
(a)	**Reconciliation of present value of defined benefit obligations**		
	Balance at the beginning of the year	494.00	400.83
	Current service cost	108.74	101.43
	Interest cost	30.82	22.80
	Benefits paid	(101.03)	(120.00)
	Actuarial (gain) / loss on defined benefit obligations	69.69	88.94
	Balance at the end of the year	**602.22**	**494.00**
(b)	**Reconciliation of fair value of plan assets**		
	Balance at the beginning of the year	144.66	82.03
	Interest income	10.05	5.49
	Contributions by employer	158.64	230.00
	Benefits paid	(101.03)	(120.00)
	Actuarial gains / (losses)	3.13	(52.86)
	Balance at the end of the year	**215.45**	**144.66**
(c)	**Net defined benefit liabilities / (assets)**		
	Present value of defined benefit obligations	602.22	494.00
	Fair value of plan assets	(215.45)	(144.66)
	Net defined benefit liabilities [refer note 20]	**386.77**	**349.34**
(d)	**Expense recognised in statement of Profit or Loss**		
	Current service cost	108.74	101.43
	Interest cost	30.82	22.80
	Interest income	(10.05)	(5.49)
		129.51	**118.74**
(e)	**Remeasurement recognised in Other Comprehensive Income**		
	Actuarial loss on defined benefit obligations	69.69	88.94
	Actuarial (gain) / loss on plan assets	(3.13)	52.86
		66.56	**141.80**
(f)	**The major category of plan assets as a percentage of the fair value of total plan assets are as follows :**		
	Investments with insurer	100%	100%
(g)	**Actuarial assumptions**		
	Discount rate	6.95%	6.69%
	Expected rate of return on assets	6.95%	6.69%
	Future compensation growth	4.60%	4.60%
	Average expected future service	21 years	24 years
	Employee turnover	Ranging grade wise from 12% to 67%	Ranging grade wise from 16% to 67%

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-08 - ultimate).

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

36. Assets and Liabilities relating to employee defined benefits (continued)

(h) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(i) The Company expects to contribute ₹ 21.33 Lakhs (March 31, 2020: ₹ 8.02 Lakhs) to gratuity fund in the next year.

(j) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

Change in rate	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
(i) Discount rate (0.5% movement)	(37.50)	41.08	(33.93)	37.37
(ii) Future salary (0.5% movement)	39.70	(36.44)	35.96	(32.85)
(iii) Mortality (10% movement)	0.61	(0.61)	4.08	(4.07)
(iv) Attrition rate (0.5% movement)	(0.61)	0.64	1.08	(1.07)

(k) Estimated future payments of undiscounted gratuity is as follows :

	As at March 31, 2021	As at March 31, 2020
	₹ in Lakhs	₹ in Lakhs
Within 12 months	21.33	8.02
Between 1 to 5 years	82.43	55.46
Between 6 to 10 years	218.74	160.29
Beyond 10 years	1,465.02	1,313.21
Total	**1,787.52**	**1,536.98**

36.1 Defined Contribution Plan

The Company makes contribution to provident fund and national pension scheme towards retirement benefit plan for eligible employees. Under the said plan, the Company is required to contribute a specified percentage of the employee's salaries to the fund benefits. During the year, based on applicable rates, the Company has contributed and charged ₹ 659.52 Lakhs (March 31, 2020: ₹ 695.54 Lakhs) in the Statement of Profit and Loss.

37. Related party disclosure

(i) Subsidiaries / Other entity controlled by the Company	1) Omnipresent Retail India Private Limited
	2) Natures Basket Limited (w.e.f. July 04, 2019)
	3) Spencer's Employee Benefit Trust (other entity controlled by the Company)
(ii) Parent under de facto control as defined in Ind AS - 110	1) Rainbow Investments Limited

(iii) Entities under common control (where transactions have taken place during the year / balances outstanding) :

1) Au Bon Pain Café India Limited	9) Open Media Network Private Limited
2) Bowlopedia Restaurants India Limited	10) Phillips Carbon Black Limited
3) CESC Limited	11) Quest Properties India Limited
4) First Source Solutions Limited	12) RPG Power Trading Co. Limited
5) Guiltfree Industries Limited	13) Saregama India Limited
6) Kolkata Games and Sports Private Limited	14) Duncan Brothers & Co. Limited
7) Integrated Coal mining Limited	15) Haldia Energy Limited
8) Accurate Commodeal Private Limited	16) Great Wholesale Club Limited - Gratuity Fund

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

37. Related party disclosure (continued)

(iv) Key Managerial Personnel

1) Sanjiv Goenka - Non-Executive Director and Chairman	8) Rahul Nayak - Whole-time Director
2) Shashwat Goenka - Non-Executive Director	9) Kumar Tanmay - Chief Financial Officer (w.e.f. August 14, 2019)
3) Utsav Parekh - Independent Director	10) Arvind Kumar Vats - Chief Financial Officer (upto July 01, 2019)
4) Pratip Chadhuri - Independent Director	11) Rama Kant - Company Secretary
5) Rekha Sethi - Independent Director	
6) Debanjan Mandal - Independent Director	
7) Devendra Chawla - Chief Executive Officer & Managing Director	

(v) Details of transactions entered into with the related parties:

₹ in Lakhs

Particulars	Subsidiaries/ Other entity controlled by the Company		Entities under common control		Key Managerial Personnel		Parent under de facto control as defined in Ind AS - 110	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Transactions :								
Investment in subsidiaries	3,065.00	5,800.00	-	-	-	-	-	-
Sale of goods	320.86	-	364.66	417.18	-	-	-	-
Purchases of stock-in-trade	107.42	208.12	305.98	361.68	-	-	-	-
Purchase of Property, Plant and Equipment	-	-	4.68	-	-	-	-	-
Interest received	0.27	6.96	-	-	-	-	-	-
Rendering of services	-	-	1,394.56	1,447.22	-	-	-	-
Contribution for Gratuity fund	-	-	158.64	230.00	-	-	-	-
Contribution to ESOP Trust	102.00	-	-	-	-	-	-	-
Commission paid	437.25	172.20	-	-	-	-	-	-
Receiving of services	-	1.77	2.55	14.58	-	-	-	-
Remittances	-	-	65.36	22.45	-	-	-	-
Royalty paid	3.51	1.69	-	-	-	-	-	-
Inter Company Deposits given	2,000.00	3,600.00	-	-	-	-	-	-
Inter Company Deposits received back	2,000.00	3,600.00	-	-	-	-	-	-
Electricity expenses	-	-	259.19	208.19	-	-	-	-
Recovery of expenses incurred	-	-	30.05	29.79	-	-	-	-
Rent income	13.22	-	-	-	-	-	-	-
Rent expenses	18.00	6.75	694.56	850.44	-	-	-	-
Security deposits paid	-	-	4.06	4.59	-	-	-	-
Security deposits transferred	67.46	-	-	-	-	-	-	-
Short term employee benefits	-	-	-	-	1,300.46	799.45	-	-
Retirement benefits	-	-	-	-	33.16	30.31	-	-
Reimbursement of expenses	172.97	0.28	-	-	41.40	32.86	-	-
Sitting fees to directors	-	-	-	-	50.50	49.00	-	-
Equity shares allotted pursuant to rights issue	-	-	1,535.04	-	14.77	-	1,178.30	-

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

37. Related party disclosure (continued)

(v) Details of transactions entered into with the related parties (continued) **:**

Particulars	Subsidiaries/ Other entity controlled by the Company		Entities under common control		Key Managerial Personnel		Parent under de facto control as defined in Ind AS - 110	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Balances outstanding :								
Receivable against sale of goods	303.47	-	430.26	186.84	-	-	-	-
Payable for purchases of stock-in-trade	-	132.82	72.17	79.30	-	-	-	-
Receivable against reimbursement	-	-	53.65	29.79	-	-	-	-
Payable for commission expenses	302.55	37.16	-	-	-	-	-	-
Payable for royalty expenses	3.51	1.69	-	-	-	-	-	-
Payable for rental expenses	5.02	6.75	108.17	38.93	-	-	-	-
Payable for services received	-	-	-	60.58	-	-	-	-
Payable for remittances	-	-	587.43	22.45	-	-	-	-
Interest receivables	0.27	6.96	-	-	-	-	-	-
Security deposit receivable	67.46	-	146.62	136.83	-	-	-	-
Security deposit payable	-	-	36.62	47.68	-	-	-	-
Receivable from ESOP Trust	102.00	-	-	-	-	-	-	-

Notes:

(i) The Company's principal related parties consist of Rainbow Investments Limited, its subsidiaries and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enters into transactions in the ordinary course of business.

(ii) Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 '- 'Employee Benefits' in the financial statements. As these employees benefits are lump sum amounts provided on the basis of actuarial valuation the same is not included above.

(iii) The Company has recognised an expenses of ₹ 18.63 Lakhs (March 31, 2020 : Nil) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised (refer note 38).

38. Share based payments

Spencer's Employee Stock Option Plan 2019 (ESOP 2019)

The details of an employee share based payments plan operated through a trust for ESOP 2019 are as follows:

The ESOP 2019 plan was approved by the shareholders at the 2nd Annual General Meeting of the Company held in the year 2019. Under the scheme, stock options has been granted to eligible employees at an exercise price of ₹ 83.57 per share and their stock options would vest in tranches from the date of grant (i.e June 26, 2020) and shall be exercised within a period of five years from the date of the vesting of the options.

A Details of period within which options will be vested

Period within which options will vest	% of options that will vest
End of 12 months from date of grant	25%
End of 24 months from date of grant	25%
End of 36 months from date of grant	25%
End of 48 months from date of grant	25%

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

38. Share based payments (continued)

B. Measurement of Fair Values

Equity-settled share based payment arrangements

The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plan are as follows:

Particulars	As at March 31, 2021 ₹
Weighted average fair value of Option at Grant Date*	39.96
Share Price at Grant Date	88.20
Exercise Price	83.57
Expected Volatility	40.69% - 40.71%
Expected life	3.5 years - 6.5 years
Expected dividends	-
Risk-free Interest Rate (based on Government Bonds)	4.64% - 5.72%

Expected volatility has been based on an evaluation of the historical volatility of comparable companies.

Expected life of the options has been calculated to be the average of the maximum life and the minimum life of the option as it has been granted to higher level management.

*The fair value of option on the date of grant has been done by an independent valuer appointed by the management using the Black Scholes Merton Model.

C. Reconciliation of the Outstanding Share Options

The number and weighted average exercise prices of share options under the ESOP 2019 plan are as follows :

Particulars	As at March 31, 2021 ₹	
	Exercise Price per Option	Number of Options
Outstanding as on April 01, 2020	**-**	**-**
Granted during the year	83.57	1,20,000
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding as on March 31, 2021	83.57	1,20,000
Exercisable as on March 31, 2021	**-**	**-**
Vested as on March 31, 2021	-	-

D. Expenses arising from equity settled share based payments transactions :

	For the year ended March 31, 2021 ₹ in Lakhs
Amount recognised in statement of profit and loss	18.63

39. Financial instruments - fair value measurements and risk management

(a) Accounting classification

The following table shows the carrying values and fair values of financial assets and financial liabilities:

₹ in Lakhs

	As at March 31, 2021				As at March 31, 2020			
	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total
Financial assets								
Investments								
- Equity shares (unquoted)	-	-	31,874.42	**31,874.42**	-		29,273.93	**29,273.93**
- Alternative Investment Fund	-	3,452.63	-	**3,452.63**	-	2,343.14	-	**2,343.14**
Trade receivables	3,145.53	-	-	**3,145.53**	6,119.42	-	-	**6,119.42**
Cash and cash equivalents	5,271.80	-	-	**5,271.80**	5,963.21	-	-	**5,963.21**
Bank balances other than cash and cash equivalents	76.00	-	-	**76.00**	-	-	-	**-**
Loans	3,837.39	-	-	**3,837.39**	4,418.46	-	-	**4,418.46**
Other financial assets	773.99	-	-	**773.99**	373.22	-	-	**373.22**
Total financial assets	**13,104.71**	**3,452.63**	**31,874.42**	**48,431.76**	**16,874.31**	**2,343.14**	**29,273.93**	**48,491.38**
Financial liabilities								
Preference shares	103.87	-	-	**103.87**	94.43	-	-	**94.43**
Borrowings *	17,188.37	-	-	**17,188.37**	9,856.26	-	-	**9,856.26**
Trade payables	27,344.14	-	-	**27,344.14**	31,016.65	-	-	**31,016.65**
Other financial liabilities	2,532.36	-	-	**2,532.36**	2,227.11	-	-	**2,227.11**
Total financial liabilities	**47,168.74**	**-**	**-**	**47,168.74**	**43,194.45**	**-**	**-**	**43,194.45**

* Includes current maturities of long term borrowings

(b) Measurement of fair values

The fair values of financial assets and liabilities are included at the amount that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

(i) The fair values of the unquoted equity shares have been estimated using a DCF (Discounted cash flow) model. The valuation requires management to make certain assumptions about the model inputs, including forecasted cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

In respect of investments in alternative investment fund, the fair values represent net asset value as stated by the respective issuer at the close of the reporting date. Net asset values represent the price at which the issuer will issue further units and the price at which issuer will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these funds are carried out at such prices between investors and the issuer of these units.

(ii) The carrying amount of trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables, current borrowings and other financial liabilities, measured at cost in the financial statements, are considered to be the same as their fair values, due to their short term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Carrying value of Preference shares is based on discounted cash flows using effective interest rate at the time of issue which is a reasonable approximation of its fair value and the difference between the carrying value and fair value is not expected to be significant. Non current borrowings including current maturity and loans (assets) are based on discounted cash flow using an incremental borrowing rate.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

39 Financial instruments - fair value measurements and risk management (continued)

(c) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by hierarchy.

₹ in Lakhs

	As at March 31, 2021				As at March 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
- Equity shares (unquoted)		-	31,874.42	**31,874.42**	-	-	29,273.93	**29,273.93**
- Alternative Investment Fund	-	-	3,452.63	**3,452.63**	-	-	2,343.14	**2,343.14**
	-	**-**	**35,327.05**	**35,327.05**	**-**	**-**	**31,617.07**	**31,617.07**

The different levels have been defined below :

(i) **Level 1 (quoted prices in active market) :** This level of hierarchy includes financial assets that are measured using quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes listed equity instruments which are traded in the stock exchanges and mutual funds that have net asset value as stated by the issuers in the published statements. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net assets value.

(ii) **Level 2 (valuation technique with significant observable inputs) :** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

(iii) **Level 3 (valuation technique with significant unobservable inputs) :** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This is the case for unlisted equity securities included in Level 3.

(d) Reconciliation of fair value measurement of investments (categorised as level 3 above) classified as FVTPL/FVTOCI asset :

₹ in Lakhs

Particulars	FVTOCI Equity shares (unquoted)	FVTPL Alternative Investment Fund
As at March 31, 2019	**5,444.58**	**1,275.21**
Invested during the year	23,829.35	202.50
Proceeds during the year	-	(14.32)
Fair Value gain recognised in Statement of profit and loss	-	879.75
As at March 31, 2020	**29,273.93**	**2,343.14**
Invested during the year (refer note 6(i))	2,600.49	-
Gain on sale of investments	-	806.94
Proceeds during the year	-	(806.94)
Fair Value gain recognised in Statement of profit and loss	-	1,109.49
As at March 31, 2021	**31,874.42**	**3,452.63**

39 Financial instruments - fair value measurements and risk management (continued)

(e) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

The Company's principal financial liabilities comprises of Lease liabilities, borrowings, preference shares, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the operations of the Company. The Company's principal financial assets include trade and other receivables, loans, investments and cash & cash equivalents that derive directly from its operations.

The Company's primary risk management focus is to minimise potential adverse effects of these risks by managing them through a structured process of identification, assessment and prioritisation of risks followed by co-ordinated efforts to monitor, minimize and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Company has laid comprehensive risk assessment and minimisation/mitigation procedures, which are reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed regularly to reflect changes in market conditions and to ensure that risks are controlled by way of properly defined framework.

(i) 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 (including trade receivable and security deposits) and from its financial activities including deposits with banks and financial institutions. An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped and assessed for impairment collectively.

Trade receivables :

The Company operates on business model of primarily cash and carry, credit risk from receivable perspective is insignificant. Customer credit risk is managed basis established policies of Company, procedures and controls relating to customer credit risk management. Outstanding receivables are regularly monitored.

Moreover, the Company's customer base is large and diverse limiting the risk arising out of credit concentration.

Other remaining financial assets :

Investments, in the form of fixed deposits, of surplus funds are made generally with banks & financial institutions and within credit limits assigned to each counterparty.

Credit risk in respect for security deposit given for premises taken on lease are tracked by carrying specific analysis of all parties at each reporting period. Historically loss on security deposits are immaterial. Therefore, based on past and forward-looking information available with management and to the best estimate of management, the Company believes that exposure to credit risk on other remaining financial assets is not material.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner. The Management regularly monitors rolling forecasts of the Company's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements. The surplus cash generated, over and above the operational fund requirement is invested in bank deposits and mutual fund schemes of highly liquid nature to optimize cash returns while ensuring adequate liquidity for the Company. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings . The Company believes that cash generated from operations, capital raised through rights issue, working capital management and available sources from raising funds (including additional borrowings, if any) as needed will satisfy its cash flow requirement through at least the next twelve months.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

39 Financial instruments - fair value measurements and risk management (continued)

(e) Financial risk management (continued)

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted:

₹ in Lakhs

Financial liabilities	Carrying Value	Contractual cash flows			
		Within 1 year	1 to 5 years	More than 5 years	Total
As at March 31, 2021					
Preference shares	103.87	-	-	500.00	500.00
Borrowings	17,188.37	14,482.16	2,569.20	225.50	17,276.86
Trade payables	27,344.14	27,344.14	-	-	27,344.14
Lease liabilities	59,334.78	11,933.10	34,278.81	48,963.72	95,175.63
Other financial liabilities	2,532.36	2,532.36	-	-	2,532.36
	1,06,503.52	**56,291.76**	**36,848.01**	**49,689.22**	**1,42,828.99**
As at March 31, 2020					
Preference shares	94.43	-	-	500.00	500.00
Borrowings	9,856.26	7,523.06	2,333.20	-	9,856.26
Trade payables	31,016.65	31,016.65	-	-	31,016.65
Lease liabilities	54,527.60	11,095.48	35,958.42	32,556.28	79,610.18
Other financial liabilities	2,227.11	2,227.11	-	-	2,227.11
	97,722.05	**51,862.30**	**38,291.62**	**33,056.28**	**1,23,210.20**

(iii) Market risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely currency risk, interest rate risk and security price risk. The Company does not have any external currency exposure and thus currency risk is not applicable to the Company.

The Company invests its surplus funds mainly in short term liquid schemes of mutual funds and bank fixed deposits. The Company manages its price risk arising from these investments through diversification and by placing limits on individual and total equity instruments / mutual funds.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rate. The Company's exposure to the risk of changes in market interest rates relates to primarily to company's borrowing with floating interest rates.

Exposure to interest rate risk

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings bearing variable rate of interest	17,188.37	9,856.26

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on affected portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on variable rate borrowing as follows:

A change of 50 bps in interest rates would have following Impact on profit before tax

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
50 bp increase- decrease in profits	(85.94)	(49.28)
50 bp decrease- increase in profits	85.94	49.28

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

40. Capital management

For the purpose of the Company's capital management, capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure while maximising shareholder value. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term.

The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to safeguard its ability to continue as a going concern and to maintain investor, creditors and market confidence.

The Company has not defaulted on any loans payable.

41. Going Concern

The Company has incurred a net loss after tax of ₹ 12,793.12 Lakhs for the year ended March 31, 2021 and its current liabilities, including current borrowings, exceeds current assets by ₹ 20,287.29 Lakhs. The Company has access to unutilised credit lines with its bankers and also additional capital from its promoters, if and when required. Further, the Company has been expanding its operations in its existing territory with increase in trading area, expanding private brand, building growth towards the non-food segments (including the own branded apparel). The company is concentrating on increasing its operating cashflows with a focus on improvement of margins through dis-continuance of loss making/ low margin stores. In view of the above factors, and the approved business plan for the next year, the management is confident of its ability to generate sufficient cash to fulfil all its obligations, including debt repayments, over the next 12 months, consequent to which, these financial statements have been prepared on a going concern basis.

42. Due to outbreak of COVID-19 globally and in India, the Company has made an assessment of likely adverse impact on economic environment in general, and financial risks on account of COVID-19. The Company is in the business of organised retail which majorly deals with an essential commodities. Accordingly, it has assessed that there is no impact on the business of the company since in nation-wide partial lockdown in different periods during the year, the business in essential commodities was not restricted and the requirement of delivery of essential commodities at doorstep had also increased significantly. The Company has tied up with various service providers to make available the essential products to reach its customer's places, aligned with its suppliers and transporters to have a continuous supply of products and keep them available at the Company's stores and warehouses.

It has also assessed recoverability and carrying value of its assets comprising intangible assets and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

Kamal Agarwal
Partner
Membership number - 058652

Place : Kolkata
Date : June 15, 2021

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

Date : June 15, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of

Spencer's Retail Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Spencer's Retail Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2021, 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, 2021, their consolidated loss including other comprehensive loss, 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 judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. 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 auditors 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
Impairment Testing of Intangibles *(as described in Note 4 of the consolidated financial statements)*	
The Group has acquired brands and goodwill (intangible assets) as at March 31, 2021. These intangibles are assessed to have an indefinite useful life and as required by Ind AS 36 "Impairment of Assets", are tested for impairment annually. The Group has engaged a valuer to determine the recoverable value of acquired brands using the relief from royalty method and fair value of investment in subsidiary (Natures Basket Limited) using discounted cash flow method for impairment testing of Goodwill. Both the valuation methods are sensitive to changes in inputs used in valuation and involves judgment due to inherent uncertainty in the assumptions related to discount rate, future growth rate, future cash flows and future royalty rates. Accordingly, impairment testing for these intangibles is determined to be a key audit matter in our audit of the consolidated financial statements.	Our audit procedures included, among others the following: • We read and assessed the Group's accounting policies with respect to impairment testing • We obtained and reviewed the impairment testing reports for brands and fair valuation report prepared by the Company's independent valuation specialist and also assessed the valuation specialist's objectivity and independence • We evaluated the independent valuation specialist's methodology, assumptions and estimates used in the calculations. In performing these procedures, we also engaged valuation specialists • We assessed the disclosures made in the consolidated financial statements

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 Directors Report, Management Discussion and Analysis, Report on Corporate Governance, Additional Shareholder Information, Report on Corporate Social Responsibility Activities and Statement containing salient features of the financial statements of subsidiaries, 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 the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 the Group 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 the Group.

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 judgment and maintain professional skepticism 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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, 2021 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

(a) We did not audit the financial statements and other financial information, in respect of a subsidiary company whose financial statements include total assets of ₹ 1,070.61 Lakhs as at March 31, 2021, and total revenues of ₹ 381.08 Lakhs and net cash inflows of ₹ 16.18 Lakhs 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 on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditors.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of an entity controlled by the Holding Company, whose financial statements and other financial information reflect total assets of ₹ 102.00 Lakhs as at March 31, 2021, and total revenues of ₹ Nil and net cash inflows of ₹ 1.72 Lakhs for the period ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of this entity controlled by the Holding Company, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid entity controlled by the Holding Company, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

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;

(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;

INDEPENDENT AUDITOR'S REPORT (Contd.)

(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, 2021 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, 2021 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 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 1" to this report;

(g) 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, 2021 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their 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 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 30 to the consolidated financial statements;

    ii. The Group 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 Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2021.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652
UDIN: 21058652AAAABP4510

Place of Signature: Kolkata
Date: June 15, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SPENCER'S RETAIL LIMTED

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 Spencer's Retail Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, 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.

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SPENCER'S RETAIL LIMTED (Contd.)

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 31,2021, 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 1(one) subsidiary, which is a company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner
Membership Number: 058652
UDIN: 21058652AAAABP4510

Place of Signature: Kolkata
Date: June 15, 2021

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2021

₹ in Lakhs

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	18,012.26	19,866.98
Capital work in progress	3	282.59	984.70
Right-of-use assets	31	53,482.61	51,351.14
Goodwill	4	13,127.00	13,591.51
Other intangible assets	4	20,703.13	20,678.70
Financial assets			
(i) Investments	6	3,492.91	2,383.42
(ii) Loans	10	5,082.65	5,471.26
(iii) Other financial assets	11	593.88	287.40
Tax assets (net)		2,050.24	1,625.29
Other assets	12	340.12	212.09
Total non-current assets (A)		**1,17,167.39**	**1,16,452.49**
Current assets			
Inventories	5	26,744.22	24,828.35
Financial assets			
(i) Trade receivables	7	2,976.35	6,647.17
(ii) Cash and cash equivalents	8	5,690.61	8,096.99
(iii) Bank balances other than cash and cash equivalents	9	84.15	31.05
(iv) Loans	10	103.74	301.23
(v) Other financial assets	11	173.78	121.15
Tax assets (net)		7.39	7.39
Other assets	12	3,001.32	2,904.84
Total current assets (B)		**38,781.56**	**42,938.17**
TOTAL ASSETS (A+B)		**1,55,948.95**	**1,59,390.66**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	4,506.60	3,976.71
Other equity	14	14,126.59	23,417.82
Total equity (C)		**18,633.19**	**27,394.53**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	7,547.25	8,681.05
(ii) Lease liabilities	31	60,079.06	56,269.14
(iii) Other financial liabilities	16	103.87	94.43
Deferred tax liabilities (net)	34	2,133.70	2,168.95
Provisions	20	1,250.94	1,029.68
Total non-current liabilities (D)		**71,114.82**	**68,243.25**
Current liabilities			
Contract liabilities	17	1,141.02	746.21
Financial liabilities			
(i) Borrowings	15	15,790.91	8,334.80
(ii) Lease liabilities	31	8,832.16	9,456.76
(iii) Trade payables	18		
- Total outstanding dues of micro enterprises and small enterprises		408.86	312.91
- Total outstanding dues of creditors other than micro enterprises and small enterprises		32,682.12	37,085.76
(iv) Other financial liabilities	16	5,092.86	4,715.43
Other current liabilities	19	996.50	1,804.19
Provisions	20	1,256.51	1,296.82
Total current liabilities (E)		**66,200.94**	**63,752.88**
TOTAL EQUITY AND LIABILITIES (C+D+E)		**1,55,948.95**	**1,59,390.66**

The accompanying notes form an integral part of these Consolidated Financial Statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

Kamal Agarwal
Partner
Membership number - 058652

Place : Kolkata
Date : June 15, 2021

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

Date : June 15, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2021

₹ in Lakhs

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	21	2,42,807.04	2,64,481.58
Other income	22	5,339.86	3,181.06
Total Income (I)		**2,48,146.90**	**2,67,662.64**
Expenses			
Cost of raw materials consumed	23	712.59	620.77
Purchases of stock-in-trade		194,350.61	2,05,110.77
Changes in inventories of finished goods and stock-in-trade	24	(1,886.59)	2,158.25
Employee benefits expense	25	19,315.00	19,134.05
Other expenses	26	29,520.50	31,725.63
Total Expenses (II)		**2,42,012.11**	**2,58,749.47**
Earnings before interest expense, tax, depreciation and amortisation (EBITDA) [(I)-(II)]		**6,134.79**	**8,913.17**
Depreciation and amortisation	27	13,421.03	13,814.87
Finance costs	28	9,134.19	8,195.36
Loss before tax (III)		**(16,420.43)**	**(13,097.06)**
Tax expense	34		
Current tax		-	-
Deferred tax (net)		(35.25)	(18.69)
Loss for the year (IV)		**(16,385.18)**	**(13,078.37)**
Other Comprehensive Income/(loss)			
Items that will not be reclassified subsequently to statement of profit and loss			
Remeasurement of defined benefit plans	36	(65.42)	(58.55)
Other Comprehensive loss for the year (V)		**(65.42)**	**(58.55)**
Total Comprehensive loss for the year [(IV)+(V)]		**(16,450.60)**	**(13,136.92)**
Loss for the year attributable to:			
Equity holders of the parent		(16,385.18)	(13,078.37)
Non-controlling interests		-	-
		(16,385.18)	**(13,078.37)**
Other comprehensive loss for the year attributable to:			
Equity holders of the parent		(65.42)	(58.55)
Non-controlling interests		-	-
		(65.42)	**(58.55)**
Total comprehensive loss for the year attributable to:			
Equity holders of the parent		(16,450.60)	(13,136.92)
Non-controlling interests		-	-
		(16,450.60)	**(13,136.92)**
Earnings per share -	29		
Basic		**(18.97)**	**(16.19)**
Diluted		**(18.99)**	**(16.19)**
[Nominal value per equity share ₹ 5 (March 31, 2020: ₹ 5)]			

The accompanying notes form an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

For and on behalf of Board of Directors

Kamal Agarwal
Partner
Membership number - 058652

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

Place : Kolkata
Date : June 15, 2021

Date : June 15, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

A. Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Balance at the beginning of the year	7,95,34,226	3,976.71	7,95,34,226	3,976.71
Equity shares allotted pursuant to rights issue (refer note 13(a))	10,597,783	529.89	-	-
Balance at the end of the year	**9,01,32,009**	**4,506.60**	**7,95,34,226**	**3,976.71**

B. Other equity

	Reserves and Surplus					Total
	Securities Premium	Capital reserve	Retained earnings	Share based payment reserve	Treasury Shares	Total
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Balance as at April 01, 2020	**-**	**56,133.85**	**(32,716.03)**	**-**	**-**	**23,417.82**
Loss for the year		-	(16,385.18)	-	-	(16,385.18)
Remeasurement of defined benefit plans	-	-	(65.42)	-	-	(65.42)
Covid - 19 related rent concessions (refer note 31)	-	-	44.45	-	-	44.45
Premium on equity shares alloted pursuant to rights issue (refer note 13 (a))	7,418.45	-	-	-	-	7,418.45
Expenses incurred on account of equity shares issued on rights basis	(221.88)	-	-	-	-	(221.88)
Addition on account of Spencer's Employee Stock Option Plan 2019 (ESOP 2019) (refer note 38)	-	-	-	18.63	-	18.63
Treasury Shares (refer note 38)	-	-	-	-	(100.28)	(100.28)
Balance as at March 31, 2021	**7,196.57**	**56,133.85**	**(49,122.18)**	**18.63**	**(100.28)**	**14,126.59**

	Reserves and Surplus					Total
	Securities Premium	Capital reserve	Retained earnings	Share based payment reserve	Treasury Shares	Total
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Balance as at March 31, 2019	-	56,133.85	(5,298.06)	-	-	50,835.79
Adjustment on account of adoption of Ind AS 116 Leases [refer note 31]	-	-	(14,281.05)	-	-	(14,281.05)
Balance as at April 01, 2019 after adjustment	**-**	**56,133.85**	**(19,579.11)**	**-**	**-**	**36,554.74**
Loss for the year	-	-	(13,078.37)	-	-	(13,078.37)
Remeasurement of defined benefit plans	-	-	(58.55)	-	-	(58.55)
Balance as at March 31, 2020	**-**	**56,133.85**	**(32,716.03)**	**-**	**-**	**23,417.82**

The accompanying notes form an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

Kamal Agarwal
Partner
Membership number - 058652

Place : Kolkata
Date : June 15, 2021

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

Date : June 15, 2021

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Operating Activities		
Loss before tax	**(16,420.43)**	**(13,097.06)**
Adjustments :		
Depreciation and amortisation	13,421.03	13,814.87
Provision for bad and doubtful debts / bad debts	3,117.29	1,012.98
Provision for doubtful store lease deposit	195.63	49.79
Interest expense on decommissioning liability	26.61	25.54
Provision for obsolete stocks	591.98	714.84
Interest on non-cumulative non-convertible redeemable preference shares	9.44	8.96
Finance costs	9,098.14	8,160.86
Fair value gain on investments measured at fair value through profit and loss (FVTPL)	(1,109.49)	(879.75)
Gain on sale of investments	(852.92)	(411.86)
Interest income	(604.92)	(720.19)
Gain on sale of property, plant and equipment	-	(60.45)
Reversal of net liability on termination of lease	(1,062.09)	(447.08)
Covid - 19 related rent concessions	(1,018.05)	-
Cash generated from operations before working capital changes	**5,392.22**	**8,171.45**
Working capital changes:		
(Increase)/decrease in inventories	(2,507.85)	3,951.14
(Increase)/decrease in trade receivables	553.53	(2,756.98)
(Increase)/decrease in loans	448.27	(839.73)
Decrease in other financial assets	9.78	187.51
(Increase)/decrease in other assets	(75.75)	1,083.43
Increase/(decrease) in trade payables	(4,407.97)	1,812.98
Increase/(decrease) in financial liabilities	483.92	(17.61)
Increase/(decrease) in other current liabilities	(216.38)	532.28
Increase in contract liabilities	394.81	352.39
Increase/(decrease) in provisions	107.55	(346.76)
Cash flow generated from operating activities	**182.13**	**12,130.10**
Income taxes paid	(424.95)	(721.09)
Net cash (used in) / generated from operating activities (A)	**(242.82)**	**11,409.01**
Investing Activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(2,283.91)	(4,334.06)
Proceeds from sale of property, plant and equipment	-	63.33
Payment towards acquisition of a subsidiary acquired in a business combination	(126.80)	(17,068.47)
Investment in alternative investment fund	-	(202.50)
Proceeds from alternative investment fund	806.94	14.31
Purchase of mutual fund units	(17,260.96)	(49,983.69)
Proceeds from sale of mutual fund units	17,306.94	51,378.94
Investment in bank deposits	(56,213.00)	(20.50)
Redemption / maturity of bank deposits	55,802.30	19,066.58
Interest received	139.27	392.98
Net cash used in investing activities (B)	**(1,829.22)**	**(693.08)**
Financing Activities		
Payment of lease liabilities (principle)	(5,375.08)	(5,731.00)
Proceeds from issue of share capital (net of issue expenses)	7,726.46	-

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Proceeds from non-current borrowings	1,039.68	3,000.00
Repayment of non-current borrowings	(2,128.33)	(977.05)
Net movement in current borrowings	7,456.11	6,320.40
Interest paid	(9,053.18)	(8,058.24)
Net cash used in financing activities (C)	**(334.34)**	**(5,445.89)**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(2,406.38)**	**5,270.04**
Cash and cash equivalents at the beginning of the year	8,096.99	2,826.95
Cash and cash equivalents at the end of the year	**5,690.61**	**8,096.99**
Components of cash and cash equivalents :		
Balance with banks		
- In current accounts	4,892.65	7,197.68
Balance with credit card, e-wallet companies and others	449.97	371.80
Cash on hand	347.99	527.51
Total cash and cash equivalents at the end of the year	**5,690.61**	**8,096.99**

Changes in liabilities arising from financing activities :

₹ in Lakhs

Particulars	As at April 01, 2020	Acquired during the year	Cash flows Inflow/ (outflow)	Non-cash changes	As at March 31, 2021
Other financial liabilities - Preference shares	94.43	-	-	9.44	103.87
Non Current Borrowings*	10,819.37	-	(1,088.65)	-	9,730.72
Current Borrowings	8,334.80	-	7,456.11	-	15,790.91
Lease Liabilities [refer note 31]	65,725.90	-	(5,375.08)	8,560.40	68,911.22

₹ in Lakhs

Particulars	As at April 01, 2019	Acquired during the year [(refer note 43 & 2.2(r)(i)]	Cash flows Inflow/ (outflow)	Non-cash changes	As at March 31, 2020
Other financial liabilities - Preference shares	85.47	-	-	8.96	94.43
Non Current Borrowings*	-	8,756.62	2,022.95	39.80	10,819.37
Current Borrowings	-	2,014.40	6,320.40	-	8,334.80
Lease Liabilities [refer note 31]	50,900.05	12,871.63	(5,731.00)	7,685.22	65,725.90

*Includes current maturities of long term borrowings

The accompanying notes form an integral part of these Consolidated Financial Statements.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

Kamal Agarwal
Partner
Membership number - 058652

Place : Kolkata
Date : June 15, 2021

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

Date : June 15, 2021

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

1. Corporate Information

These Consolidated financial statements ("financial statements") comprise Standalone financial statements of Spencer's Retail Limited ("the Company" or "Parent Company" or "Holding Company") and its subsidiaries (collectively, "the Group") as at and for the year ended March 31, 2021. The Company was incorporated as RP-SG Retail Limited, a public limited company under the provisions of the Companies Act, 2013 ("the Act"), pursuant to a certificate of incorporation dated February 8, 2017, under the corporate identity number L74999WB2017PLC219355 having its registered office at Duncan House, 31, Netaji Subhas Road, Kolkata - 700001. The name of the Company was changed from "RP-SG Retail Limited" to "Spencer's Retail Limited" vide certificate of incorporation pursuant to change of name issued by the Registrar of Companies, Kolkata dated December 13, 2018.

The Group is primarily engaged in developing, conducting, and promoting organised retail and operates departmental and neighborhood stores under various formats across the country.

Information on the Group's structure is provided in Note 2.1(d). Information on other related party relationships of the Group is provided in Note 37.

2.1 Basis of preparation

(a) Statement of compliance

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

Accordingly, the Group has prepared these Consolidated financial statements which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated financial statements" or "financial statements").

These financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated.

These financial statements of the Group for the year ended March 31, 2021 were approved for issuance in accordance with the resolution passed by the Board of Directors on June 15, 2021.

(b) Basis of measurement

The financial statements have been prepared on accrual basis under historical cost convention, except for the following assets and liabilities, which had been measured at fair value as required by the relevant Ind AS:

- Certain Financial Assets and Liabilities (refer accounting policy regarding Financial Instruments);
- Defined Employee Benefit Plans

(c) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Parent company functional currency. All amounts have been rounded off to the nearest Lakhs, unless otherwise indicated.

(d) Basis of Consolidation

The consolidated financial statements have been prepared on the basis of the following:

- standalone financial statements of Spencer's Retail Limited (SRL)
- financial statements of Natures Basket Limited - wholly owned subsidiary of SRL
- financial statements of Omnipresent Retail India Private Limited - wholly owned subsidiary of SRL
- financial statements of Spencer's Employee Benefit Trust – Other Entity controlled by the Holding Company

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.

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:

1) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
2) Exposure, or rights, to variable returns from its involvement with the investee, and
3) The ability to use its power over the investee to affect its returns

Consolidation procedure:

(i) Combine like items of assets, liabilities, 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.

(ii) 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.

(iii) Eliminate in full intragroup assets and liabilities, 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). Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Group Information

Information about subsidiaries

The consolidated financial statement of the Group includes the subsidiaries listed in the table below:

Name	Principal Activities	Country of Incorporation	Equity Interest March 31, 2021	Equity Interest March 31, 2020
Omnipresent Retails India Private Limited	E-Commerce	India	100%	100%
Natures Basket Limited (w.e.f. July 04, 2019)	Organised retail stores	India	100%	100%
Spencer's Employee Benefit Trust	Trust established for implementing Spencer's Employee Stock Option Plan, 2019	India	100%	-

(e) Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the years in which the estimate is revised and future years affected.

The information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as given below:

(i) Useful life and residual value of property, plant and equipment and intangible assets - Note 2.2 (c), (e), 3 & 4
(ii) Impairment of intangible assets - Note 2.2 (e) & 4
(iii) Measurement of defined benefit obligations: key actuarial assumptions - Note 2.2(i) & 36
(iv) Non recognition of deferred tax assets - Note 2.2 (q) & 34
(v) Discounting rate and lease term for accounting of Right-of-use assets and lease liabilities under Ind AS 116 - Note 2.2(p) & 31

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

2.2 Significant accounting policies

(a) Current and non-current classification

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle or
- Held primarily for the purpose of trading or
- 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 or
- It is held primarily for the purpose of trading or
- 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

(b) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of initial transaction. Exchange differences are recognised in the Statement of Profit and Loss in the year in which they arise.

(c) Property, plant and equipment (PPE)

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price inclusive of non-refundable duties and taxes, incidental expenses, erection/commissioning expenses, borrowing cost, any directly attributable cost of bringing the item to its working condition for its intended use and costs of dismantling and removing the item and restoring the site on which it is located. Trade discounts and rebates are deducted from the purchase price. Expenditure incurred in setting up of stores are capitalised as a part of lease hold improvements.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Act and based on management's estimate of useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Expenditure in respect of improvements, etc. carried out at the rented / leased premises are depreciated over the initial period of lease or useful life of assets, whichever is lower. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation is calculated on a straight line basis using the rates arrived based on the useful lives estimated by the management, which are as follows:

Class of assets	Management estimate of useful life
Computer hardware	3 to 6 years
Furniture and fixtures	3 to 15 years
Vehicles	5 years
Office equipments	5 years
Plant and machineries	7 to 25 years

Based on the internal assessment carried out by the in-house technical team, management believes that the residual value and useful lives as given above best represents the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under part C of schedule II of the Companies Act 2013.

Capital work in progress (CWIP)

Capital work in progress includes cost of property, plant and equipment under installation / under development net off impairment loss, if any, as at the balance sheet date. Directly attributable expenditure incurred on project under implementation are shown under CWIP. At the point when an asset is capable of operating in the manner intended by management, the capital work in progress is transferred to the appropriate category of property, plant and equipment.

(d) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date, to determine if there is any indication of impairment based on the internal/external factors. An impairment loss is recognised wherever the carrying amount of assets exceeds its recoverable amount which is the greater of net selling price and value in use of the respective assets. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost, which includes purchase price and any cost directly attributable to bringing the asset to the conditions necessary for it to be capable of operating in the manner intended by management. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

All relatable expenditure incurred with respect to developing designs which are capable of being used for more than one season are capitalised and amortised over the useful period of the design.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite life intangible assets are amortised using straight line method over the period of their expected useful lives. Estimated useful lives of intangible assets are as follows:

Class of assets	Management estimate of useful life
Computer softwares	6 years to 10 years
Know-how and licenses	10 years
Designs	3 years
Brand	Indefinite life
Goodwill	Indefinite life

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

(f) Inventories

Inventories of traded goods, finished goods and packing materials 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 under moving weighted average method. Costs of purchased inventory are determined after deducting rebates and discounts.

Raw materials are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Obsolete, slow moving and damaged stock is valued at lower of cost less provision and net realisable value. Such inventories are identified from time to time and where necessary a provision is made for such inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through income statement, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost
- Financial assets designated at fair value through OCI (equity instruments)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A 'financial asset' 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.

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. The Group's financial assets at amortised cost includes trade receivables, loans and other financial assets.

Financial assets designated at fair value through OCI (equity instruments)

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its equity investments in subsidiaries under this category.

Financial assets at fair value through profit or loss (FVTPL):

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes investments in units of mutual funds, alternative investment fund. It also includes equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition:

A financial asset is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In accordance with Ind AS 109, the Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

The Group considers a financial asset in default when contractual payments are due for a period greater than a predefined period as per management policy. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. After initial recognition, Interest-bearing loans and borrowings are measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are off set 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.

Fair value measurement

The Group measures financial instruments, such as, equity share, mutual funds etc. at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, etc.

(h) Cash and cash equivalents

Cash and cash equivalent (including for Statement of Cash Flows) comprise cash at banks, cash on hand and short-term deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

(i) Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as and when the related services are provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays a fixed contribution and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to provident and superannuation fund are recognised as an employee benefit expense in Statement of Profit and Loss when the contributions to the respective funds are due.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plans.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Compensated absences

The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is measured on the basis of an independent actuarial valuation using the projected unit credit method, for the unused entitlement that has accumulated as at the balance sheet date. Non-accumulating compensated absences are recognised in the period in which the absences occur.

Share-based payment arrangement

Equity-settled share-based payments to eligible employees of the Parent Company are measured at the fair value of the equity instruments/options at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 38. The fair value determined at the grant date of the equity settled share-based payments to eligible employees of the Parent Company is expensed on a straight-line basis over the vesting period, based on the Parent Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity at the end of year. At the end of each year, the Parent Company revisits its estimate of the number of equity instruments

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expected to vest and recognizes any impact in profit or loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share based payment reserve.

The Parent Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its eligible employees. The Parent Company uses the Trust as a vehicle for distributing shares to eligible employees under the Employee Stock Option Plan, 2019. The Trust buys shares of the Parent Company from the market, for giving shares to eligible employees. The group treats shares held by EBT as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Other Equity. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(j) Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Decommissioning liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

(k) Contingent liabilities

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

(l) Revenue from operations

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised on delivery of merchandise to the customer, when the property in the goods is transferred for a price, and significant risks and rewards have been transferred and no effective ownership control is retained. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates, Goods and Services tax (GST) and amounts collected on behalf of third parties.

Where the Group is the principal in the transaction, the sales are recorded at their gross values. Where the Group is effectively the agent in the transaction, the cost of the merchandise is disclosed as a deduction from the gross value.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. Any amounts received for which the Group does not have any separate performance obligation are considered as a reduction of purchase costs.

The Group has contracts with concessionaire whereby it facilitates in the sale of products of these concessionaires. The inventory of the concessionaire 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 separately as sale of goods and cost of goods sold 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. Thus, the Group is an agent and records revenue at the net amount that it retains for its agency services.

Loyalty Program

Sales is allocated between the loyalty programme and the other components of the transaction at fair value. The amount allocated to the loyalty programme is deferred, and is recognised as revenue when the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the points under the programme will be redeemed.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other operating revenue

Other operating revenue mainly represents recoveries made on account of advertisement for use of space by the customers and other expenses recovered from suppliers. These are recognised and recorded over time or at the point in time based on the arrangements with concerned parties.

(m) Interest income

Interest income is recognised based on time proportion basis considering the amount outstanding and using the effective interest rate (EIR). Interest income is included as other income in the Statement of Profit and Loss.

(n) Expenses

All expenses are accounted for on accrual basis.

(o) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

(p) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements under taken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to its operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The Group as a lessee

The Group's lease asset classes primarily consist of leases for store. The Group assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) The Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use assets (ROU) and a corresponding lease liability for all lease arrangements, in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and non-lease components (like maintenance charges, etc.). For these short-term leases and non-lease components, the Group recognizes the lease rental payments as an operating expense.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The present value of the expected cost to be incurred on removal of assets at the time of store closure (referred as "Decommissioning liability") is included in the cost of right-of-use assets.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liabilities are initially measured at the present value of the future lease payments. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expense.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates for similar term of borrowing as the leases, for the Group. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases is recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

(q) Income tax

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 are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases and accounting bases of assets and liabilities at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are recognised for all taxable temporary differences

Deferred tax assets and liabilities are offset when there is 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 offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

(r) Business combination

(i) Business combinations are accounted for 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. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value 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.

Goodwill is tested for impairment annually, or more frequently when there is an indication that it may be impaired. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(ii) Business combination involving entities or businesses under common control are accounted for using the pooling of interest method whereby the assets and liabilities of the combining entities / business are reflected at their carrying value and necessary adjustments, if any, have given effect to as per the scheme approved by National Company Law Tribunal.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

(s) Compound instrument - non-cumulative non-convertible redeemable preference shares

Non-cumulative non-convertible redeemable preference shares where payment of dividend is discretionary and which are mandatorily redeemable on a specific date, are classified as compound instruments. The fair value of liabilities portion is determined by discounting amount repayable at maturity using market rate of interest. Difference between proceed received and fair value of liability on initial recognition is included in equity, net of tax effects and not remeasured subsequently. Liability component of non-convertible redeemable preference shares are subsequently measured at amortised cost. The interest on these non-convertible redeemable preference shares are recognised in profit or loss as finance costs.

(t) Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(u) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(v) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(w) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(x) Measurement of EBITDA

The Group has elected to present Earnings (including interest income) before Interest expense, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of Profit and Loss.

(y) New and amended standards

Amendments to Ind AS 116: Covid-19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after April 01, 2020. Pursuant to the above amendment, the Group has applied the practical expedient during the year ended March 31, 2021 in respect of lease agreements where negotiations have been completed and accounted the unconditional rent concessions as per Note 31.

Following are the other amendments and interpretations issued for the year, but either are not applicable on the Group or does not have a material impact on these financial statements of the Group:

- Amendments to Ind AS 103: Business Combinations
- Amendments to Ind AS 1 and Ind AS 8: Definition of Material
- Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

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3. Property, plant and equipment

₹ in Lakhs

	Leasehold improvements	Plant and machineries	Computer hardwares	Vehicles	Furniture and fixtures	Office equipments	Total
Gross carrying amount							
As at April 01, 2019	**10,882.26**	**5,261.30**	**2,200.56**	**19.55**	**7,696.24**	**147.00**	**26,206.91**
Acquired in a Business Combination [(refer note 43 & 2.2(r)(i)]	2,033.50	1,299.58	146.76	0.69	1,061.73	188.01	4,730.27
Additions during the year	1,504.71	422.26	336.96	-	645.10	5.73	2,914.76
Disposals during the year	238.95	77.70	50.25	-	167.40	30.97	565.27
As at March 31, 2020	**14,181.52**	**6,905.44**	**2,634.03**	**20.24**	**9,235.67**	**309.77**	**33,286.67**
Additions during the year	1,301.14	346.21	155.78	-	541.75	18.97	2,363.85
Disposals during the year	39.62	-	-	-	12.00	-	51.62
As at March 31, 2021	**15,443.04**	**7,251.65**	**2,789.81**	**20.24**	**9,765.42**	**328.74**	**35,598.90**
Accumulated depreciation							
As at April 01, 2019	**3,088.20**	**1,573.25**	**1,419.61**	**18.72**	**3,358.16**	**42.80**	**9,500.74**
Depreciation for the year (refer note 27)	2,397.70	710.91	355.28	0.43	826.24	59.79	4,350.35
Disposals for the year	237.58	52.59	27.17	-	90.81	23.25	431.40
As at March 31, 2020	**5,248.32**	**2,231.57**	**1,747.72**	**19.15**	**4,093.59**	**79.34**	**13,419.69**
Depreciation for the year (refer note 27)	1,955.50	899.17	339.53	0.19	958.08	63.22	4,215.69
Disposals for the year	39.62	-	-	-	9.12	-	48.74
As at March 31, 2021	**7,164.20**	**3,130.74**	**2,087.25**	**19.34**	**5,042.55**	**142.56**	**17,586.64**
Net carrying amount							
As at March 31, 2021	**8,278.84**	**4,120.91**	**702.56**	**0.90**	**4,722.87**	**186.18**	**18,012.26**
As at March 31, 2020	**8,933.20**	**4,673.87**	**886.31**	**1.09**	**5,142.08**	**230.43**	**19,866.98**

Capital work in progress	**₹ in Lakhs**
As at April 01, 2019	**105.71**
Addition during the year	4,108.92
Less : Capitalised to Property, plant and equipment and intangible assets during the year	3,229.93
As at March 31, 2020	**984.70**
Addition during the year	548.06
Less : Capitalised to Property, plant and equipment and intangible assets during the year	1,250.17
As at March 31, 2021	**282.59**

Note :

Refer note 15 for hypothecation of Property, plant & equipment.

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4. Other intangible assets & Goodwill

₹ in Lakhs

	Computer softwares	Know-how and licenses	Designs	Brands *	Goodwill*	Total
Gross carrying amount						
As at April 01, 2019	**1,385.25**	**295.05**	**116.73**	**8,625.00**	**-**	**10,422.03**
Acquired in a Business Combination [(refer note 43 & 2.2(r)(i)]	103.82	-	-	11,174.00	13,591.51	24,869.33
Additions during the year	112.22	-	202.95	-	-	315.17
Disposals during the year	-	37.23	-	-	-	37.23
As at March 31, 2020	**1,601.29**	**257.82**	**319.68**	**19,799.00**	**13,591.51**	**35,569.30**
Additions during the year	158.57	-	121.12	-	-	279.69
Other adjustment (refer note 43)	-	-	-	-	464.51	464.51
As at March 31, 2021	**1,759.86**	**257.82**	**440.80**	**19,799.00**	**13,127.00**	**35,384.48**
Accumulated amortisation						
As at April 01, 2019	**598.96**	**232.69**	**23.56**	**-**	**-**	**855.21**
Amortisation for the year (refer note 27)	382.02	29.46	67.77	-	-	479.25
Disposals for the year	-	35.37	-	-	-	35.37
As at March 31, 2020	**980.98**	**226.78**	**91.33**	**-**	**-**	**1,299.09**
Amortisation for the year (refer note 27)	126.50	-	128.76	-	-	255.26
Disposals for the year	-	-	-	-	-	-
As at March 31, 2021	**1,107.48**	**226.78**	**220.09**	**-**	**-**	**1,554.35**
Net carrying amount						
As at March 31, 2021	**652.39**	**31.04**	**220.71**	**19,799.00**	**13,127.00**	**33,830.13**
As at March 31, 2020	**620.31**	**31.04**	**228.35**	**19,799.00**	**13,591.51**	**34,270.21**

Net Book Value	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Goodwill (refer note 43)	13,127.00	13,591.51
Other Intangible Assets	20,703.13	20,678.70
	33,830.13	**34,270.21**

Brands and Goodwill are considered to have an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law.

Brand amounting to ₹ 8,625.00 Lakhs is in respect of the Parent Company and the remaining portion of Brand and Goodwill pertains to acquisition of a subsidiary.

The Group tests whether brands and goodwill have suffered any impairment on an annual basis. The recoverable amount has been determined based on value in use for current and previous financial year.

Value in use for Brands and Goodwill has been determined based on relief from royalty method and discounted cash flow method respectively, using future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

Basis the assessment, the management has concluded that there is no impairment in respect of Brands and Goodwill.

5. Inventories

(at the lower of cost and net realisable value)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Raw materials	60.76	86.62
Finished goods	51.44	121.73
Stock-in-trade	26,280.83	24,323.95
Packing materials	351.19	296.05
	26,744.22	**24,828.35**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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6. Investments

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Non-current		
Unquoted		
Investments in equity instruments (At FVTOCI)		
Retailer's Association of India: 10,000 equity shares (March 31, 2020: 10,000 equity shares) of ₹ 10 each, fully paid up	1.00	1.00
Investments in equity instruments (At FVTPL)		
The Saraswat Co-operative Bank Limited: 2,500 equity shares (March 31, 2020 : 2,500 equity shares) of ₹ 10 each, fully paid up	7.36	7.36
Investment in government securities (At amortised cost)		
National savings certificates	31.92	31.92
Investment in Alternative Investment Fund (At FVTPL)		
Fireside Ventures Investment Fund I : 1,307.196 units (March 31, 2020: 1,307.196 units) of face value ₹ 100,000 each	3,452.63	2,343.14
	3,492.91	**2,383.42**
Aggregate value of unquoted investments	3,492.91	2,383.42

7. Trade receivables

(Unsecured)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
- Considered good	2,976.35	6,647.17
- Significant increase in credit risk	3,010.10	1,193.26
	5,986.45	7,840.43
Impairment allowance:		
- Significant increase in credit risk	(3,010.10)	(1,193.26)
	2,976.35	**6,647.17**

Refer note 37 for receivables from related parties.

8. Cash and cash equivalents

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Balance with banks		
- In current accounts	4,892.65	7,197.68
Balance with credit card, e-wallet companies and others	449.97	371.80
Cash on hand	347.99	527.51
	5,690.61	**8,096.99**

9. Bank balances other than cash and cash equivalents

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Deposits with original maturity of more than 3 months and less than 12 months	84.15	31.05
	84.15	**31.05**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

10. Loans

(Unsecured)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Non-current		
Security Deposits		
- Considered good	5,082.65	5,471.26
- Significant increase in credit risk	80.16	20.89
- Credit impaired	191.24	181.79
	5,354.05	5,673.94
Impairment allowance:		
- Significant increase in credit risk	(80.16)	(20.89)
- Credit impaired	(191.24)	(181.79)
	(271.40)	(202.68)
	5,082.65	**5,471.26**
(ii) Current		
Security Deposits		
- Considered good	90.65	297.17
- Credit impaired	55.48	91.22
	146.13	388.39
Impairment allowance:		
- Credit impaired	(55.48)	(91.22)
	90.65	**297.17**
Employee loans and advances		
- Considered good	13.09	4.06
- Credit impaired	78.00	78.00
	91.09	82.06
Impairment allowance:		
- Credit impaired	(78.00)	(78.00)
	(78.00)	(78.00)
	13.09	**4.06**
	103.74	**301.23**

11. Other financial assets

(Unsecured and considered good)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Non-current		
Bank deposits with original maturity of more than 12 months	57.49	28.59
National savings certificates pledged with government authorities #	15.26	-
Margin money deposit *	512.44	256.49
Interest accrued on bank deposits	8.69	2.32
	593.88	**287.40**
(ii) Current		
Bank deposits with original maturity of more than 12 months	-	3.64
Interest accrued on bank deposits	5.37	0.45
Advances to employees	13.37	74.63
National savings certificates pledged with government authorities #	-	15.26
Other receivables	155.04	27.17
	173.78	**121.15**

Pledged with excise department for liquor license.

* Margin money deposit are encumbered with banks against bank guarantees.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

12. Other assets

(Unsecured and considered good)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Non-current		
Capital advances	313.52	164.76
Prepaid expenses	2.04	12.59
Deposits for claims and tax disputes	24.56	34.74
	340.12	**212.09**
(ii) Current		
Advances for goods and services	867.33	1,048.44
Prepaid expenses	513.88	591.38
Balance with Statutory / Government authorities	1,620.11	1,265.02
	3,001.32	**2,904.84**

13. Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised:				
Equity shares of ₹ 5 each	2,99,01,00,000	1,49,505.00	2,99,01,00,000	1,49,505.00
Preference shares of ₹ 100 each *	5,00,000	500.00	5,00,000	500.00
	2,99,06,00,000	**1,50,005.00**	**2,99,06,00,000**	**1,50,005.00**
Issued, subscribed and fully paid-up:				
Equity shares of ₹ 5 each	9,01,32,009	4,506.60	7,95,34,226	3,976.71
	9,01,32,009	**4,506.60**	**7,95,34,226**	**3,976.71**

* 0.01% non-cumulative non-convertible redeemable preference shares of ₹ 100 each issued are classified as financial liability [refer note 16(i)].

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year:

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Equity shares				
At the beginning of the year	7,95,34,226	3,976.71	7,95,34,226	3,976.71
Equity shares alloted pursuant to rights issue*	1,05,97,783	529.89	-	-
At the end of the year	**9,01,32,009**	**4,506.60**	**7,95,34,226**	**3,976.71**

* During the year, 1,05,97,783 Equity Shares at an issue price of ₹ 75 per Equity Share (including a premium of ₹ 70 per Equity Share) were allotted by way of rights issue to the eligible Equity Shareholders for an amount aggregating to ₹ 7,948.34 Lakhs.

(b) Rights, preferences and restrictions attached to equity shares:

The Parent Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares:

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	%	No. of shares	%
Rainbow Investments Limited	3,96,04,042	43.94%	3,80,32,979	47.82%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

13. Equity share capital (continued)

(d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Equity shares of ₹ 5 each allotted as fully paid-up pursuant to the Scheme [(refer note 43 & 2.2(r)(ii)]	7,95,34,226	7,95,34,226	7,95,34,226	-	-
Preference shares of ₹ 100 each allotted as fully paid-up pursuant to the Scheme [(refer note 43 & 2.2(r)(ii)]	5,00,000	5,00,000	5,00,000	-	-

14. Other equity

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Capital reserve		
Balance as at beginning of the year	56,133.85	56,133.85
Balance as at end of the year (a)	**56,133.85**	**56,133.85**
Securities premium		
Premium on equity shares alloted pursuant to rights issue (refer note 13 (a))	7,418.45	-
Less : Expenses incurred on account of equity shares issued on rights basis*	(221.88)	-
Balance as at end of the year (b)	**7,196.57**	**-**
* Includes ₹ 40.00 Lakhs paid to auditors.		
Share based payment reserve		
Balance as at beginning of the year	-	-
Addition on account of ESOP 2019 (refer note 38)	18.63	-
Balance as at end of the year (c)	**18.63**	**-**
Treasury Shares		
Balance as at beginning of the year	-	-
Purchase of treasury shares (refer note 38)	(100.28)	-
Balance as at end of the year (d)	**(100.28)**	**-**
Retained earnings		
Balance as at beginning of the year	(32,716.03)	(5,298.06)
Adjustment on account of adoption of Ind AS 116 Leases (refer note 31)	-	(14,281.05)
Balance as at beginning of the year after adjustment	**(32,716.03)**	**(19,579.11)**
Loss for the year	(16,385.18)	(13,078.37)
Remeasurement of defined benefit plans	(65.42)	(58.55)
Covid - 19 related rent concessions (refer note 31)	44.45	-
Balance as at end of the year (e)	**(49,122.18)**	**(32,716.03)**
Total Other Equity (a) + (b) + (c) + (d) + (e)	**14,126.59**	**23,417.82**

Note :

(a) The Capital Reserve had arisen pursuant to the composite Scheme of Arrangement amongst the Parent Company, CESC Limited and eight other companies and their respective shareholders which has been made effective from October 01, 2017, being appointed date, as approved by Hon'ble National Company Law Tribunal (NCLT).

(b) The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(c) The Parent Company has an ESOP 2019 scheme under which options to subscribe for the Parent Company's equity shares have been granted to eligible employees. The share based payment reserve is used to recognise the grant date fair value of such options granted (refer note 38).

(d) For the purpose of ESOP 2019 Scheme, the Parent Company has created Spencer's Employee Benefit Trust (Trust) for distributing shares to eligible employees. The Trust buys shares of the Parent Company from the market, for giving shares to eligible employees. The Group treats shares held by Trust as treasury shares (refer note 29 & 38).

(e) Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Group and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

15. Borrowings

		As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i)	**Non- Current Borrowings**		
	(Secured)		
	Term Loan from Banks	5,511.50	5,604.97
	Less : current maturities of long term borrowings transferred to other financial liabilities (refer note - 16)	(1,266.80)	(1,221.65)
	Less : Unamortised Borrowing Cost	(94.56)	(7.48)
		4,150.14	**4,375.84**
	Term Loan from Financial Institutions	4,354.17	5,270.71
	Less : current maturities of long term borrowings transferred to other financial liabilities (refer note - 16)	(916.67)	(916.67)
	Less : Unamortised Borrowing Cost	(40.39)	(48.83)
		3,397.11	**4,305.21**
		7,547.25	**8,681.05**

1. Security & other terms

Out of the term loan from banks:

a) ₹ 2,333.34 Lakhs (March 31, 2020 : ₹ 3,000.00 Lakhs) is secured by first Pari Passu charge by way of mortgage over moveable fixed assets including plant and equipment of the Parent Company and second Pari Passu charge by way of hypothecation on the entire current assets of the Parent Company. The said loan is payable after 9 months from the date of disbursement in 18 equal quarterly installments of ₹ 166.67 Lakhs each. It carries an interest rate @ 6 Month Marginal Cost of Funds based Lending Rate (MCLR) plus 0.10% p.a. i.e. 8.65% p.a as at year end.

₹ 1,128.16 Lakhs (March 31, 2020 : Nil) is secured by first Pari Passu charge by way of mortgage over moveable fixed assets of the Parent Company and second Pari Passu charge on the entire current assets of the Parent Company. The said loan is payable after 15 months from the date of disbursement in 20 equal quarterly installments. It carries an interest rate @ 1 year MCLR plus 1.15% p.a. i.e. 8.45% p.a as at year end.

b) ₹ 350.00 Lakhs (March 31, 2020: ₹ 550.00 Lakhs) and ₹ 1,700.00 Lakhs (March 31, 2020: ₹ 2,054.85 Lakhs) pertaining to a subsidiary, are secured by exclusive first charge over the moveable fixed assets of the subsidiary. The said loans are payable after 24 months from the date of disbursement in 60 equal monthly installments. They carry interest rate @ Bank base rate plus 0.05% and 1 year MCLR plus 1.15% i.e. 9.05% p.a. and 10.55% p.a. respectively as at year end .

Term Loan from Financial Institutions

c) Term loan from Financial Institutions pertaining to a subsidiary is secured by first charge by way of hypothecation over the entire current assets and moveable fixed assets of the subsidiary. The said loan is payable after 12 months from the date of disbursement in 72 equal monthly installments. It carries an interest rate @ Long Term lending Rate (LTLR) less 8.00% i.e. 11.25% p.a. as at year end.

₹ in Lakhs

d) Maturity profile of non current borrowings outstanding as at year end	As at March 31, 2021	As at March 31, 2020
Payable within 1 year	2,183.47	2,138.32
Payable between 1 to 3 years	4,567.93	4,316.90
Payable between 3 to 5 years	2,888.77	3,632.96
Payable beyond 5 years	225.50	787.50

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

15. Borrowings (continued)

		As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(ii)	**Current Borrowings**		
	Working Capital Loan from bank (secured) [refer note (a) below]	4,500.00	4,000.00
	Invoice financing facility from bank		
	- Secured [refer note (b) below]	9,315.36	-
	- Unsecured	-	2,856.26
	Overdraft facility from bank (unsecured) [refer note (c) below]	1,975.55	1,478.54
		15,790.91	**8,334.80**

1. Security & other terms

a) Working Capital loan from bank in respect of the Parent Company is secured by first Pari Passu charge by way of hypothecation over entire current assets of the Parent Company and second Pari Passu charge by way of hypothecation over entire moveable fixed assets of the Parent Company. It carries interest @ 6 Month MCLR plus plus applicable spread p.a. i.e. 8.60% p.a. as at year end payable at monthly rests. It is payable on demand.

b) Invoice financing facility from Bank is secured by first Pari Passu charge by way of hypothecation over entire current assets of the Parent Company and second Pari Passu charge by way of Hypothecation over moveable fixed assets of the Parent Company. It carries interest at MCLR plus spread (i.e. 9.00% p.a. as at year end). Loan is payable in maximum period of 90 days.

c) Overdraft facility from bank pertaining to subsidiary carries an interest rate of 3 months MCLR plus 1.60% i.e. 9.35% p.a. as at year end and is repayable on demand.

16. Other financial liabilities

(i) Non Current

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Non-cumulative non-convertible redeemable preference shares		
0.01% non-cumulative non-convertible redeemable preference shares of ₹ 100 each: 500,000 shares (March 31, 2020: 500,000 shares) issued pursuant to the Scheme [(refer note 14(a)]	103.87	94.43
	103.87	**94.43**

Rights, preferences and restrictions attached to preference shares :

The non-cumulative non-convertible redeemable 500,000 preference shares of ₹ 100 each carrying dividend @ 0.01% per annum is redeemable at par after 20 years from the date of allotment.

(ii) Current

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Current maturities of long term borrowings (refer note 15)	2,183.47	2,138.32
Interest accrued but not due on borrowings	162.11	117.15
Sundry deposits	350.14	439.53
Liability for capital goods	222.22	418.82
Payable to employees	2,011.54	1,600.27
Others	163.38	1.34
	5,092.86	**4,715.43**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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17. Contract liabilities

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Advances from customers	1,030.81	645.22
Customer Loyalty Program Liabilities	110.21	100.99
	1,141.02	**746.21**

The Group expects to recognise the above amount as revenue within next year.

18. Trade payables

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Total outstanding dues of micro enterprises and small enterprises (refer note 32)	408.86	312.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	32,682.12	37,085.76
	33,090.98	**37,398.67**

Refer note 37 for dues to related parties.

Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Group on the basis of the information available with them and the auditors have relied on the same.

19. Other current liabilities

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Other liabilities (refer note 43)	-	591.31
Statutory dues	754.10	959.05
Others	242.40	253.83
	996.50	**1,804.19**

20. Provisions

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Non-current		
Provisions for employee benefits :		
Provision for gratuity (refer note 36)	400.00	346.69
Provision for compensated absences	472.70	346.08
	872.70	**692.77**
Other provisions :		
Provision for decommissioning liability [refer note (a) below]	378.24	336.91
	1,250.94	**1,029.68**
(ii) Current		
Provisions for employee benefits :		
Provision for gratuity (refer note 36)	21.87	7.79
Provision for compensated absences	15.12	4.95
	36.99	**12.74**
Other provisions :		
Provision for tax disputes [refer note (b) below]	36.47	101.03
Provision for claims on leased properties [net of amount deposited - refer note (c) below]	1,183.05	1,183.05
	1,219.52	**1,284.08**
	1,256.51	**1,296.82**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

20. Provisions (continued)

Note :

(a) A provision is recognised for expected cost of removal of assets situated at various rented premises and is measured at the present value of expected costs to settle the obligation. The table below gives information about the movement in provision for decommissioning liability :

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Opening balance	**336.91**	**300.45**
Provision created during the year	14.72	10.92
Interest expense during the year	26.61	25.54
Closing balance	**378.24**	**336.91**

(b) The management has estimated the provisions for pending disputes, claims and demands relating to indirect taxes based on it's assessment of probability for these demands crystallizing against the Group in due course.

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Opening balance	**101.03**	**179.73**
Acquired in a Business Combination [refer note 43 & 2.2(r)(i)]	-	195.00
Provision reversed during the year	(34.03)	(130.96)
Paid during the year	(30.53)	(142.74)
Closing balance *	**36.47**	**101.03**

* Net of deposits as at March 31, 2021 ₹ 24.26 Lakhs (March 31, 2020: ₹ 64.41 Lakhs) made under appeal.

(c) Retailers Association of India (RAI) of which the Group is a member, has filed Special Leave Petition before the Hon'ble Supreme Court of India, about the applicability of service tax on commercial rent on immovable property. Pending disposal of the case, the Supreme Court has passed an interim ruling in October 2011 directing the members of RAI to pay 50% of total service tax liability up to September 2011 to the department and to furnish a surety for balance 50%. The Supreme Court has also clarified that the successful party in the appeal shall be entitled to interest on the amount stayed by the Court, at such rate as may be directed at the time of the final disposal of appeal. Accordingly the Group has already deposited ₹ 460 Lakhs and furnished a surety for ₹ 460 Lakhs towards the balance service tax liability, while interest, whose quantum and applicability is presently not ascertainable, will be provided on the disposal of the petition, if required.

Further, the Group has also been making provision for service tax on rent from October 2011 onwards, the balance whereof as on March 31, 2021 is ₹ 1,183.05 Lakhs (March 31, 2020: ₹ 1,183.05 Lakhs).

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Balance as at the start and end of year	1,183.05	1,183.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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21. Revenue from operations

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Revenue from contract with customers		
Sale of goods	2,54,625.29	2,74,430.75
Sale of concessionaire products	2,617.52	3,861.91
Total	2,57,242.81	2,78,292.66
Less: Goods & Services Tax	(21,526.88)	(23,897.63)
Less: Cost of goods sold for concessionaire products	(2,041.14)	(2,974.48)
	2,33,674.79	**2,51,420.55**
Other operating revenue		
- Display Income	5,192.75	7,721.60
- Others	3,939.50	5,339.43
Total revenue from contract with customers	**2,42,807.04**	**2,64,481.58**

22. Other income

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Interest income		
- Bank deposits	150.56	375.61
- Security deposits	446.06	337.62
- Others	8.30	6.96
Gain on sale of investments	852.92	411.86
Fair value gain on investments measured at FVTPL	1,109.49	879.75
Net gain on sale of property, plant and equipment	-	60.45
Reversal of net liability on termination of lease	1,062.09	447.08
Covid - 19 related rent concessions [refer note 2.2(y) & 31]	1,018.05	-
Miscellaneous income *	692.39	661.73
	5,339.86	**3,181.06**

* includes provision / liabilities no longer required written back.

23. Cost of raw materials consumed

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Inventories at the beginning of the year	86.62	78.01
Purchases during the year	686.73	629.38
	773.35	707.39
Less: Inventories at the end of the year	60.76	86.62
	712.59	**620.77**

24. Changes in inventories of finished goods and stock-in-trade

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Inventories at the beginning of the year	24,445.68	26,603.93
Less: Inventories at the end of the year	26,332.27	24,445.68
	(1,886.59)	**2,158.25**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

25. Employee benefits expense

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Salaries, wages and bonus *	17,173.54	17,233.16
Gratuity defined benefit plan [refer note 36]	139.57	121.08
Contribution to provident and other funds	1,064.37	1,148.48
Staff welfare expenses	937.52	631.33
	19,315.00	**19,134.05**

* Net of ₹ 196.55 Lakhs (March 31, 2020: Nil) claimed as subsidy under National Apprenticeship Promotion Scheme (NAPS).

26. Other expenses

	For the year ended March 31, 2021 ₹ in Lakhs		For the year ended March 31, 2020 ₹ in Lakhs	
Power and fuel		4,869.73		5,745.33
Freight		1,125.01		784.03
Rent [refer note 2.2(y) & 31]		2,395.36		2,831.12
Repairs and maintenance				
- Buildings		353.69		382.89
- Others		3,676.08		3,549.75
Insurance		226.75		159.57
Rates and taxes		589.11		1,224.46
Advertisement and selling expenses		3,704.05		4,961.33
Packing materials consumed		628.72		721.63
Travelling and conveyance		556.17		618.92
Payment to auditors				
As auditor				
- Audit fees	94.32		87.62	
- Tax audit fees	10.50		12.45	
- Limited Review	26.00		9.00	
- Other services	0.75		-	
- Reimbursement of expenses	3.61	135.18	1.81	110.88
Communication expenses		691.62		616.02
Printing and stationery		308.74		315.01
Legal and consultancy expenses		630.49		1,251.43
Housekeeping expenses		2,790.19		3,705.48
Security expenses		1,854.25		2,256.07
Bad debts written off		599.76		-
Provision for doubtful store lease deposit		250.41		49.79
Provision for bad and doubtful debt		2,267.12		994.52
Miscellaneous expenses		1,868.07		1,447.40
		29,520.50		**31,725.63**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

27. Depreciation and amortisation

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Depreciation of property, plant and equipment (refer note 3)	4,215.69	4,350.35
Depreciation on right-of-use assets (refer note 31)	8,950.08	8,985.27
Amortisation of intangible assets (refer note 4)	255.26	479.25
	13,421.03	**13,814.87**

28. Finance costs

	For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Interest expense on		
- Borrowings	1,902.06	1,661.41
- Lease liabilities (refer note 31)	6,365.92	5,847.21
- Non-cumulative non-convertible redeemable preference shares	9.44	8.96
- Decommissioning liability	26.61	25.54
- Others	21.71	30.64
Other costs	808.45	621.60
	9,134.19	**8,195.36**

29. Earning per share (EPS)

Basic and diluted EPS have been calculated by dividing the loss for the year attributable to equity shareholders of the Group by the weighted average number of Equity shares outstanding during the year.

		For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
Loss for the year (A) (₹ in Lakhs)		(16,385.18)	(13,078.37)
Weighted average number of equity shares for Basic EPS (B) (refer note (i) below)		86,384,516	80,763,276
Effect of dilution :			
Weighted average number of treasury shares held through ESOP trust (refer note (ii) below)		1,20,000	-
Weighted average number of equity shares adjusted for the effect of dilution (C)		86,264,516	80,763,276
Earnings per share (face value of ₹ 5 each) (₹)			
- Basic	(A) / (B)	(18.97)	(16.19)
- DIluted	(A) / (C)	(18.99)	(16.19)

(i) Pursuant to allotment of equity shares on rights basis (refer note 13 (a)), basic and diluted earnings per share for the previous year ended March 31, 2020 have been restated for the bonus element in accordance with Ind AS 33 - Earnings per share.

(ii) For details regarding treasury shares held through ESOP trust (refer note 14(d) and 38).

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30. Commitments and contingencies

(a) Contingent liabilities

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Contingent liabilities not provided for in respect of:		
(i) Sales Tax / Value Added Tax (VAT) / Goods and Services Tax demands (GST) under appeal	2,093.52	1,085.79
(ii) Claims against the Group not acknowledged as debt	4,789.60	4,700.14

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, the Group has made a provision on a prospective basis from the date of the SC order. The Group will update its provision, on receiving further clarity on the subject.

(b) Commitments

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	257.79	555.34
(ii) for Investments	172.50	172.50

31. Ind AS - 116 Leases

The effect of adoption Ind AS 116 as at 1 April 2019 (increase/(decrease)) is, as follows:

	As at April 01, 2019 ₹ in Lakhs
Assets	
Right-of-use assets [refer note (i) below]	38,926.24
Other Asset - Non Current [refer note (ii) below]	(2,032.24)
Other Asset - Current [refer note (ii) below]	(275.00)
Total Assets	**36,619.00**
Liabilities	
Lease Liabilities	50,900.05
Total Liabilities	**50,900.05**
Total Adjustment on equity - Retained Earnings	**(14,281.05)**

(i) Right-of-use assets includes prepaid expenses on fair valuation of security deposits.

(ii) Represents prepaid expenses on fair valuation of security deposits.

The movement in right-of-use ("ROU") assets and lease liabilities are as below :

Right-of-use Assets :	Buildings	Buildings
Particulars	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Opening Balance	51,351.14	38,926.24
Acquired in a Business Combination [refer note 43 & 2.2(r)(i)]	-	13,345.46
Additions [refer note (iii) below]	14,313.67	11,370.93
Deletions [refer note (iv) below]	(3,232.12)	(3,306.22)
Depreciation (refer note 27)	(8,950.08)	(8,985.27)
Closing Balance	**53,482.61**	**51,351.14**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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31. Ind AS - 116 Leases (continued)

(iii) Includes ₹ 608.71 Lakhs (March 31, 2020: ₹ 391.83 Lakhs) on account of prepaid expenses on fair valuation of security deposits.

(iv) Includes ₹ 212.15 Lakhs (March 31, 2020: ₹ 459.62 Lakhs) pertaining to reversal of prepaid expenses (recognised on fair valuation of security deposits) on termination of leases.

Lease Liabilities :

Particulars	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Opening Balance	65,725.90	50,900.05
Acquired in a Business Combination [refer note 43 & 2.2(r)(i)]	-	12,871.63
Additions	13,704.96	10,979.10
Interest expenses incurred for the year (refer note 28)	6,365.92	5,847.21
Deletions	(4,082.05)	(3,293.88)
Covid - 19 related rent concessions [refer note (v) below]	(1,062.50)	-
Payment of lease liabilities [refer note (vi) below]	(11,741.01)	(11,578.21)
Closing Balance	**68,911.22**	**65,725.90**

(v) The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS: 116 "Leases", by inserting a practical expedient with respect to "Covid-19 Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Group has applied the practical expedient during the year ended March 31, 2021 in respect of lease agreements where negotiations have been completed and accounted the unconditional rent concessions of ₹ 1018.05 Lakhs in "Other income" (refer note 22). The Group has also accounted for ₹ 44.45 Lakhs in "Retained Earnings" (refer note 14), against unconditional rent concessions received pertaining to period before April 01, 2020.

The Group has further adjusted rent concessions amounting to ₹ 265.68 Lakhs during the year ended March 31, 2021, for stores with variable lease payments in "Other expenses" (refer note 26) in the Statement of Profit and Loss.

(vi) Includes ₹ 6,356.92 Lakhs (March 31, 2020 : ₹ 5,847.21 Lakhs) on account of interest expenses.

The following is the break-up of current and non-current lease liabilities

Particulars	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Current lease liabilities	8,832.16	9,456.76
Non-current lease liabilities	60,079.06	56,269.14
Total	**68,911.22**	**65,725.90**

The table below provides details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis:

Particulars		
Less than one year	14,582.48	13,845.13
One to five years	40,741.47	43,730.11
More than five years	54,130.72	39,293.75
Total	**1,09,454.67**	**96,868.99**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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31. Ind AS - 116 Leases (continued)

(vii) The effective discount rate for lease liabilities is 8.76% p.a. - 10.00% p.a.

The table below provides details of amount recognised in Statement of profit and loss :

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Depreciation on Right-of-use assets (refer note 27)	8,950.08	8,985.27
Interest expenses on lease liabilities (refer note 28)	6,365.92	5,847.21
Rental expenses (excluding taxes) recorded for short term leases (refer note 26)	630.65	728.85
Rental expenses (excluding taxes) recorded for variable leases (refer note 26)	1,179.20	1,532.30
Total	**17,125.85**	**17,093.63**

(viii) The Group had total cash outflows for leases of ₹ 13,151.22 Lakhs for the year ended March 31, 2021 (March 31, 2020 - ₹ 13,526.66 Lakhs).

32. Information relating to Micro, Small and Medium Enterprises (MSME):

		As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(i)	The principal amount and interest due there on remaining unpaid to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 as at the end of each accounting year		
	Principal	380.26	298.10
	Interest	1.43	3.22
(ii)	The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to suppliers beyond the appointed day during the year		
	Principal	-	-
	Interest	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006		
	Principal	362.03	486.34
	Interest	12.36	10.06
(iv)	The amount of interest accrued and remaining unpaid at the end of the year being interest outstanding as at the beginning of the accounting year.	14.81	1.53
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	28.60	14.81

33. Contract balances under Ind AS 115

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
Trade receivables	2,976.35	6,647.17
Contract liabilities	1,141.02	746.21

Trade receivables are non-interest bearing and are generally on terms of 15 to 90 days.

Contract liabilities include advances received from customers against sale of gift cards and prepaid cards. It also includes customer loyalty points not yet redeemed.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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34. Deferred tax assets/(liabilities) (net)

		As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
(a)	**Deferred tax relating to assets and liabilities:**		
	- Deferred tax liabilities		
	Property, plant & equipment and intangible asset	(1,870.88)	(1,985.20)
	Fair value gain on investment	(749.70)	(339.99)
	Right-of-use assets	(18,251.92)	(17,470.86)
	Total	**(20,872.50)**	**(19,796.05)**
	- Deferred tax assets		
	Carry forward business losses / unabsorbed depreciation	51,010.13	50,796.40
	Disallowance under Tax Laws	370.84	283.57
	Lease Liabilities	23,410.52	21,955.66
	MAT (Minimum Alternative Tax) credit entitlement	141.34	141.34
	Others	2,748.76	1,753.60
	Total	**77,681.59**	**74,930.57**
	- Deferred tax assets (net)	**56,809.09**	**55,134.52**
	- Unrecognised Deferred tax assets (net)*	**58,942.79**	**57,303.47**
	- Recognised Deferred tax asset/ (liability) as per consolidated balance sheet**	**(2,133.70)**	**(2,168.95)**

* Deferred tax asset has not been recognised in the consolidated balance sheet in the absence of evidence supporting reasonable certainty of future taxable income when such losses would be set off and deferred tax assets to be recovered.

** Deferred tax liabilities recognised in the consolidated balance sheet represents deferred tax on acquisition through business combination.

Movement in deferred tax assets/(liabilities) (net)

	As at March 31, 2021 ₹ in Lakhs	As at March 31, 2020 ₹ in Lakhs
As at the beginning of the year	(2,168.95)	-
Deferred tax on acquisition through business combination (refer note 43 and 2.2(r)(i))	-	(2,187.64)
(Charged)/credited:		
- to Consolidated Statement of Profit & Loss	35.25	18.69
As at the end of the year	**(2,133.70)**	**(2,168.95)**

		For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
(b)	**Tax expenses recognised in the Consolidated Statement of Profit & Loss**		
	Current Tax:		
	Current Tax on taxable income for the year	-	-
	Deferred tax	35.25	18.69
	Total income tax expense	**35.25**	**18.69**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

34. Deferred tax assets/(liabilities) (net) (continued)

		For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
(c)	**Reconciliation of tax expense and the accounting profit**		
	Loss before tax	(16,420.43)	(13,097.06)
	Tax rate applicable to the Group	34.94%	34.94%
	Tax amount computed using applicable tax rate	(5,737.96)	(4,576.64)
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Expenses Disallowed under Income Tax Laws	28.71	6.84
	Difference in tax rate for certain entities of the group	219.53	485.74
	Deferred Tax assets not recognised	5,454.47	4,065.37
	Total income tax expense	**(35.25)**	**(18.69)**
	Effective Tax rate	**0.21%**	**0.14%**

(d) The Group has tax losses of ₹ 89,175.34 Lakhs (March 31, 2020 : ₹ 92,415.19 Lakhs) and unabsorbed depreciation of ₹ 65,397.98 Lakhs (March 31, 2020 : ₹ 61,215.15 Lakhs) as at year end. Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

(e) MAT credits entitlements are taxes paid to tax authorities which can be offset against future tax liabilities, subject to certain restrictions, within a period of 15 years from the year of origination.

The Group recognises MAT assets only to the extent it expects to realise the same within the prescribed period. The Group has not recognised MAT assets in the absence of reasonable certainty. The expiry date of Unrecognised MAT credit of ₹ 141.34 Lakhs is 13 years (March 31, 2020: 14 years).

35. Segment information

The Group has a single operating segment i.e. organised retailing. The Group at present operates only in India and therefore the analysis of geographical segment is not applicable to the Group. There are no customers contributing more than 10% of Revenue from operations.

36. Assets and Liabilities relating to employee defined benefits

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation are as follows :

		For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
(a)	**Reconciliation of present value of defined benefit obligations**		
	Balance at the beginning of the year	**575.01**	**405.09**
	Acquired in a Business Combination [refer note 43 & 2.2(r)(i)]	-	163.57
	Current service cost	139.57	121.08
	Interest cost	36.29	26.57
	Benefits paid	(103.83)	(150.01)
	Actuarial loss on defined benefit obligations	66.42	8.71
	Balance at the end of the year	**713.46**	**575.01**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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36. Assets and Liabilities relating to employee defined benefits (continued)

		For the year ended March 31, 2021 ₹ in Lakhs	For the year ended March 31, 2020 ₹ in Lakhs
(b)	**Reconciliation of fair value of plan assets**		
	Balance at the beginning of the year	**220.52**	**83.74**
	Acquired in a Business Combination [refer note 43 & 2.2(r)(i)]	-	96.48
	Interest income	15.26	10.15
	Contributions by employer	158.64	230.00
	Benefits paid	(103.83)	(150.01)
	Actuarial gain / (loss)	1.00	(49.84)
	Balance at the end of the year	**291.59**	**220.52**
(c)	**Net defined benefit liabilities**		
	Present value of defined benefit obligations	713.46	575.01
	Fair value of plan assets	(291.59)	(220.52)
	Net defined benefit liabilities [refer note 20]	**421.87**	**354.49**
(d)	**Expense recognised in Statement of Profit or Loss**		
	Current service cost	139.57	121.08
	Interest cost	36.29	26.57
	Interest income	(15.26)	(10.15)
		160.60	**137.50**
(e)	**Remeasurement recognised in Other Comprehensive Income**		
	Actuarial loss on defined benefit obligations	66.42	8.71
	Actuarial (gain) / loss on plan assets	(1.00)	49.84
		65.42	**58.55**
(f)	**The major category of plan assets as a percentage of the fair value of total plan assets are as follows :**		
	Investments with insurer	100%	100%
(g)	**Actuarial assumptions**		
	Discount rate	6.86% to 6.95%	6.69% to 7.21%
	Expected rate of return on assets	6.86% to 6.95%	6.69% to 7.21%
	Future compensation growth	4.60% to 6.00%	4.60% to 6.00%
	Average expected future service	12 to 27 years	12 to 28 years
	Employee turnover	Ranging grade wise from 8% to 71%	Ranging grade wise from 4% to 67%

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-08 - ultimate).

(h) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(i) The Group expects to contribute ₹ 22.62 Lakhs (March 31, 2020 : ₹ 8.69 Lakhs) to gratuity fund in the next year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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36. Assets and Liabilities relating to employee defined benefits (continued)

(j) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

Change in rate	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
(i) Discount rate (0.5% movement)	(48.46)	52.52	(50.26)	56.00
(ii) Future salary (0.5% movement)	51.13	(47.47)	54.56	(49.29)
(iii) Mortality (10% movement)	0.24	(1.13)	4.14	(4.13)
(iv) Attrition rate (0.5% movement)	(2.26)	1.44	1.63	(1.64)

(k) Estimated future payments of undiscounted gratuity is as follows :

	As at March 31, 2021	As at March 31, 2020
	₹ in Lakhs	₹ in Lakhs
Within 12 months	22.62	8.69
Between 1 to 5 years	88.17	58.87
Between 6 to 10 years	230.57	166.13
Beyond 10 years	1,986.80	1,744.92
	2,328.16	**1,978.61**

36.1 Defined Contribution Plan

The Group makes contribution to provident fund and national pension scheme towards retirement benefit plan for eligible employees. Under the said plan, the Group is required to contribute a specified percentage of the employee's salaries to the fund benefits. During the year, based on applicable rates, the Group has contributed and charged ₹ 845.08 Lakhs (March 31, 2020 : ₹ 917.98 Lakhs) in the Consolidated Statement of Profit and Loss.

37. Related party disclosure

(i) Parent-under de facto control as defined in Ind AS - 110

1) Rainbow Investments Limited

(ii) Entities under common control (where transactions have taken place during the period / balances outstanding) :

1) Au Bon Pain Café India Limited
2) Bowlopedia Restaurants India Limited
3) CESC Limited
4) First Source Solutions Limited
5) Guiltfree Industries Limited
6) Kolkata Games and Sports Private Limited
7) Integrated Coal mining Limited
8) Accurate Commodeal Private Limited
9) Open Media Network Private Limited
10) Phillips Carbon Black Limited
11) Quest Properties India Limited
12) RPG Power Trading Co. Limited
13) Saregama India Limited
14) Duncan Brothers & Co. Limited
15) Haldia Energy Limited
16) Great Wholesale Club Limited - Gratuity fund

(iii) Key Managerial Personnel

1) Sanjiv Goenka - Non-Executive Director and Chairman
2) Shashwat Goenka - Non-Executive Director
3) Utsav Parekh - Independent Director
4) Pratip Chadhuri - Independent Director
5) Rekha Sethi - Independent Director
6) Debanjan Mandal - Independent Director
7) Devendra Chawla - Chief Executive Officer & Managing Director
8) Rahul Nayak - Whole-time Director
9) Kumar Tanmay - Chief Financial Officer (w.e.f. August 14, 2019)
10) Arvind Kumar Vats - Chief Financial Officer (upto July 01, 2019)
11) Rama Kant - Company Secretary

37. Related party disclosure (continued)

(iv) Details of transactions entered into with the related parties:

₹ in Lakhs

Particulars	Entities under common control		Key Managerial Personnel		Parent-under de facto control as defined in Ind AS - 110	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Transactions :						
Sale of goods	405.33	440.15	-	-	-	-
Purchases of stock-in-trade	319.96	370.05	-	-	-	-
Purchase of Property and other Assets	4.68	-	-	-	-	-
Rendering of services	1,394.56	1,447.22	-	-	-	-
Contribution for Gratuity fund	158.64	230.00	-	-	-	-
Receiving of services	2.55	14.67	-	-	-	-
Remittance	65.36	22.45	-	-	-	-
Electricity expenses	271.10	208.19	-	-	-	-
Recovery of expenses incurred	30.05	29.79	-	-	-	-
Rent expenses	694.56	850.44	-	-	-	-
Security deposits paid	4.06	4.59	-	-	-	-
Short term employee benefits	-	-	1,300.46	799.45	-	-
Retirement benefits	-	-	33.16	30.31	-	-
Reimbursement of expenses	-	-	41.40	32.86	-	-
Sitting fees to directors	-	-	50.50	49.00	-	-
Equity shares allotted pursuant to rights issue	1,535.04	-	14.77	-	1,178.30	-
Balances outstanding :						
Receivable against sale of goods	468.80	186.84	-	-	-	-
Payable for purchases of stock-in-trade	74.16	81.87	-	-	-	-
Receivable against reimbursement	53.65	29.79	-	-	-	-
Payable for rental expenses	108.17	38.93	-	-	-	-
Payable for services received	-	60.67	-	-	-	-
Payable for Remittances	587.43	22.45	-	-	-	-
Security deposit receivable	146.62	136.83	-	-	-	-
Security deposit payable	36.62	47.68	-	-	-	-

Notes:

(i) The Group's principal related parties consist of Rainbow Investments Limited and key managerial personnel. The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enters into transactions in the ordinary course of business.

(ii) Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 '- 'Employee Benefits' in the financial statements. As these employees benefits are lump sum amounts provided on the basis of actuarial valuation the same is not included above.

(iii) The Group has recognised an expenses of ₹ 18.63 Lakhs (March 31, 2020 : Nil) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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38. Share based payments

Spencer's Employee Stock Option Plan 2019 (ESOP 2019)

The details of an employee share based payments plan operated through a trust for ESOP 2019 are as follows:

The ESOP 2019 plan was approved by the shareholders at the 2nd Annual General Meeting of the Company held in the year 2019. Under the scheme, stock options has been granted to eligible employees at an exercise price of ₹ 83.57 per share and their stock options would vest in tranches from the date of grant (i.e June 26, 2020) and shall be exercised within a period of five years from the date of the vesting of the options. For the purpose of this scheme, the Parent Company has created an Spencer's Employee Benefit Trust (ESOP Trust). The Parent Company purchases equity shares from the open market under the ESOP Trust. Such equity shares held by the ESOP Trust are treated as treasury shares in the consolidated financial statements.

A. Details of period within which options will be vested

Period within which options will vest	% of options that will vest
End of 12 months from date of grant	25%
End of 24 months from date of grant	25%
End of 36 months from date of grant	25%
End of 48 months from date of grant	25%

B. Measurement of Fair Values

Equity-settled share based payment arrangements

The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plan are as follows:

Particulars	As at March 31, 2021
Weighted average fair value of Option at Grant Date*	39.96
Share Price at Grant Date	88.20
Exercise Price	83.57
Expected Volatility	40.69% - 40.71%
Expected life	3.5 years - 6.5 years
Expected dividends	-
Risk-free Interest Rate (based on Government Bonds)	4.64% - 5.72%

Expected volatility has been based on an evaluation of the historical volatility of comparable companies.

Expected life of the options has been calculated to be the average of the maximum life and the minimum life of the option as it has been granted to higher level management.

*The fair value of option on the date of grant has been done by an independent valuer appointed by the management using the Black Scholes Merton Model.

C. Reconciliation of the Outstanding Share Options

The number and weighted average exercise prices of share options under the ESOP 2019 plan are as follows :

Particulars	As at March 31, 2021 ₹	
	Exercise Price per Option	Number of Options
Outstanding as on April 01, 2020	-	-
Granted during the year	83.57	1,20,000
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding as on March 31, 2021	83.57	1,20,000
Exercisable as on March 31, 2021	-	-
Vested as on March 31, 2021	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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38. Share based payments (continued)

D. Expenses arising from equity settled share based payments transactions :

	For the year ended March 31, 2021
	₹ in Lakhs
Amount recognised in statement of profit and loss	18.63

39. Financial instruments - fair value measurements and risk management

(a) Accounting classification

The following table shows the carrying amounts and fair values of financial assets and financial liabilities:

₹ in Lakhs

	As at March 31, 2021				As at March 31, 2020			
	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total
Financial assets								
Investments								
- Equity shares (unquoted)	-	7.36	1.00	**8.36**	-	7.36	1.00	**8.36**
- Alternative Investment Fund	-	3,452.63	-	**3,452.63**	-	2,343.14	-	**2,343.14**
- Government securities	31.92	-	-	**31.92**	31.92	-	-	**31.92**
Trade receivables	2,976.35	-	-	**2,976.35**	6,647.17	-	-	**6,647.17**
Cash and cash equivalents	5,690.61	-	-	**5,690.61**	8,096.99	-	-	**8,096.99**
Bank balances other than cash and cash equivalents	84.15	-	-	**84.15**	31.05	-	-	**31.05**
Loans	5,186.39	-	-	**5,186.39**	5,772.49	-	-	**5,772.49**
Other financial assets	767.66	-	-	**767.66**	408.55	-	-	**408.55**
Total financial assets	**14,737.08**	**3,459.99**	**1.00**	**18,198.07**	**20,988.17**	**2,350.50**	**1.00**	**23,339.67**
Financial liabilities								
Preference shares	103.87	-	-	**103.87**	94.43	-	-	**94.43**
Borrowings *	25,521.63	-	-	**25,521.63**	19,154.17	-	-	**19,154.17**
Trade payables	33,090.98	-	-	**33,090.98**	37,398.67	-	-	**37,398.67**
Other financial liabilities	2,909.39	-	-	**2,909.39**	2,577.11	-	-	**2,577.11**
Total financial liabilities	**61,625.87**	**-**	**-**	**61,625.87**	**59,224.38**	**-**	**-**	**59,224.38**

* Includes current maturities of long term borrowings

(b) Measurement of fair values

The fair values of financial assets and liabilities are included at the amount that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

(i) The fair values of investment in unquoted equity shares have been estimated using a DCF (discounted cash flow) model. The valuation requires management to make certain assumptions about the model inputs, including forecasted cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

In respect of investments in alternative investment fund, the fair values represent net asset value as stated by the respective issuer at the close of the reporting date. Net asset values represent the price at which the issuer will issue further units and the price at which issuer will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these funds are carried out at such prices between investors and the issuer of these units.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

39. Financial instruments - fair value measurements and risk management (continued)

(ii) The carrying amount of trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables, current borrowings and other financial liabilities, measured at cost in the financial statements, are considered to be the same as their fair values, due to their short term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Carrying value of Preference shares is based on discounted cash flows using effective interest rate at the time of issue which is a reasonable approximation of its fair value and the difference between the carrying value and fair value is not expected to be significant. Non current borrowings including current maturity and loans (assets) are based on discounted cash flow using an incremental borrowing rate.

(c) Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by hierarchy.

₹ in Lakhs

	As at March 31, 2021				As at March 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
- Equity shares (unquoted)	-	-	8.36	**8.36**	-	-	8.36	**8.36**
- Alternative Investment Fund	-	-	3,452.63	**3,452.63**	-	-	2,343.14	**2,343.14**
	-	**-**	**3,460.99**	**3,460.99**	**-**	**-**	**2,351.50**	**2,351.50**

The different levels have been defined below :

(i) **Level 1 (quoted prices in active market) :** This level of hierarchy includes financial assets that are measured using quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes listed equity instruments which are traded in the stock exchanges and mutual funds that have net asset value as stated by the issuers in the published statements. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net assets value.

(ii) **Level 2 (valuation technique with significant observable inputs) :** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

(iii) **Level 3 (valuation technique with significant unobservable inputs) :** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This is the case for unlisted equity securities included in Level 3.

(d) Reconciliation of fair value measurement of investments (categorised as level 3 above) classified as FVTPL / FVTOCI asset :

₹ in Lakhs

Particulars	FVTOCI Equity shares (unquoted)	FVTPL Equity shares (unquoted)	FVTPL Alternative Investment Fund
As at April 01, 2019	**1.00**	**-**	**1,275.21**
Acquired in a Business Combination [refer note 43 & 2.2(r)(i)]	-	7.36	-
Invested during the year	-	-	202.50
Proceeds during the year	-	-	(14.32)
Fair Value gain recognised in Statement of Profit and Loss	-	-	879.75
As at March 31, 2020	**1.00**	**7.36**	**2,343.14**
Gain on sale of investments	-	-	806.94
Proceeds during the year	-	-	(806.94)
Fair Value gain recognised in Statement of Profit and Loss	-	-	1,109.49
As at March 31, 2021	**1.00**	**7.36**	**3,452.63**

39. Financial instruments - fair value measurements and risk management (continued)

(e) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

The Group's principal financial liabilities comprises of Lease liabilities, borrowings, preference shares, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the operations of the Group. The Group's principal financial assets include trade and other receivables, loans, investments and cash & cash equivalents that derive directly from its operations.

The Group's primary risk management focus is to minimise potential adverse effects of these risks by managing them through a structured process of identification, assessment and prioritisation of risks followed by coordinated efforts to monitor, minimize and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Group has laid comprehensive risk assessment and minimisation/mitigation procedures, which are reviewed by the management from time to time. These procedures are reviewed regularly to reflect changes in market conditions and to ensure that risks are controlled by way of properly defined framework.

(i) 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 (including trade receivable and security deposits) and from its financial activities including deposits with banks and financial institution. An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped and assessed for impairment collectively.

Trade receivables :

The Group operates on business model of primarily cash and carry, credit risk from receivable perspective is insignificant. Customer credit risk is managed basis established policies of Group, procedures and controls relating to customer credit risk management. Outstanding receivables are regularly monitored.

Moreover, the Group's customer base is large and diverse limiting the risk arising out of credit concentration.

Other remaining financial assets :

Investments, in the form of fixed deposits, of surplus funds are made generally with banks & financial institutions and within credit limits assigned to each counterparty. Credit risk in respect for security deposit given for premises taken on lease are tracked by carrying specific analysis of all parties at each reporting period. Historically loss on security deposits are immaterial. Therefore, based on past and forward-looking information available with management and to the best estimate of management, the Group believes that exposure to credit risk on other remaining financial assets is not material.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner. The Management regularly monitors rolling forecasts of the Group's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements. The surplus cash generated, over and above the operational fund requirement is invested in bank deposits and mutual fund schemes of highly liquid nature to optimize cash returns while ensuring adequate liquidity for the Group. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The Group believes that cash generated from operations, capital raised through rights issue, working capital management and available sources from raising funds (including additional borrowings, if any) as needed will satisfy its cash flow requirement through at least the next twelve months.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

39. Financial instruments - fair value measurements and risk management (continued)

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted:

₹ in Lakhs

Financial liabilities	Carrying amount	Contractual cash flows			
		Within 1 year	1 to 5 years	More than 5 years	Total
As at March 31, 2021					
Preference shares	103.87	-	-	500.00	**500.00**
Borrowings	25,521.63	17,974.38	7,456.70	225.50	**25,656.58**
Trade payables	33,090.98	33,090.98	-	-	**33,090.98**
Lease Liabilities	68,911.22	14,582.48	40,741.47	54,130.72	**109,454.67**
Other financial liabilities	2,909.39	2,909.39	-	-	**2,909.39**
	130,537.09	**68,557.23**	**48,198.17**	**54,856.22**	**171,611.62**
As at March 31, 2020					
Preference shares	94.43	-	-	500.00	**500.00**
Borrowings	19,154.17	10,473.12	7,949.86	787.50	**19,210.48**
Trade payables	37,398.67	37,398.67	-	-	**37,398.67**
Lease Liabilities	65,725.90	13,845.13	43,730.11	39,293.75	**96,868.99**
Other financial liabilities	2,577.11	2,577.11	-	-	**2,577.11**
	124,950.28	**64,294.03**	**51,679.97**	**40,581.25**	**156,555.25**

(iii) Market risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely currency risk, interest rate risk and security price risk. The Group does not have any external currency exposure and thus currency risk is not applicable to the Group.

The Group invests its surplus funds mainly in short term liquid schemes of mutual funds and bank fixed deposits. The Group manages its price risk arising from these investments through diversification and by placing limits on individual and total equity instruments / mutual funds.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rate. The group's exposure to the risk of changes in market interest rates relates to primarily to group's borrowing with floating interest rates.

Exposure to interest rate risk

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings bearing variable rate of interest	25,521.63	19,210.48

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on affected portion of loans and borrowings. With all other variables held constant, the group's profit before tax is affected through the impact on variable rate borrowing as follows:

A change of 50 bps in interest rates would have following impact on profit before tax :

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
50 bp increase- decrease in profits	(127.61)	(96.05)
50 bp decrease- increase in profits	127.61	96.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

40. Capital management

For the purpose of the Group's capital management, capital includes equity attributable to the equity holders of the Group and all other equity reserves. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure while maximising shareholder value. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term.

The capital structure of the Group is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to safeguard its ability to continue as a going concern and to maintain investor, creditors and market confidence.

The Group has not defaulted on any loans payable.

41. Going Concern

The Group has incurred a net loss after tax of ₹ 16,385.18 Lakhs for the year ended March 31, 2021 and its current liabilities, including current borrowings, exceeds current assets by ₹ 27,419.38 Lakhs. The Group has access to unutilised credit lines with its bankers and also additional capital from its promoters, if and when required. Further, the Group has been expanding its operations in its existing territory with increase in trading area, expanding private brand, building growth towards the non-food segments (including the own branded apparel). The Group is concentrating on increasing its operating cash flows with a focus on improvement of margins through dis-continuance of loss making/ low margin stores. In view of the above factors, and the approved business plan for the next year, the management is confident of its ability to generate sufficient cash to fulfill all its obligations, including debt repayments, over the next 12 months, consequent to which, these financial statements have been prepared on a going concern basis.

42. Additional information in respect of net assets and profit / (loss) of each entity within the group and their proportionate share :

		As at March 31, 2021		For the year ended March 31, 2021		For the year ended March 31, 2021		For the year ended March 31, 2021	
		Net Assets, i.e. Total assets minus total liabilities		Share in Profit or (Loss)		Share in other comprehensive income		Share in total comprehensive income	
		%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs
	Holding :								
	Spencer's Retail Limited	185%	34,454.89	78%	(12,793.12)	102%	(66.56)	78%	(12,859.68)
	Subsidiaries :								
1	Omnipresent Retail India Private Limited	4%	673.87	10%	(1,714.77)	0%	(0.19)	10%	(1,714.96)
2	Natures Basket Limited	-33%	(6,056.24)	13%	(2,054.67)	-2%	1.33	12%	(2,053.34)
	Consolidation adjustment	-56%	(10,439.33)	-1%	177.38	0%	-	-1%	177.38
	Total	**100%**	**18,633.19**	**100%**	**(16,385.18)**	**100%**	**(65.42)**	**100%**	**(16,450.60)**

43. Business combination

On July 04, 2019, the Company has acquired 100% stake (445,830,000 fully paid-up equity shares of ₹ 10 each) of Natures Basket Limited (NBL) from Godrej Industries Limited, as a wholly owned subsidiary company at an enterprise value of ₹ 30,000.00 Lakhs settled through cash and takeover of outstanding debts. The Group has identified intangible assets, mainly brands, and recognised goodwill as per Ind AS 103 - Business Combination.

The figures for the current year are not comparable with previous year as the financial statements for the year ended March 31, 2020 includes the financial statements of Natures Basket Limited only from July 05, 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

43. Business combination (continued)

		₹ in Lakhs
(a)	**Fair values of the identifiable assets and liabilities as at the date of acquisition (A)**	4,438.34
(b)	**Purchase consideration and mode of settlement (B)**	
	Consideration paid - fully in cash (net of refund)	17,438.04
	Fair value of contingent consideration*	591.81
	Total consideration as at March 31, 2020	**18,029.85**
	Less : Contingent consideration adjusted during the year (refer note 4) *	(464.51)
	Total consideration as at March 31, 2021	**17,565.34**
	* The Contingent consideration mainly pertains to the trade receivable and security deposit which is payable to seller, as and when realised, within 1 year from the date of acquisition (i.e July 04, 2019). Subsequently, during the current year, ₹ 126.80 Lakhs was paid to the seller and remaining liability has been extinguished by crediting Goodwill recognised on acquisition.	
(c)	**Goodwill on acquisition (B-A)**	
	As at March 31, 2021	**13,127.00**
	As at March 31, 2020	**13,591.51**

Note:

The goodwill comprises the value of expected synergies arising from the acquisition which is not separately recognised.

44. Due to outbreak of COVID-19 globally and in India, the Group has made an assessment of likely adverse impact on economic environment in general, and financial risks on account of COVID-19. The Group is in the business of organised retail which majorly deals with an essential commodities. Accordingly, it has assessed that there is no impact on the business of the Group since in nation-wide partial lockdown in different periods during the year, the business in essential commodities was not restricted and the requirement of delivery of essential commodities at doorstep had also increased significantly. The Group has tied up with various service providers to make available the essential products to reach its customer's places, aligned with its suppliers and transporters to have a continuous supply of products and keep them available at the Group's stores and warehouses.

It has also assessed recoverability and carrying value of its assets comprising intangible assets and trade receivables. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm registration number - 301003E/E300005

Kamal Agarwal
Partner
Membership number - 058652

Place : Kolkata
Date : June 15, 2021

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

Date : June 15, 2021

FORM NO. AOC.1

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

₹ In Lakhs

Sl.No.	Particulars	1	2
	Name of Subsidiary	Omnipresent Retail India Private Limited	Natures Basket Limited
1	The date since when subsidiary was acquired	September 26, 2017	July 4, 2019
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company	Same as Holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees	Indian Rupees
4	Share Capital	7,719.66	50,258.00
5	Reserves and Surplus	(7,045.79)	(56,314.24)
6	Total Assets	1,070.61	18,620.94
7	Total Liabilities	396.74	24,677.18
8	Investments	-	39.28
9	Turnover	381.08	36,291.35
10	Loss before Taxation	(1,714.77)	(2,054.67)
11	Provision for Taxation	-	-
12	Profit after Taxation	(1,714.77)	(2,054.67)
13	Proposed Dividend	-	-
14	% of Shareholding	100%	100%

For and on behalf of Board of Directors

Devendra Chawla
Chief Executive Officer
and Managing Director
DIN: 03586196
Place : Gurugram

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Mumbai

Rama Kant
Company Secretary
Place : Kolkata

Kumar Tanmay
Chief Financial Officer
Place : Mumbai

Date : June 15, 2021

AWARDS AND RECOGNITIONS

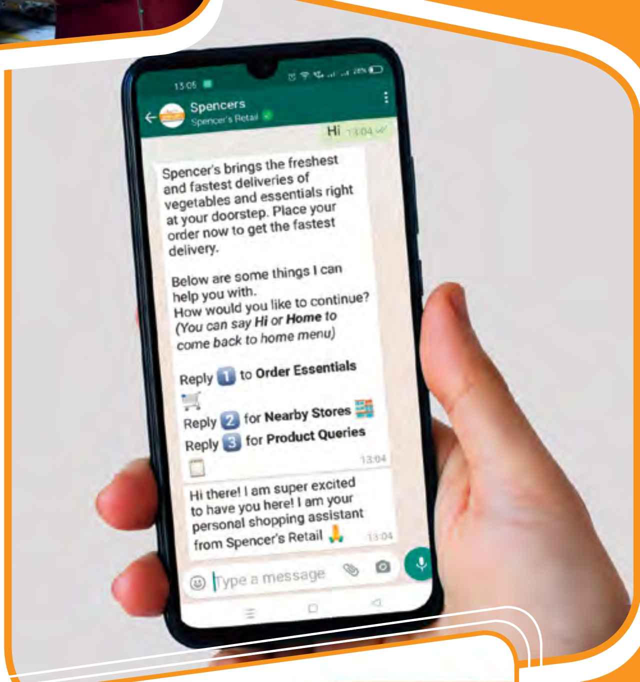
We received the following awards and recognitions in 2020-21.

Certified as a Great Place to Work for two consecutive years in 2020 and 2019

Winner for Apprenticeship leader at TRRAIN Retail Awards, 2020

Certificate of Excellence Winner for Contracted Highest Apprentices in Retail (CHAIR) Award at TRRAIN Retail Awards, 2021

India's Retail Champion Winner 2020 Food & General Retail (Large format >5000 sq. ft.) by Bhartiya City Centre



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Makes fine living *affordable*

Spencer's Retail Limited

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