RP - Sanjiv Goenka Group
Growing Legacies

spencers

SRL:SEC:SE:2024-25/44

July 29, 2024

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G-Block
Bandra-Kurla Complex
Bandra (East),
Mumbai – 400 051
(Symbol: SPENCERS)

BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street
Mumbai – 400 001
(Scrip Code: 542337)

Dear Sir/Madam,

Sub: Notice Calling the Seventh Annual General Meeting and the Annual Report of the Company for the Financial Year 2023-24

Further to our letter no. SRL:SEC:SE:2024-25/42 dated July 25, 2024 and pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of the Notice convening the Seventh Annual General Meeting (AGM) of the Company, to be held on Wednesday, August 21, 2024, alongwith the Annual Report for the Financial Year 2023-24, being circulated through electronic mode to the shareholders.

Copies of both the said AGM Notice and the Annual Report are also being uploaded on the website of the Company at www.spencersretail.com/investor.

You are requested to kindly take the aforementioned information on record and oblige.

Thanking you.

Yours faithfully,
For Spencer's Retail Limited

SANDEEP KUMAR BANKA
Digitally signed by SANDEEP KUMAR BANKA
Date: 2024.07.29 15:45:16 +05'30'

Sandeep Kumar Banka
Chief Financial Officer

Encl: As above

RP - Sanjiv Goenka Group

spencers

Nature's Basket

Spencer's Retail Limited

Integrated Annual Report

2023-24

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Corporate Overview

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Statutory Reports

Investor Information

CIN	: L74999WB2017PLC219355
BSE Code	: 542337
NSE Symbol	: SPENCERS
AGM Date	: Wednesday, August 21, 2024
AGM Venue/Mode	: Through Video Conferencing (VC) or Other Audio Visual Means (OAVMs)

For more investor-related information, please visit:
https://www.spencersretail.com/investor
or
Simply scan the QR below

Disclaimer: This document includes statements regarding anticipated future events and the financial performance of Spencer's Retail Limited ('Our Company'), which are forward-looking in nature. Such forward-looking statements are based on assumptions made by the Company and are subject to inherent risks and uncertainties. There is a significant risk that these assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are advised not to place undue reliance on forward-looking statements, as various factors could cause actual results and events to differ materially from those expressed in such statements. Therefore, this document is subject to a disclaimer and should be read in conjunction with the assumptions, qualifications, and risk factors outlined in the Management Discussion and Analysis section of this Annual Report.

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Standalone Financial Statements

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Consolidated Financial Statements

About this Report

Spencer's Retail Limited (also refered to as 'Spencer's', 'We', or 'Our Company') is delighted to present its Integrated Annual Report for the fiscal year 2023-24. This report provides a comprehensive overview of our Company's business model, operating environment, strategies, material issues, risks, opportunities, engagement with stakeholders, and approach to long-term sustainability, demonstrating integrated value creation across six capitals—financially and non-financially.

Reporting Framework

The Report adheres to the principles set by the International Integrated Reporting Council (IIRC), ensuring transparency for stakeholders. Spencer's complies with regulations prescribed by BSE Ltd., National Stock Exchange of India Limited (NSE), and the Securities and Exchange Board of India (SEBI) guidelines.

Statutory components of the Report were developed in accordance with Indian Accounting Standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standards set forth by The Institute of Company Secretaries of India.

Scope and Boundary of Report

The <IR> covers Spencer's operational performances for the financial year 2023-24, including financial information, strategic objectives, market opportunities, operational risks, and outcomes related to key stakeholders. Our Company's business model is centred around long-term stakeholder relationships, focussing on being a preferred retailer for FMCG and various merchandise for home and daily household needs. Our Company follows comprehensive social, ethical, and environmental policies and practices to manage our broader business impact using various capitals in the value creation process. Spencer's aims are to enhance transparency and broaden our engagement with valuable stakeholders.

Reporting Period

The reporting period for this <IR> pertains to April 1, 2023 to March 31, 2024 (unless otherwise stated). Our Company has incorporated comparative figures on the financial, operating and stakeholders metrics for the last three to five years to provide a holistic view to the stakeholders.

Management Assurance

The content of this <IR> has been evaluated by our Company's top management, overseen by our Company's Chairman and the CEO & Managing Director, with governance oversight provided by the Board of Directors.

2023-24 Snapshot

FINANCIAL

₹ **2,345** Crores
Revenue

₹ **14** Crores
EBITDA

₹ **(93)** Crores
Working Capital*

(14)
Working Capital Days on Turnover

Inventory + Trade Receivables - Trade Payables

CUSTOMERS

1 Million+
Unique Consumers Served Monthly

84%
Existing Loyal Customers

25 Million+
Average Footfall per Month (including Natures Basket)

5 Million+
Impressions on Social Media

Elevating Customer Experience
Across Multiple Locations in Kolkata i.e. Quest Mall & South City Mall by Refurbishing the Entire Store

OPERATIONAL

167
No. of Stores

13.71 Lakhs sq. ft.
Trading Area at the Year End

9
New Stores Opened During The Year

64,414 sq. ft.
Trading Area Added During the Year

SUSTAINABILITY

Environmental

46 MT
Usage of Cloth & Paper Shopping Bags

115 MT
Usage of Sustainable Shopping Bags

100 kW
Existing Capacity of Renewal Energy

Social

60,000+
Meals Served to Orphanage and Old Age Home

'Great Place to Work'
Awarded for the 4th Time in a Row

100+
Training Workshops

Governance

6
Board Members

100%
Board Members with Over Five Years of Experience

4
Independent Directors

5
Committees

1
Woman Director

Strategic Moves of the Year

Launching new Format
Differentiated propositions

We have launched 'Artisan Pantry', a luxury grocery format under the Natures Basket brand, aimed at providing exclusive, high-quality products to discerning consumers.

Lightning-Fast
Launch of Express Delivery

Our OMNI-Channel business launched express delivery in Kolkata, offering swift delivery option. This initiative significantly increased order numbers and was later extended to Lucknow and Varanasi.

Streamlined Success
Trimming Non-Performing Stores

Spencer's strategically closed 19 non-performing stores in non-strategic locations across South India, including Chennai, Kerala, and Hyderabad, to streamline our portfolio and enhance operational excellence.

Widening Scope
Bold Moves into the Wholesale Market

We forayed into 'Wholesale Bazaar' to leverage the distribution gaps in feeder markets. This initiative supports small retailers with competitive pricing and direct product access, enhancing their ability to effectively meet consumer demands.

Fresh Perspectives
Dynamic Leadership Changes

Our Company is determined to foster innovative ideas and introducing new perspectives. Our recent leadership change aims to spearhead strategic initiatives and strengthen Spencer's market position.

Our Chairman Reflects

> During 2023-24, Spencer's has been laser-focussed on the efficient allocation of resources, a strategy that has been pivotal in optimising our operations

Dear Shareholders,

I am honoured to present Spencer's Integrated Annual Report for 2023-24. Our team, empowered by a resilient corporate culture, has consistently demonstrated their adeptness in surmounting challenges of every magnitude. This strength stands as a hallmark of Spencer's journey, evolving from a small brick-and-mortar store to one of the leading OMNI-Channel players in the Indian retail domain.

Navigating the Macro-Environment

In 2023-24, the Indian economy showcased remarkable strength, recording a growth rate of 8.2%, the highest among major economies worldwide. This significant achievement stands out amid global economic moderation, influenced by monetary tightening in developed economies and persistent geopolitical conflicts. India is primed for a decade of dynamic growth, aiming to reach the US$ 7

Trillion mark by 2031 and secure its position as the world's third-largest economy. This transformative journey marks a significant leap forward in enhancing the standard of living for its citizens, likely resulting in a surge in per capita income and transitioning the country into the upper-middle income strata. Such growth will be fuelled by structural reforms, technological advancements, and a burgeoning middle class, promising a thriving, inclusive economy where the benefits of growth are shared broadly.

With optimism and a forward-thinking approach, we look forward to the future with confidence and excitement, ready to seize the opportunities ahead and create lasting value for all our stakeholders.

Strategic Imperatives During the Year

During 2023-24, Spencer's has been laser-focussed on the efficient allocation of resources, a strategy that has been pivotal in optimising our operations and significantly improving overall business profitability.

In a strategic move, management exited high-loss stores in non-strategic locations. This decision aligned perfectly with our strategic priorities for the year, allowing Spencer's to streamline our portfolio network and drive operational excellence. Consequently, we closed 19 non-performing stores across the Southern region, including key locations like Chennai, Kerala, and Hyderabad.

We are thrilled to announce the launch of Artisan Pantry, a new luxury grocery format under the Natures Basket brand. This initiative marks a significant step in our goal to offer exclusive, high-quality grocery products for discerning consumers seeking premium experiences.

The launch of Artisan Pantry aligns with our strategy to meet the growing demand for luxury and premium grocery offerings. This new format not only differentiates Natures Basket in the competitive grocery market but also elevates our brand's prestige and allure. We anticipate strong customer interest and engagement, driving increased foot traffic, higher sales, and enhanced customer loyalty.

Looking ahead, we plan to expand Artisan Pantry to additional locations, drawing on our expertise and customer insights to consistently refine and enhance the luxury grocery experience.

Additionally, we launched **'Wholesale Bazaar',** a new format aimed at bridging distribution gaps in feeder markets, particularly for local neighbourhood Kiranas. This initiative is designed to empower small retailers by providing direct access to a wide range of products at competitive prices, streamlining their supply chains, and enhancing their ability to meet consumer demands effectively.

In our OMNI-Channel business, we introduced an express delivery proposition in Kolkata from second half of 2023-24 onwards, allowing consumers the option to choose delivery within an hour. This service saw a significant improvement in the number of orders and has been expanded to cities like Lucknow and Varanasi.

Nurturing Our Human Resources

Our employees are not just our greatest asset, they are the driving force behind our success. Their growth and well-being are foundational to everything we do. We have fostered a dynamic culture of continuous learning and development, investing over 150,000 hours in training across various programmes. From leadership to functional and behavioural skills, these initiatives empower our team with the tools they need to thrive. We are deeply committed to creating an inclusive and diverse workplace where every employee is valued, respected, and empowered to contribute their best. Our Company's dedication to diversity and inclusion is evident in achieving 21% representation of women in our workforce, reflecting our commitment to equity and opportunity. Together, we are shaping a future where everyone can thrive and succeed.

Robust Governance

We have a robust governance framework in place that ensures transparency, accountability, and ethical conduct in all our dealings. Our governance policies undergo regular review and enhancement to align with global benchmarks and regulatory mandates. Supported by a Board comprising 50% Independent Directors, our rigorous internal controls play a crucial role in maintaining financial integrity and operational transparency.

Way Ahead

Looking forward, our organisation is well-positioned for sustained growth. We will persist in prioritising strategic initiatives that drive operational excellence and sustainable expansion. Our commitment to customers, employees, and stakeholders remains strong as we navigate forthcoming challenges and opportunities with confidence.

As I conclude, I wish to express my heartfelt gratitude to our stakeholders for their continued trust and support. Your firm belief in our vision and strategy has been instrumental in our journey to fortify Spencer's commitment to delivering enduring value and making a positive societal impact.

Regards,

Shashwat Goenka
Chairman

Leading with Focus and Agility

"Spencer's is strategically positioned to embrace these opportunities through innovation, customer-centric strategies, and a commitment to excellence. We are expanding our reach, enhancing our product offerings, and leveraging technology to provide seamless and personalised OMNI-Channel shopping experiences."

Dear Shareholders,

My first year as the CEO & MD of Spencer's has been challenging and transformative in many aspects. Driven by technological advancements and shifting consumer preferences, the retail landscape has evolved significantly. We have embraced these challenges and seized opportunities, reaffirming our commitment to maintain Spencer's as an established OMNI-Channel, retailer of choice.

Embracing Growth Opportunities

The Indian retail and e-commerce landscape is on the cusp of an extraordinary transformation. By 2030, the e-commerce industry is projected to exceed US$ 350 Billion in GMV, and the retail market is expected to reach US$ 2 by 2032 according to InvestIndia. This growth is driven by urbanisation, rising incomes, and the increase in nuclear families. By 2030, India will be the third-largest online retail market, with 6 Million MSME merchants by 2027.

In the next 3-5 years, we anticipate modern retail, including e-commerce, to rise to 30-35%, while traditional retail declines to 65-70%. Growing incomes will create a vast emerging middle class, with 140 Million middle-income and 21 Million high-income households by 2030. Online shoppers are expected to reach 500 Million by 2030, and rural consumption is projected to grow 4.3 times, outpacing urban growth. Additionally, nearly 90 Million new households will be headed by millennials by 2030, driving demand for quality and innovation.

Spencer's is strategically positioned to embrace these opportunities through innovation, customer-centric strategies, and a commitment to excellence. We are expanding our reach, enhancing our product offerings, and leveraging technology to provide seamless and personalised OMNI-Channel shopping experiences.

(Source: https://www.investindia.gov.in/sector/retail-e-commerce)

Performance Highlights

In the fiscal year 2023-24, Spencer's delivered a resilient performance with a turnover of ₹ 2,049 Crores with a gross margin of 18.9% on a standalone basis. We witnessed a drop in EBITDA and PBT partly impacted due to the closure of high loss-making stores in the Southern region primarily in Chennai & Hyderabad. We expect the full-year cost benefit of these stores to reflect in this financial year. During the year we have added 4 stores having a trading area of 34k sq. ft. in existing clusters. Also, we are now focussing on refreshing our existing stores to enhance the overall shopping environment for customers. Continuing our commitment to elevating the customer experience, we have refurbished the entire store in Quest Mall, Kolkata, with international standards by enhancing the shopping experience and offerings for customers.

Natures Basket delivered positive growth of 7.8% and delivered ₹ 296 Crores with a gross margin of 28.5% on a standalone basis. EBITDA was enhanced by ₹ 13 Crores backed by higher margins and controlled expenses across cost lines. During the year, we added 5 stores having a trading area of 30k sq. ft. in the existing clusters. Natures Basket unveils Artisan Pantry: A gourmet haven in Mumbai having more than 11,000 sq. ft. and in Kolkata has 5,000 sq. ft., a new format for luxury grocery retail in India.

The rise of Quick-Commerce has revolutionised retail delivery, offering customers unparalleled convenience and speed. At Spencer's, we have embraced this trend by streamlining our delivery processes, enhancing our digital platforms, and expanding our reach. Our express delivery proposition response has been noteworthy, with the successful launch in Kolkata and subsequent extension to cities in the Northern region i.e. Lucknow and Varanasi. Our persistent focus on providing a seamless shopping experience has driven substantial growth in our OMNI-Channel business, with a notable 30% year-on-year increase in express delivery for our online platform in Kolkata.

Additionally, we entered into the B2B segment i.e. to cater to the needs of neighbourhood Kiranas through a feet on-street model with the 'Wholesale Bazaar' brand. This move marks a strategic expansion that aligns with our mission to innovate and serve diverse customer bases. We aim to empower neighbourhood Kiranas by providing them access to a wide range of high-quality products at competitive prices, leveraging our robust supply chain and procurement capabilities.

We are diligently evaluating our expenses, renegotiating contracts with partners, and investing in warehouse management technologies to enhance our supply chain efficiency. As communicated in previous interactions with investors, we plan to reduce operating expenses by a minimum of 5-7% from current levels. These measures will further improve our working capital effectiveness and profitability.

This year we aim to focus on an accelerated pathway to profitability by leveraging our strengths in the core grocery **categories** and **clusters** of East and North, while building **capabilities** across e-commerce, keeping a tight rein on **costs** and delivering a seamless and delightful **customer** experience. This strategic 7C framework covers the key areas critical for retail success.

- **Customer:** Understanding and meeting the needs and expectations of customers.
- **Cluster:** Focussing on strategic clusters having a strong brand presence along with a high density of stores.
- **Channel:** Optimising the various channels through which products reach customers i.e. Online, Phone Delivery, and WhatsApp, among others.
- **Category:** Managing product categories effectively to maximise sales and profitability by focussing on high-margin categories that drive stickiness.
- **Capabilities:** Building and enhancing the capabilities of the organisation and its employees.
- **Cost Savings:** Reducing costs to improve profitability without compromising on quality or customer satisfaction.
- **Capital:** Ensuring that capital is allocated in a way that maximises returns and supports strategic goals.

We are poised to capitalise on the steady growth of the Indian retail market over the next decade. Our focus will remain on offering superior-quality products, enhancing consumer experiences, and catering to a wider audience.

Our Company places great emphasis on Superior quality products, wider assortment, improved customer experience and employee development, and I am pleased to announce a significant initiative that demonstrates our commitment to our most valuable asset—our employees. Recognising the importance of employee development and the necessary training to succeed in today's fast-paced business environment, we are reintroducing **Pragati 2.0**, a digital transformational journey tailored for today's professionals. Pragati 2.0 will concentrate on four critical areas for a retail organisation: **Customer Service, People, Product, and Process**.

In conclusion, I want to express my gratitude to all our stakeholders, Board colleagues, customers, suppliers, partners, and team for your continued support. I am confident that our best days are yet to come, and I assure you that we will strive to drive the organisation towards delivering growth and an accelerated path to profitability in the coming years through a focus on customers and 'Every Day Great Execution'.

Regards,

Anuj Singh
CEO & Managing Director

Spencer's: Shaping the Future of Retail

Spencer's Retail Limited (also referred to as 'Spencer's', 'We', or 'Our Company'), a part of the RP - Sanjiv Goenka Group, stands as a pioneer in organised retail in India. With our innovative multi-format OMNI-Channel approach, we offer a vast array of quality products spanning food, personal care, fashion, home essentials, and electronics. Spencer's has been committed to enhancing the shopping experience. Our vision is to delight shoppers with high-quality products at affordable prices within a pleasant retail environment. We strive to make fine living affordable, providing a warm and welcoming atmosphere where every visit feels like coming home.

Our Vision

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

Our Core Values

These values reflect our deepest beliefs and serve as guiding principles to ensure we are on the right path.

Customer First
Prioritise customers in all actions

Execution Excellence
Strive for excellence in all endeavours

Credibility
Foster trust, confidence, and accountability through actions

Agility
Adapt quickly to stay ahead of the curve

Risk-Taking
Explore beyond the ordinary courageously

Humaneness
Practice fairness, respect, transparency, and sensitivity

Sustainability
Promote responsibility towards people, the planet, and profits

Our Strategic Focus Areas

Expansion

- Aim to increase the trading area by 10% annually
- Spencer's strategic focus is on two clusters: West Bengal and Uttar Pradesh
- Natures Basket focusses on Mumbai, Bengaluru, Delhi-NCR, and Kolkata
- City penetration strategy using a combination of large and small format
- Natures Basket to have marquee properties at high street locations

OMNI-Channel

- Maintain an OMNI-Channel business mix of 25%+
- Achieve 100% pin code penetration for online business

Expertise & Efficiency

- Curate multiple specialty and experience zones in stores
- Increase consumer choice with SOR brands
- Non-food business mix to be 25%+ led by general merchandise
- Drive business efficiencies across all cost items

Online

₹ **313** Crores

Gross Merchandise Value

30%

Growth from Base for Kolkata Express Delivery Proposition

~14.5%

Contribution to Spencer's Retail Sales

Spencer's OMNI-Channel Highlights

Online ← OMNI-Channel → In-Store

OMNI-Channel Excellence: Enhancing the Seamless Shopping Experience

In our continuous pursuit of providing a superior shopping experience, we have focussed on achieving OMNI-Channel excellence through our app. This initiative aims to integrate our physical and digital touchpoints, ensuring that our customers enjoy a seamless and cohesive shopping journey across all platforms.

Key Highlights

Seamless Shopping Experience

- Our online app has been designed to offer an intuitive and user-friendly interface
- Features such as inventory updates, personalised recommendations, and easy navigation have been implemented to enhance the user experience
- Customers can effortlessly switch between shopping online and in-store, with options to check store availability, slot-based delivery, and schedule in-store pickups

Introduction of Express Delivery

- To address the growing demand for quick and reliable delivery services, we introduced an express delivery option in September
- This proposition has been well-received, with positive feedback highlighting the convenience and efficiency
- The express delivery service ensures that customers receive their orders within a short timeframe, catering to their urgent needs and enhancing overall satisfaction

Expansion to New Locations

- Building on the success of our express delivery service, we have expanded this offering to Varanasi and Lucknow in March
- These cities were strategically chosen due to their high store density, allowing us to leverage our existing infrastructure for optimal service delivery
- The expansion aims to bring the benefits of express delivery to a broader customer base, further solidifying our commitment to customer-centric innovations

Impact and Future Plans

- The positive response from customers underscores the importance of integrating online and offline channels to create a unified shopping experience
- The express delivery service has not only improved customer satisfaction but also increased overall customer retention
- Moving forward, Spencer's plans to continue expanding our OMNI-Channel capabilities and explore additional cities where we have a strong presence
- Investing in advanced technologies and logistics to further enhance our delivery propositions and meet evolving consumer expectations

By prioritising OMNI-Channel excellence and introducing innovative services such as express delivery, we are strategically poised to meet the diverse needs of our customers. This commitment ensures we stay ahead in the fiercely competitive retail landscape.

In-Store

80
Large Stores

167
Stores in Operation

4,445
Employee Count (Consolidated)

87
Small Stores

13.71 Lakhs sq. ft.
Retail Space

42+
Cities within the Country in operations

OUR BRAND PORTFOLIO

Encompassing All Your Needs

Our Comprehensive and Diverse Offerings

Natures Basket

Natures Basket is more than just a food store, it's a culinary haven where freshness and convenience converge. With over 34 stores across Mumbai, Pune, Bengaluru, Delhi, and Kolkata and a dynamic online presence, we offer the finest fruits, vegetables, meats, and cheeses, among others. Our commitment to quality and taste is embodied in our exclusive brands like Healthy Alternatives, L'Exclusif, and Natures, each curated to delight the discerning Indian palate. Whether one seeks everyday essentials or gourmet indulgences, Natures Basket is here to transform one's food experience. Elevating our legacy as India's premier grocery retailer, we introduced **'Artisan Pantry,'** a new luxury grocery format. This new initiative is crafted to serve selective customers in search of high-quality, artisanal, and gourmet products.

Expertise & Efficiency

- Premium Positioning
- Listed Gourmet Retailer in India
- Marquee Locations/High Street Properties
- High Margin Business
- Experiential Shopping Environment
- Presence in High Consumption Cities

34
Stores across India

1.20 Lakhs sq. ft.
Retail Space

6
Cities Served

790+
Employees

What's New?

Natures Basket unveils Artisan Pantry: A new format for luxury grocery retail in India

Introduction of 'Artisan Pantry'

Natures Basket, a premium grocery retailer in India, has introduced a new luxury grocery format called 'Artisan Pantry'. This new initiative is designed to cater to discerning customers who seek only the finest in high-quality, artisanal, and gourmet products. Here's an overview of what 'Artisan Pantry' offers and its significance:

Curated Selection

The 'Artisan Pantry' format showcases a curated selection of gourmet and artisanal products. From exclusive finds to rare delights, each item is handpicked to delight food connoisseurs and elevate culinary experiences.

Quality and Authenticity

Upholds uncompromising standards of quality and authenticity for the products. Most of the items are sourced from international producers renowned for their dedication to excellent craftsmanship and superior quality.

Diverse Product Range

The product range includes specialty foods such as organic produce, premium cheeses, artisanal breads, gourmet chocolates, exotic spices, and high-quality condiments. This diversity caters to various culinary tastes and preferences.

Exclusive Brands

Features exclusive brands and products unavailable elsewhere. This exclusivity not only enhances the appeal of 'Artisan Pantry' but also ensures access to unique items.

Enhanced Shopping Experience

Offers an unparalleled shopping environment designed to elevate one's shopping experiences. This sophisticated layout and aesthetic ambiance create an environment that reflects the luxury and premium nature of the products.

Significance of 'Artisan Pantry'

Target Market

'Artisan Pantry' caters to affluent customers who prioritise quality, exclusivity, and unique culinary experiences. This market segment is willing to invest premium prices in products renowned for exceptional taste, experience and authenticity.

Market Positioning

With the introduction 'Artisan Pantry', Natures Basket strengthens its position in the high-end grocery market. Setting itself apart from competitors, it offers luxury and premium products.

Consumer Trends

The launch capitalises on growing consumer trends favouring gourmet foods, artisanal products, and a preference for high-quality ingredients and international cuisine. This trend is particularly relevant in urban areas with a thriving foodie culture.

Brand Extension

'Artisan Pantry' represents a strategic brand extension for Natures Basket, elevating its brand image and significantly broadening its footprint in the upscale grocery market segment.

Introduction of 'Wholesale Bazaar'

A specialised format tailored to cater to the Kirana market in North Bengal, 'Wholesale Bazaar' embodies Spencer's commitment towards providing service to local Kirana Stores. Here's a detailed overview of 'Wholesale Bazaar' and its implications:

Focus on Kirana Stores

'Wholesale Bazaar' is meticulously crafted to meet the unique needs of Kirana stores, essential entities in the Indian retail ecosystem. These vital establishments depend on reliable access to competitively priced goods to effectively serve their local communities.

Wide Range of Products

The format offers a broad spectrum of products, including groceries, FMCG (fast-moving consumer goods), perishables, and non-food items. This ensures that Kirana stores can source majority of their inventory needs from a single supplier.

Competitive Pricing

Pricing is a critical factor for Kirana stores, and 'Wholesale Bazaar' provides products at competitive rates, helping these small retailers maintain their margins and offer competitive prices to their customers.

Ease of Access

Located strategically in Eastern India, 'Wholesale Bazaar' aims to be easily accessible to Kirana store owners, reducing the logistical challenges and costs associated with procurement.

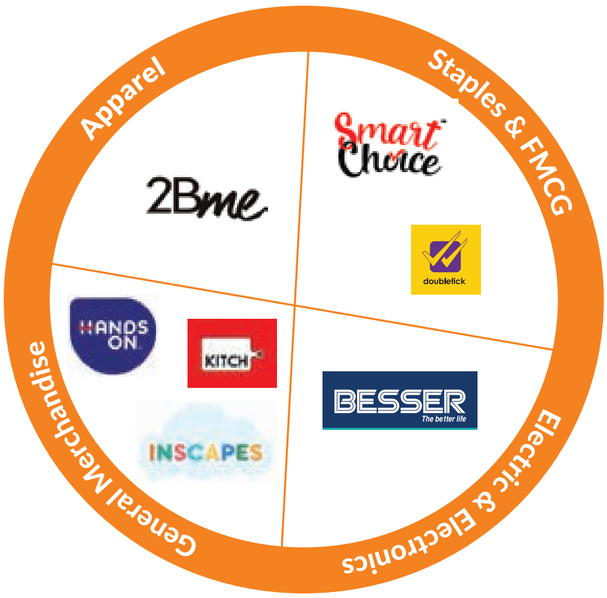
Bulk Purchase Advantages

By enabling large purchases, 'Wholesale Bazaar' allows Kirana stores to benefit from economies of scale, further driving down costs and improving their profitability.

Support and Services

Beyond just providing products, 'Wholesale Bazaar' offers support services such as inventory management advice, marketing support, and business insights to help Kirana store owners optimise their operations.

Spencer's Private Brands



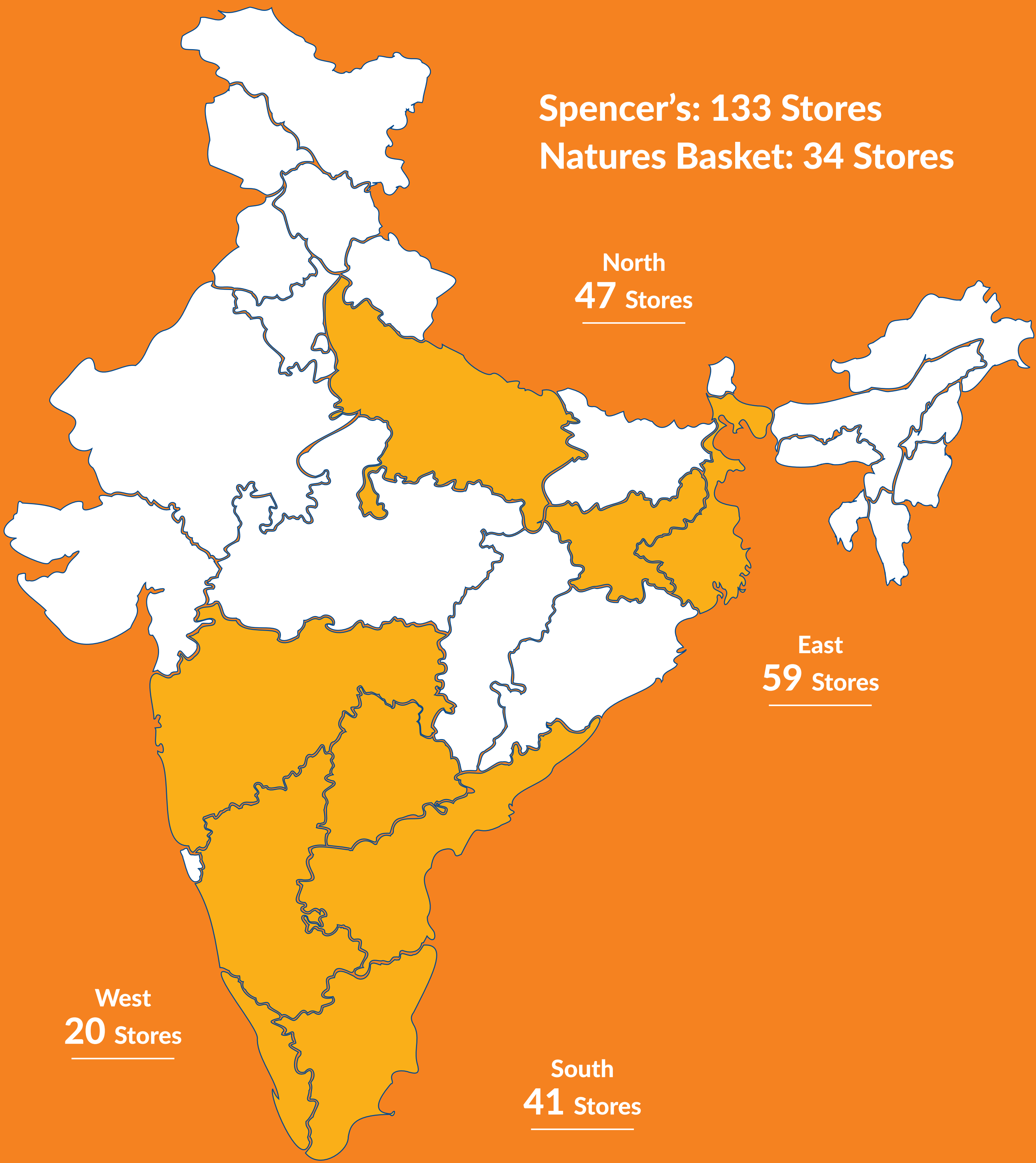
Natures Basket's Private Brands

OUR REACH

Bridging Communities & Convenience

At Spencer's, our ambition is to become the top-choice retailer for every customer within our geographical reach. Our strategic store expansion is driven by our commitment to meet the evolving demands and preferences of our current customers, while attracting new customers and communities. By opening new stores, we aim to extend the Spencer's family, creating a dynamic and inclusive shopping experience that resonates with diverse audiences.

Spencer's: 133 Stores
Natures Basket: 34 Stores



North
47 Stores

East
59 Stores

West
20 Stores

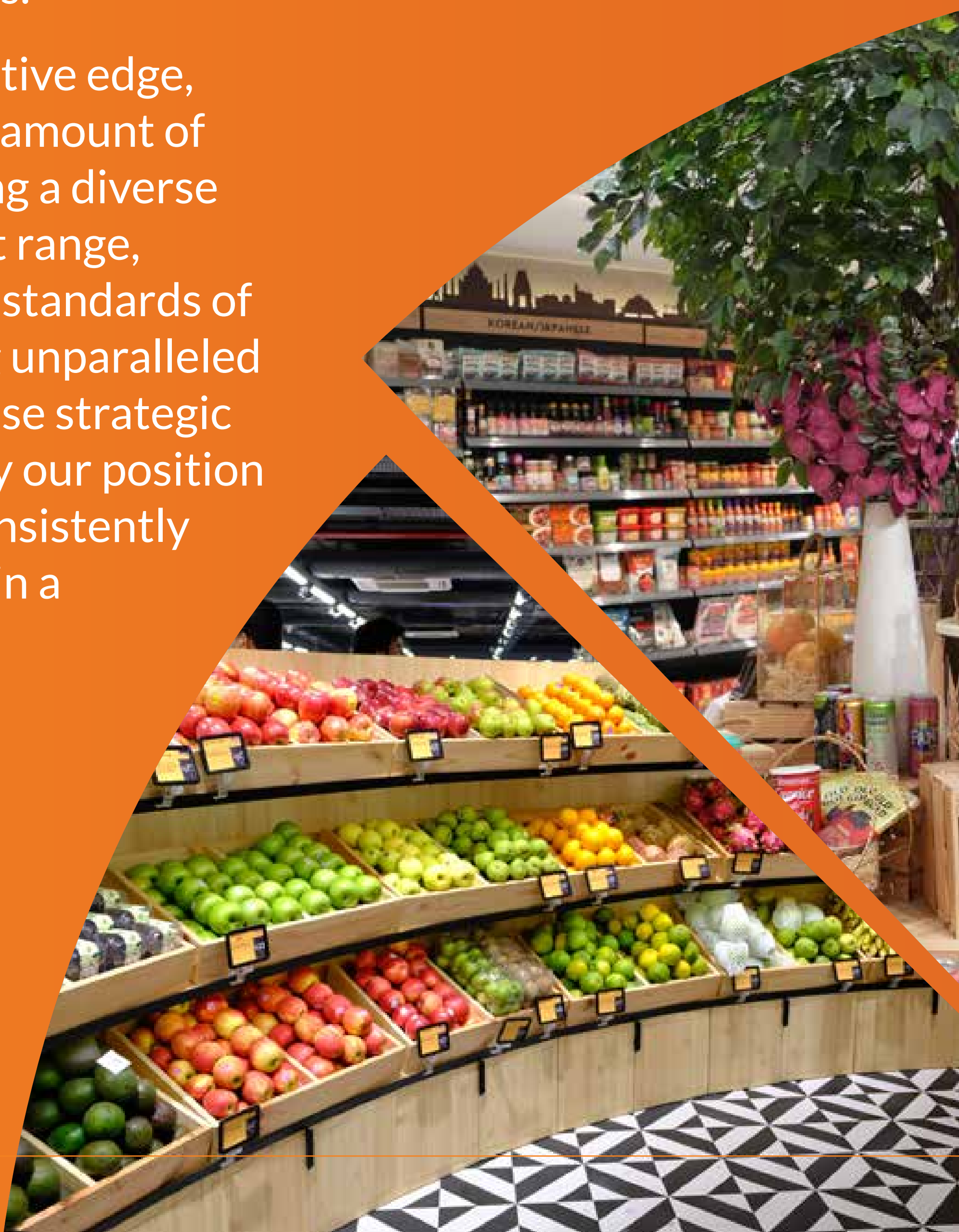
South
41 Stores

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers, or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

Understanding Our Operating Landscape

In the dynamic sphere of retail, Spencer's navigates shifting customer preferences, intense competition, and rapid technological advancements. The retail sector in India is witnessing rapid growth, driven by urbanisation, increasing disposable incomes, and changing lifestyles.

To maintain a competitive edge, Spencer's places a paramount of importance on curating a diverse and extensive product range, maintaining stringent standards of quality, and delivering unparalleled customer service. These strategic pillars not only solidify our position but also ensure we consistently surpass expectations in a fast-evolving market.



Retail Market Size

Indian retail industry is projected to register a CAGR of **6.3%** to reach US$ ~1 Trillion by 2025, driven by organised retail and clocking in a CAGR of 17.2%

Organised retail share to move to **19.4%** by 2024-25 from 11.9% in 2019-20

Creating Value

Capitals	Inputs
Financial Capital The financial assets strategically utilised by Spencer's. *Discover more on pages 30 -31.*	• Total Assets: ₹ 1,696 Crores • Total Debt: ₹ 733 Crores
Manufactured Capital The robust physical infrastructure that supports the sale of merchandise. *Explore further on pages 32-33.*	• Stores (including Natures Basket): 167 Locations • Cities Covered: 42+ • Total Trading Area: 13.71 Lakhs sq. ft.
Intellectual Capital This accounts for the intangibles associated with the brand and reputation, organisational systems and related procedures. *Explore more on pages 34-35.*	• Investment in Technology Development and Upgradation: ₹ 1.65 Crores • Mobile Application and Website: Facilitating Seamless Customer Interactions • Online Payment System: Streamlining Transactions
Human Capital Our team's expertise and dedication are crucial to driving success. *Discover more on pages 36-41.*	• Total Employees: 4,445 (3,312 in Spencer's, 343 in ORIPL and 790 in Natures Basket) • Women Employees: 933 (693 in Spencer's, 43 in ORIPL and 197 in Natures Basket)
Social & Relationship Capital We are committed to nurturing robust partnerships and community ties. *Details are available on pages 42-43.*	• Local Employment Initiatives • Collaboration with National Skill Development Institutions • Direct Partnerships with Farmers • Customer Engagement through Events and Festivals • Extensive Customer Support and Distribution Network • Contribution to Exchequer: ₹ 271 Crores
Natural Capital Our commitment to environmental stewardship is demonstrated through. *Learn more on pages 44-45.*	• E-Billing Facilities: Available in All 167 Stores • Elimination of Single-Use Plastic: Adhering to Government Regulations • Promotion of Sustainable Alternatives: Using Products, including Cloth Bags ,and 100% Biodegradable and Compostable Plastics

Business Activities

Spencer's OMNI-Channel Business Structure

- Retail Store Business
- E-Commerce Business

Spencer's Strengths

- Leading Organised Retailer
- Pan-India Reach
- Loyal Customer Base

Dynamic Demand Adaptation

- Strengthening Digital Presence
- Launching 'Wholesale Bazaar' Format Business Architecture
- Enhancing Supply Chain Management and In-Store Efficiency
- Expanding Presence in Existing Clusters

Strategies for Sustainable Value Creation

- Ensuring Effective Product Sourcing
- Maintaining Cost-Effective Measures for Best-in-Class Customer Offers
- Building a High-Performance Team
- Implementing Customer-Centric Business Transformation
- Investing Continuously on Communities for Inclusive Growth

Sustainable Value Creation Methodology

Value Creation | Trade-Offs | Output Optimisation

Trade-Offs

Decision-making is guided by strategic pillars, enabling our Company to focus on core business priorities. This optimisation helps balance the various capitals involved in our activities.

Output Optimisation

Our Company strives to deliver value to customers through our business output, utilising capital inputs efficiently. We aim to maximise output while minimising our impact on communities and the environment.

Outputs

- Revenue: ₹ 2,345 Crores
- Net Cash Generated from Operating Activities: ₹ 35 Crores
- Working Capital: ₹ (93) Crores

- Total Customer Footfall: 25 Lakhs+ per Month
- Stores Added During the Year: 9 (4 under Spencer's and 5 under Natures Basket)
- Number of Bills (NOB) in 2023-24: 22 Lakhs+ per Month

- Enhanced Customer Experience
- Online Shopping Website and App Enhancements
- SRL Sales Contribution from Private Labels: 11%
- Single Post Reach on Social Media: 2 Million+
- GMV Value: ₹ 313 Crores

- Employees with Disability: 10

- Proactive Stakeholder Engagement Programmes, including Seminars, Conferences, and Meetings
- No. of Customers Served: 10 Lakhs+ per Month
- Revenue % from Repeat Customers: 84%
- Employee Productivity (Sales per Employee): ₹ 52.75 Lakhs
- Majority of Employees Recruited from Local Communities

- Renewable Capacity: 100 KW
- Reduction in Usage of Usage and Introduced E-Billing at All Our 167 Stores
- 46 MT Usage of Cloth Bags
- 115 MT Usage of Biodegradable Shopping Bags

SDGs Impacted

Fostering Trust by Nurturing Engagement

At Spencer's, we are committed to building and nurturing strong relationships with our key stakeholders, acknowledging their pivotal role in our enduring success and our mission to create a global positive impact. We believe in generating sustainable value across all six dimensions, actively involving our stakeholders in every facet of our operations. Our approach to stakeholder engagement is deeply strategic, geared towards delivering lasting, sustainable benefits. Through direct discussions, comprehensive surveys, and active participation in diverse forums, we gain valuable insights that shape our decision-making processes. Moreover, we prioritise our stakeholders, integrating their interests into our core purpose, values, and organisational culture.

Customers

Stakeholder Interests

- More Convenience
- Great Service
- Affordable Prices and Good Value
- Product Quality and Food Safety
- Consistent Availability
- Community Involvement

Key Engagement Platforms

- Daily Engagements in Stores
- Out-of-Store Model
- Customer Support Helpline
- Regular Customer Surveys, Consumer Forums and Online Customer Panels
- Various Social Media Platforms

Relevant Capitals Engaged

- Intellectual Capital
- Manufactured Capital
- Social & Relationship Capital

Investors

Stakeholder Interests

- Ethical Business Practices and Good Corporate Governance
- Regular Dividends, as Applicable
- Sustainable Performance and Value Creation
- ESG Integration into Strategy and Operations
- Transparent Reporting and Disclosure

Key Engagement Platforms

- Investor Presentations
- Annual General Meeting
- Grievance Channels
- Annual Report

Relevant Capitals Engaged

- Financial Capital

Employees

Stakeholder Interests

- Training, Career Development and Wellness Programmes
- Performance Evaluation and Recognition
- Competitive Rewards and Remuneration
- Diverse, Open, Non-Discriminatory, and Safe Working Environment

Key Engagement Platforms

- Weekly/Monthly/Quarterly Reviews
- Training and Development Workshops
- Engagement Initiatives, HR Forum, and Townhalls
- Performance Assessment

Relevant Capitals Engaged

- Human Capital
- Social & Relationship Capital

Communities

Stakeholder Interests

- Social Upliftment
- Community Welfare Initiatives

Key Engagement Platforms

- RWA Programmes
- Employee Volunteering

Relevant Capitals Engaged

- Social & Relationship Capital

Government/Regulators

Stakeholder Interests

- Compliance with Rules and Regulations
- Licences
- Timely Reporting through Various Compliance-Based Forms

Key Engagement Platforms

- Mandatory Regulatory Filings
- Periodical Submission of Business Performance
- Written Communication
- Meetings in Industry Forums

Relevant Capitals Engaged

- Social & Relationship Capital

Suppliers/Vendors

Stakeholder Interests

- Fair and Ethical Procurement & Engagement Practices
- Pricing and Favourable Terms of Payment
- Timely Clearance

Key Engagement Platforms

- Sustainable Supply Chain Initiative
- Supplier Meets
- Vendor Council
- Audits

Relevant Capitals Engaged

- Social & Relationship Capital

Focussing on What Truly Counts

In today's dynamic business environment, it is crucial to proactively assess critical challenges that may affect our operations. This entails identifying these challenges and formulating strategies to strengthen a more resilient and agile business model. External dynamics are perpetually changing and unpredictable, shaped by economic fluctuations, environmental impacts, social trends, evolving consumer expectations, and technological advancements.

Spencer's has thoughtfully identified key issues to address stakeholder concerns while aligning with our strategic business imperatives, aiming to foster sustainable value creation across short-, medium-, and long-term horizons. Our comprehensive material assessment framework ensures inclusivity and responsiveness to stakeholder needs, reinforcing our commitment to proactive engagement and strategic adaptation.

Materiality Framework

- Macro-economic, industry, and sustainability trends
- Corporate risk framework
- Issues identified through existing policies and commitments
- Sustainability impact footprint—estimating our impact across key areas such as employment, health, and greenhouse gas (GHG) emissions
- Concerns from non-governmental organisations (NGOs), competitors, regulators, and trade associations

- Stability of Retail Value Chain
- Security of Supply
- Customer Satisfaction
- Technology-Led Processes
- Competitive Landscape
- Corporate Governance
- Financial Performance
- Community Benefit
- Employee Engagement
- Training and Development
- Compliance
- Risk Management Framework
- Government Initiatives and Missions
- Customer Privacy and Data Security
- Energy Management
- Environmental Conservation

Building Resilience by Navigating Challenges

	Brief	Mitigation Strategy
Economic Conditions	Economic slowdown expose the retail sector to vulnerabilities such as sluggish GDP growth, weakened market confidence, abrupt policy shifts, escalated energy costs, and the aftermath of global events like the Covid-19 pandemic. The cumulative impact of these factors significantly influences the overall performance of the retail industry.	Spencer's stands firm with a robust market position, advanced digital capabilities, and a vast network, bolstering our resilience in turbulent times. Additionally, our essential product line fortifies us against major disruptions in the economy and supply chain.
Competition	Intense competition often compels businesses to invest heavily in operations and facilities to gain a competitive edge, sometimes leading to the opening of outlets in unsuitable locations without a thorough understanding of customer needs. This approach can significantly undermine overall performance.	We are dedicated to expanding into new locations to maximise revenue and attract a broader audience. Our focus remains on enhancing our footprint, optimising productivity, and streamlining operational and marketing expenses across all existing sites. Through meticulous research, we identify strategic locations for new stores and continually assess the performance of our current establishments.

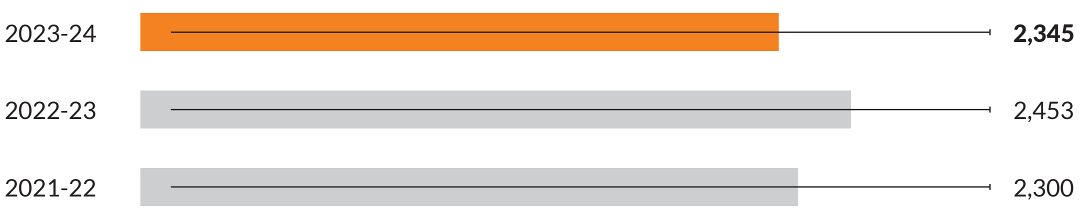
	Brief	Mitigation Strategy
Price War	India's retail market, inherently alluring, attracts new entrants and intensifies competition. Although price wars may initially drive sales, they pose long-term risks by eroding profitability, fostering price erosion, and undermining customer loyalty.	Spencer's expansive distribution network empowers customers to purchase directly from producers, eliminating intermediaries and enabling us to offer competitive prices across a diverse range of products. Our goal is to deliver an exhilarating shopping experience by offering a broad array of goods at compelling prices.
Data Privacy	The retail sector has been impacted by technology, facilitating OMNI-Channel shopping. Yet, this transformation has increased the threat of data hacks and breaches compromising privacy and sensitive information. It is imperative for businesses to maintain ongoing investments in robust security measures to fortify their systems against these evolving risks.	We continually invest in expanding our OMNI-Channel platform to provide customers with a seamless and comprehensive retail experience. ORIPL, our online marketplace delivery platform, plays a pivotal role in engaging with our customers. Moreover, we integrate digitisation throughout our entire value chain, social media, our e-commerce website, mobile app, WhatsApp, and phone delivery as integral components of Spencer's 'Out-of-Store' strategy.
Consumer Preferences	The volatile landscape of consumer preferences remains inherently unpredictable. Shifts in these preferences have the potential to significantly impact our business, influencing revenues and necessitating exploration of new avenues to enhance customer growth and satisfaction.	Spencer's has curated a versatile portfolio to meet the ever-evolving needs of our customers. In addition, we proudly feature distinctive and diversified private labels that set us apart in the market.

FINANCIAL CAPITAL

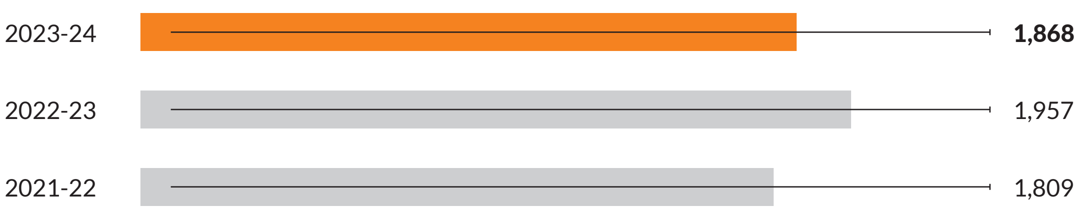
Fuelling Growth with Our Financial Capital

Focussed on transformation and seizing external opportunities, we are driven towards achieving enhanced financial outcomes. Operational changes in the previous year significantly impacted our financial performance. However, successful execution of various plans and strategies led to record positive returns despite these challenges. The surge in e-commerce continues to gain momentum, with increased footfall and robust traction in online retail driving our performance. E-retail stands as a key driver for transformation, driving significant shifts in non-food categories and potential experimentation in the grocery sector through hyperlocal models. With financial strategies in place, our Company is confident in capitalising on these opportunities to enhance revenue and profitability.

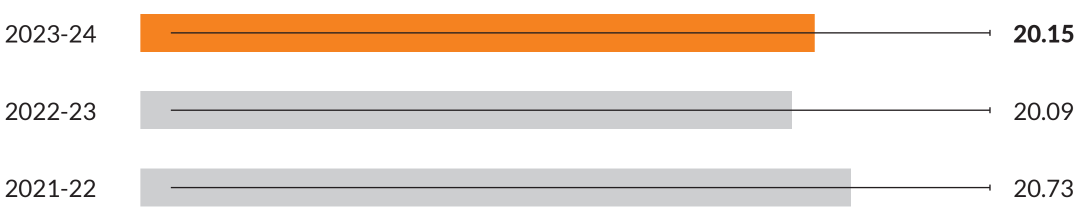
Revenue from Operations (₹ in Crores)



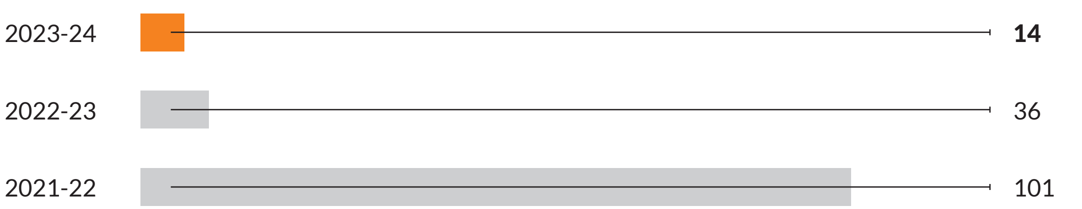
Purchases (₹ in Crores)



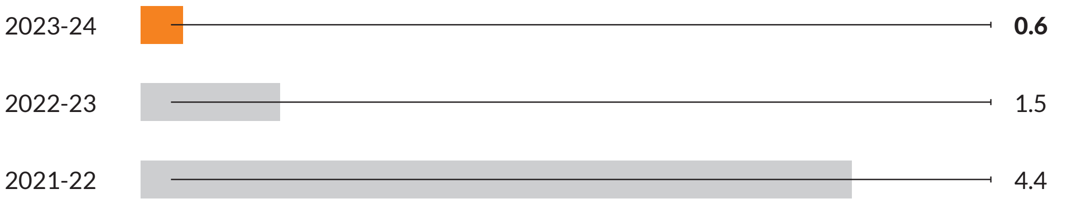
Gross Margin (in %)



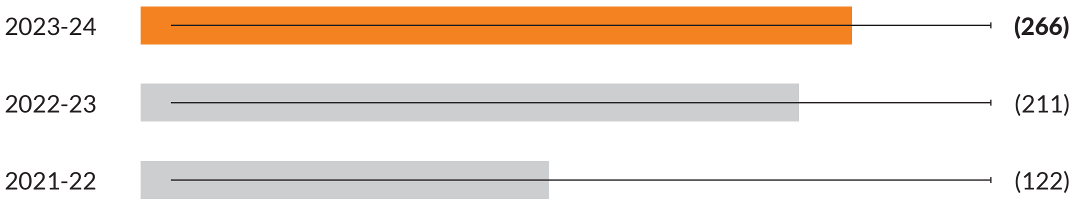
EBITDA* (₹ in Crores)



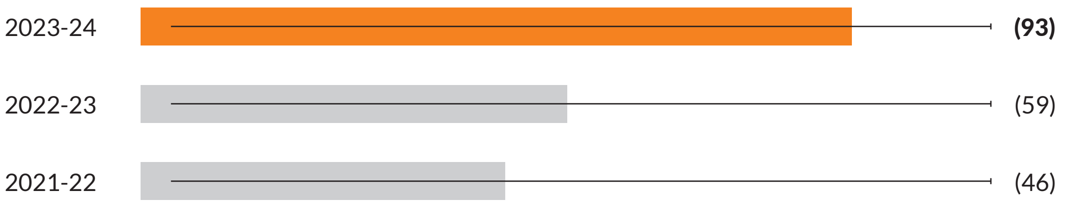
EBITDA Margin
(in %)



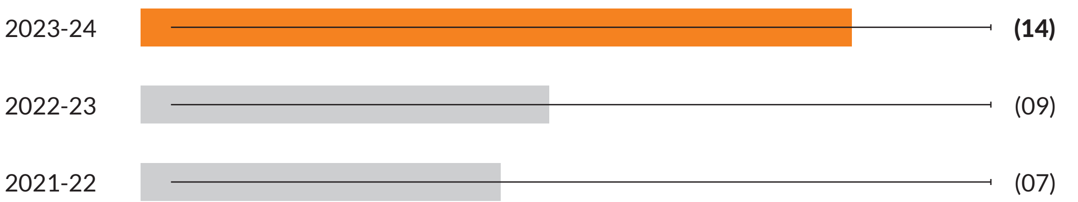
PBT**
(₹ in Crores)



Working Capital
(₹ in Crores)



Working Capital Days on Turnover



** Earnings Before Interest, Tax, Depreciation & Amortisation*
*** Profit before Tax*
 # Earnings per Share
Working Capital = Inventory + Trade Receivables - Trade Payables

Key Financial Bulletin

This year we faced multiple challenges such as subdued demand and strategic store closure, our consolidated business reported a 4.4% lower sales year-on-year for 2023-24 while maintaining the gross margin at 20.10%.

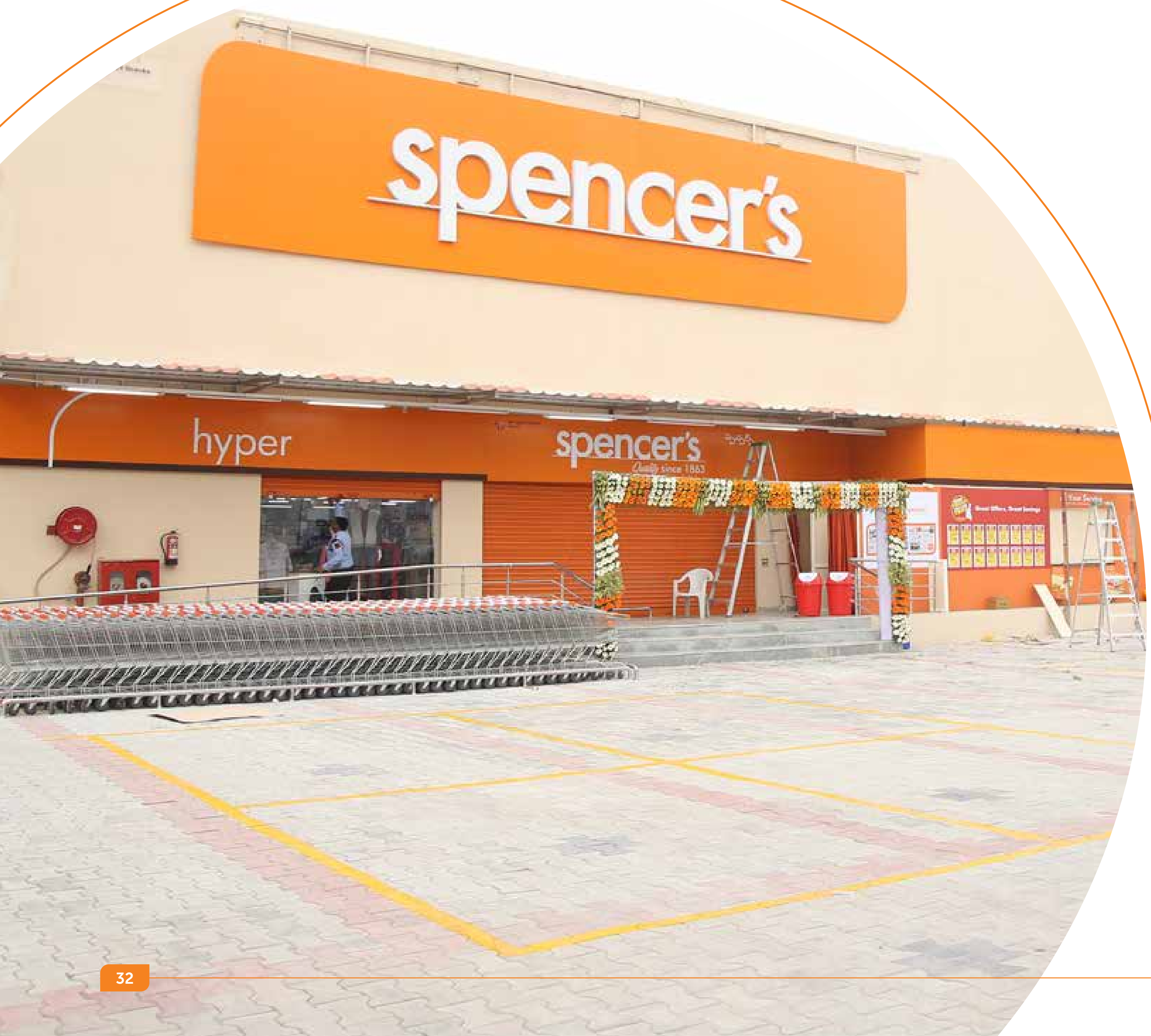
On a standalone basis, we experienced 6% de-growth primarily due to store closures in non-strategic locations and muted same-store sales growth (SSSG) on a year-on-year basis. However, the gross margin percentage was sustained at 18.9%.

On the other hand, Natures Basket achieved a significant 7.8% growth on a standalone basis, with a slight increase in gross margin percentage by 8 bps. The brand consistently excelled, recording a strong 9.4% growth on a Like-for-Like (LFL) basis for the entire year.

As we look ahead, our focus remains firm on driving top-line growth through targeted strategies in categories, clusters, channels, and customer segments, all while rigorously controlling operating costs to expedite our journey to profitability.

Building Excellence with Our Manufactured Capital

At Spencer's, our physical capabilities are predominantly anchored in offering a diverse shopping experience to a broad customer base. Our primary objective is to meet the dynamic demands of customers while actively expanding our footprint. The growth of our physical store network has been driven by robust foot traffic, prompting us to ramp up our store count.



Physical Store Business Model

At Spencer's, our store models are categorised into two main segments, each catering to distinct segments of the retail market.

Large-Format Stores

The large-format stores are strategically crafted to deeply engage consumers and elevate our business performance. These outlets offer an extensive range of food and non-food items, encompassing electronics and apparel, to fulfil all shopping needs under one expansive roof.

33

Cities Presence

79%

Revenue Share

Small-Format Stores

Our small-format stores specialise in providing groceries alongside a curated selection of general merchandise, and value-added services. Strategically situated in neighbourhoods, these stores are designed for effortless access and shopping convenience.

22

Cities Presence

21%

Revenue Share

Operating Models

Spencer's for Aspirational Segment

9,500 sq. ft.

Avg. Store Size

₹ 1,000 to 2,000

Capex Cost per sq. ft.

₹ 1,200 to 2,000

Revenue sq. ft. per Month

Natures Basket for Premium Segment

3,600 sq. ft.

Avg. Store Size

₹ 3,000 to 6,000

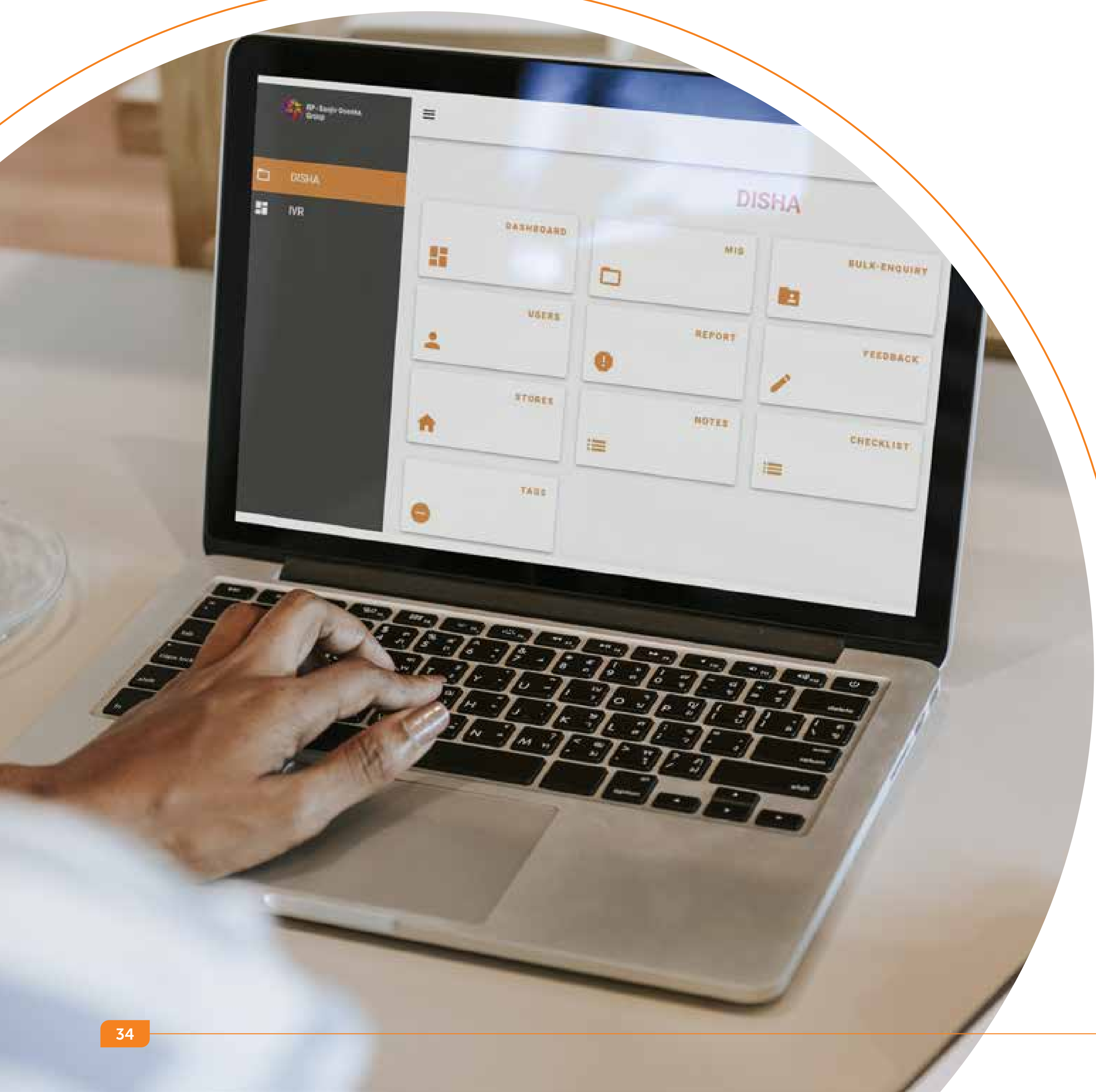
Capex Cost per sq. ft.

₹ 2,500 to 5,000

Revenue sq. ft. per Month

Innovating Tomorrow with Our Intellectual Capital

There's a rising demand for technological solutions to tackle current challenges, from customer attraction and retention to supply chain management. In response to industry shifts, both businesses and consumers prioritise digital and contactless payments. At Spencer's, we proactively invest in technology to elevate customer service and streamline business operations. Leveraging digital platforms, a robust social media presence, and an advanced customer support chatbot showcase our commitment to enhancing convenience for our valued customers.



Personalised Customer Experience

Our Company provides customers with personalised basket options through advanced digital platforms and CRM tools. Toll-free numbers, e-mails, and WhatsApp serve as key touchpoints for our call centres and customer service. By integrating online and physical storefronts, along with WhatsApp and phone delivery services, we are shaping an OMNI-Channel business approach. Our online store brings the shopping experience directly to customers' homes, offering scheduled deliveries, diverse payment methods, paperless transactions, and tailored product recommendations.

Customer-Centric Approach

We have established a multi-lingual customer service centre to ensure effective communication with customers and prompt resolution of their concerns. Equipped with a toll-free number, e-mail support, various social media platforms, and a dedicated website, coupled with initiatives like Your Views Matter (YVM) and Net Promoter Score (NPS), our Company ensures to actively listen to and engage with our customers.

Robust Technology Infrastructure

ORIPL achieved ₹ 313 Crores in GMV in 2023-24, underscoring our confidence to develop a strong and technologically advanced backend infrastructure. This empowers us to efficiently engage and generate new leads. Supported by an extremely scalable and dependable backend, we maintain real-time oversight of inventory and consumption, driving forward with a technology-driven approach.

Data-Driven Insights

We are committed to harnessing data to gain profound insights into consumer purchasing behaviour, acknowledging its essential role in shaping our future. By collecting pertinent data, we empower ourselves to make informed decisions and enhance our offerings to better serve customers.

Revolutionising Supply with Cutting-Edge Technology

At Spencer's, we use technology to optimise and streamline our supply chain, achieving a lean cost structure and heightened efficiency. Powered by SAP, our backend systems facilitate precise sourcing management—from regional to farm-fresh items—resulting in minimised inventory cover. The integration of a Warehouse Management System (WMS) and machine learning capabilities enables sophisticated data management, accurately forecasting sales and inventory levels, thereby enhancing overall process optimisation.

Enhanced App Experience

We plan to expand the functionality of our mobile application to serve our clients better and collect insightful data. Our sales strategy relies on phone-based deliveries and is committed to further strengthening and improving this aspect.

Building Futures with Our Human Capital

We recognise the indispensable role of our people in propelling our operations and achievements, considering them as foundational pillars of our organisation. Therefore, we prioritise our human resources, empowering them to pursue personal goals while contributing to collective organisational objectives. Our Company actively engages with employees, valuing their insights and understanding their roles and needs, thus enabling them to unlock their full potential.

At Spencer's, we acknowledge the strength, determination, and skilled nature of our workforce and their pivotal role in driving quality work towards new milestones daily. A central component of our Company's success lies in the enthusiasm, eagerness, and expertise each employee brings to both our corporate operations and retail environments. They consistently strive to excel, aligning every action with our vision and goals.

Human Resources Roadmap

Our Company nurtures human resources culture guided by five strategic pillars aimed at fostering comprehensive growth. We envision a holistic roadmap driven by robust training and development initiatives and a reward and recognition system designed to amplify team productivity while honouring their contributions.

- Recruitment Excellence
- Diversity and Inclusion
- Skills Enhancement
- Supportive Environment
- Health and Wellness
- Acknowledgment and Appreciation

Finding the Right Talent

In a thriving business, inclusivity is fundamental. At Spencer's, we recognise the pivotal role of inclusion in attracting, retaining, and nurturing a diverse talent pool. We engage in targeted employer branding and implement competency-based recruitment practices to ensure both cultural alignment and diversity. This approach includes utilising a structured interview guide that prioritises behavioural assessments above all else.

4,445
Total Employees

Nurturing Diversity and Inclusion

At Spencer's, fostering a robust, strong, and collaborative workforce begins with championing social equity across our operations. We firmly believe that embracing individuals from diverse socioeconomic backgrounds—regardless of caste, creed, gender, race, or abilities—enriches our environment with vibrant intellectual exchange, embodying the principle of unity in diversity within our organisation. Thus, Spencer's actively promotes and supports diversity and inclusion in the workplace, unequivocally rejecting all forms of prejudice and stereotypical behaviour.

3,512
Men

933
Women

10
Employees with Disability

Upskilling through Training and Development

Staying abreast of rapid industry advancements demands the continuous upskilling of our workforce. Spencer's robust training and development programmes are strategically designed to empower employees to future-proof their capabilities and skills. We actively nurture talent by providing diverse opportunities for knowledge acquisition and experiential learning, preparing them for forthcoming leadership responsibilities. This commitment is reinforced through a spectrum of workshops and training initiatives encompassing leadership, functional expertise, and behavioural refinement.

Pragati 2.0

Spencer's Learning Management System

In Spencer's history, Pragati holds a cherished position. Originally launched over a decade ago, Pragati served as our esteemed learning academy, fostering a wealth of knowledge and pioneering initiatives.

In 2023, we reintroduced Pragati as Pragati 2.0: Relevant, Impactful, and Digital. True to its Sanskrit name meaning 'Progress,' 'Advancement,' or 'Growth,' Pragati 2.0 embodies all learning & development initiatives, including training programmes, career progression, and high-performance potential interventions. These efforts are poised to redefine Spencer's learning culture. The '2.0' signifies the transformation of learning through curated digital content, primarily video-based, ensuring the preservation and dissemination of Spencer's intellectual property.

Pragati 2.0 covers four major areas, including:

- **Customer Service:** Branded as Shopper's Delight, this series of soft skills training aims to enhance customer service standards.
- **People Capability:** Centred on enhancing personal effectiveness, a flagship behavioural training programme tailored to benefit both managers and individual contributors alike.
- **Product Knowledge:** Designed to enhance product knowledge, tailored category-wise training is provided to meet specific needs and ensure comprehensive understanding across different segments.
- **Process Knowledge:** Guided by Spencer's Store Standard Operating Procedures (SOPs), these training programmes ensure comprehensive adherence and implementation across all operational facets.

Shoppers' Delight

Elevating Customer Experience

Shopper's Delight, The Spencer's Way, epitomises our commitment as articulated in the Q1 Interface by our MD & CEO, focussing on 'Shopper Delight through Store Standards, Service, and Experience.' This initiative aims to instill a customer-centric mindset, fortifying a culture of exemplary customer service across all locations, stores, and business channels.

To identify the most effective training solutions, we conducted a comprehensive training needs analysis using customer feedback analysis. This process led to the creation of 12 microlearning videos depicting real-time customer-staff interactions, designed to impart proper service behaviours.

Training sessions were conducted for floor staff, brand promoters, security guards, cashiers, and store managers, culminating in the issuance of digital certificates and service cards upon completion.

Phone Delivery

Telecaller Training

Our 'Phone Delivery' business channel is dynamic and ever-evolving. With the introduction of new technology like 'Resultiks,' which offers detailed customer insights, we have revolutionised our 'Outbound Telecalling' approach. Our telecallers now undergo specialised training using Resultiks, enabling them to engage customers with personalised conversations using customised scripts and real-time data from the application.

This initiative has quickly become one of our flagship training programmes. Moreover, supervisors play a pivotal role in enhancing team capabilities by delivering ongoing refresher sessions and providing comprehensive orientation for new team members.

Parichay

Self-Paced Online Course

Parichay, our induction training content, has undergone a complete transformation, emerging as the premier self-paced online course of its kind. At Spencer's, new joiners now engage interactively with RPSG Group insights, Spencer's retail heritage, culture, policies, and practices. Hosted on our versatile LMS platform, this course is accessible anytime, anywhere, and on any device. Parichay represents a pivotal stride in Pragati 2.0's digital evolution, tailored to meet the needs of today's professionals.

The module is offered in two versions: 'Parichay—In-Store Module' for our store teams and 'Parichay—Corporate' for new hires at the head office.

Chop Master

Butcher and Fish Cutter Training

At Spencer's, we are renowned for our unparalleled selection of products, particularly fresh fish and meat. To maintain our leadership in the market, we launched 'Chop Master,' a groundbreaking initiative aimed at elevating the expertise of our butchers and fish cutters. This intensive programme features meticulously crafted on-the-job training modules that cover advanced butchery techniques, in-depth product knowledge, and exemplary customer service.

Additionally, led by Subject Matter Experts, the training is dynamic and interactive. They provide our butchers and fish cutters with a visually stimulating environment to hone their expertise and master their craft.

Training Areas in 2023-24

During 2023-24, key training initiatives comprised:

- Training for Cashiers
- Customer Service
- Date Code Process
- Fashion Product Training
- Food Safety Training
- Fresh F&V Product Training
- Fresh F&M Product Training
- Foundation Training Programme
- New Store Training
- Net Promoter Score Awareness
- PD Telecaller Training
- POP Management
- Replenishment Process
- Masterclass - TTT
- Shoppers' Delight
- Bay Ka Malik Awareness Session

100+

Major Training Sessions Conducted

1,000+

Workforce Hours

Creating a Conducive Work Environment

Our Company understands that a conducive work environment is essential for fostering productivity, collaboration, employee well-being, and continuous engagement. We prioritise these elements to ensure our team members are empowered to tackle challenges effectively. Regular feedback from our employees allows us to proactively address their concerns, creating an atmosphere that fuels enthusiasm and energises daily tasks. In addition, our consistent performance reviews help identify growth opportunities and unlock the full potential of our team. Furthermore, our 'My Growth' programme exemplifies our commitment to career development. It offers employees who have completed 1.5 years and 3 years at Spencer's the opportunity to apply for Assistant Department Manager and Department Manager roles, respectively. Moreover, employees who have been with us for 2-3 years are also considered for promotion to the position of Store Manager, reflecting our dedication to recognising and nurturing talent within our organisation.

Reward and Recognition Programmes

At Spencer's, we deeply value our employees' contributions in driving productivity and achieving results through their exceptional performance. Our programme provides a dedicated platform for employees to assess their progress, continuously improve, and find support to enhance productivity while fostering personal growth. Our aim is to establish transparent communication channels that empower employees, increase their engagement in business operations, and solicit ideas that contribute to our strategic plans. Our reward and recognition policies, including programmes like UMANG—a digital platform led by our top talent to share vital business information such as performance metrics and future strategies—and UTSAV—a monthly rewards and recognition initiative—further motivate our team and strengthen their commitment.

Fostering Connections with Our Social & Relationship Capital

We recognise the significant impact of our social capital on our operations, character, and reputation. Our Company actively engages with customers, vendors, suppliers, and our local community, investing substantial effort in nurturing trust and fostering strong, enduring relationships with all stakeholders. These relationships are fundamental to our persistent pursuit of mutual prosperity and sustainable growth.

Customer Satisfaction as Top Priority

At Spencer's, our top priority is to create unforgettable experiences for every visitor. We achieve this by avidly understanding their requirements, ensuring their buying journey is not just convenient but truly delightful. Through the continuous collection of consumer feedback, we remain attuned to their tastes and needs. Our 'Experience Zones' within stores allow customers to experience products firsthand, enabling them to make informed decisions. Moreover, Spencer's celebrates key cultural and festive occasions like Diwali, Dhanteras, and New Year, among others, by rolling out special promotions that resonate with and elevate the joy of our customers' celebrations. Furthermore, Spencer's excels in providing swift and fresh product deliveries, including an option for rapid 60 to 90 minute delivery, a service that has become a reflection of our commitment to customer satisfaction. This dedication not only ensures customer happiness but also drives our continuous improvement efforts, propelling Spencer's to the forefront of advancement in the industry.

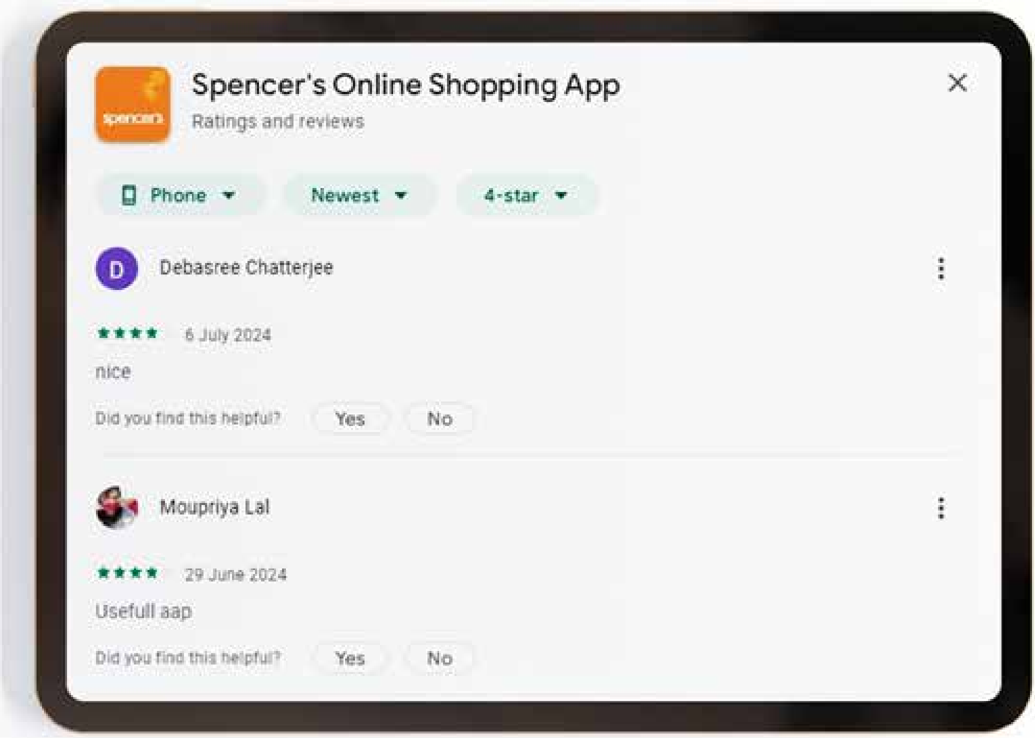
Strong Supplier and Vendor Relationships

Our business operations and product lifecycle are intricately intertwined with our network of vendors and suppliers. Maintaining a good connection with them is crucial for prompt delivery of high-quality goods and raw materials, directly affecting our revenue, customer satisfaction, and retention through enhanced operational eficiency and product quality. Moreover, our Company boasts a robust distribution network that enables us to buy products directly from producers. This direct procurement not only strengthens our negotiating power for more favourable trade terms but also optimises our working capital needs. By leveraging these advantages, we ensure a smooth and high-quality supply chain, driving excellence at every step of our business.

Community Partnership and Development

Our Company is committed to the growth and betterment of local communities, viewing it as a core component of our corporate identity. To fulfil our sourcing requirements, we collaborate with various vocational training institutes, conducting regular workshops to ensure top-tier workforce standards. Our skill development programmes provide individuals from the local community with valuable employment opportunities, fostering both personal and community growth.

Building strong relationships is a priority at Spencer's, as highlighted by our active collaboration with the Resident Welfare Association (RWA). Through these partnerships, we create a network of mutual support and shared success, strengthening the communities we serve.



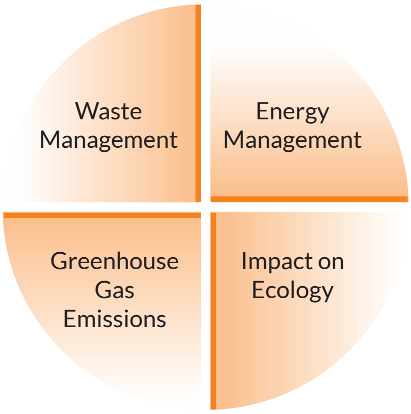
NATURAL CAPITAL

Balancing Growth with Our Natural Capital

Spencer's, as a responsible corporate entity, holds the responsibility of environmental protection in high regard, recognising the vital necessity of maintaining ecological balance. We have made substantial investments to transform our business practices, reducing environmental risks and championing sustainability. Adhering to sustainable business practices and educating our stakeholders about their impacts is a fundamental step towards achieving sustainable growth.

Additionally, the 'Four Directional Approach' to environmental conservation, adopted by Spencer's, reflects our commitment to understanding and lowering the ecological impacts of our business activities. This strategy underpins our dedication to integrating sustainability into every facet of our operations.

Four Directional Approach



Waste Management

- Implementing effective waste management initiatives to address the significant environmental consequences associated with the waste generated from business operations.
- Striving towards achieving a 'zero-plastic waste' outcome by replacing plastic carry bags with reusable cloth bags and implementing a policy with the principles of Extended Producer Responsibility (EPR) for plastic waste management.
- Encouraging all stakeholders to adhere to environmental norms and establishing partnerships with various community agencies to ensure proper waste disposal and promote sustainable practices throughout its operations.

Energy Management

- Implemented solar panels as a sustainable energy alternative across multiple facilities to enhance self-reliance in energy management.
- Deployed smart lighting solutions, energy efficient fittings, and intelligent technologies throughout outlets to promote energy conservation.

3,17,800+ kWh

Solar Power Generated in 2023-24

167

Stores with E-Billing Facilities

Greenhouse Gas Emissions

- Prioritises reducing carbon footprints and establishing a sustainable business presence.
- Updates methodologies consistently to decrease resource consumption while effectively managing the supply chain and logistics.
- Installs solar panels to reduce reliance on conventional energy sources in stores, transforming physical establishments into sustainable ones.

Certified Green Building

Spencer's corporate office, RPSG House, holds certification as a Green Building from the esteemed Indian Green Building Council (IGBC).

Spencer's Environmental Sustainability Strategies

- Renewable Energy Use: Prioritising renewable and non-conventional energy sources.
- Zero Plastic Usage: Striving for zero plastic use across operations, while advocating for sustainable alternatives.
- Electronic Communication: Utilising electronic communication to reduce paper consumption.
- Educational Sessions: Conducting regular educational sessions to empower team members to adopt sustainable practices seamlessly.


CII

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

Upholding Integrity & Accountability with Our Governance

At Spencer's, our governance framework stands firm, placing the utmost importance on transparency, accountability, and strict adherence to legal regulations. Rooted in ethical principles, our Company is dedicated to nurturing sustainable business practices, fostering strong stakeholder relationships, and implementing dynamic strategies. Our highly effective internal control systems and practices propel us towards our objectives, enabling our management team to make well-informed decisions based on their extensive experience and deep industry knowledge.

Corporate Governance Principles

At Spencer's, our corporate governance principles form the very foundation of our business practices. These principles serve as the bedrock, ensuring that every corporate activity upholds our Company's vision and remains aligned with our ethics and values. They serve as a guiding force, shaping and influencing the decisions and actions taken within the organisation.

Effective Policies

Adhering to effective policies empowers Spencer's to navigate challenges with utmost responsibility and accountability as a corporate entity. These policies embody our Company's core principles, defining us as an ethical and reliable entity in the marketplace. We uphold a Code of Conduct and specific guidelines designed to prevent bribery and fraud and maintain ethical standards. Internal mechanisms such as our Prevention of Sexual Harassment (POSH), Insider Trading, and Whistle-Blower policies, among others, further reinforce our commitment to transparency and integrity.

Stringent Internal Control

Spencer's Audit Committee comprises four Non-Executive Directors, with three serving as Independent Directors. The presence of independent perspectives on our Board enhances the credibility of our financial processes. Our Company conducts a thorough quarterly assessment of both financial and operational performance, supported by an internal control system overseen by the Audit Committee.

Board Composition

At Spencer's, we drive our corporate endeavours towards success and trust. Guided by leaders and experts in their fields, we harness their technical prowess and leadership acumen to guarantee sustainable processes and strategic business control. Our stakeholders place their trust in our appointed Directors—a blend of professional and Independent Directors, each contributing unique competencies that strengthen our robust governance framework. Additionally, Spencer's Board comprises more than 50% Independent Directors, demonstrating our commitment to transparency and accountability.

Board Committee Structure

Our Company has adopted a 'Five Committee' structure to strengthen our governance framework. These five committees—the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee—play a critical role in:

- Defining clear authorities and responsibilities in business execution, thereby promoting flexible management.
- Improving the transparency and objectivity of management practices.
- Establishing a globally applicable governance system to further strengthen the organisational structure.

Audit Committee

This Committee, predominantly composed of Independent Directors, oversees all financial and numerous other functions. It ensures strict compliance with the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Nomination and Remuneration Committee

This Committee assists the Board of Directors to excel in governance and oversight of human resources management and compensation. It ensures a fair, transparent, and equitable remuneration system for employees and Directors, rewarding quality, performance, and capability.

Risk Management Committee

This Committee is tasked with identifying internal and external risks, especially those arising from listed entities.

Stakeholders' Relationship Committee

The Committee works to strengthen Spencer's connections with stakeholders. It reviews and resolves investor and shareholder complaints, always considering the best interests of all involved.

Corporate Social Responsibility Committee

This Committee thoroughly monitors our Company's adherence to our Corporate Social Responsibility Policy.

The detailed objectives of these committees are available in the Corporate Governance Report annexed to this Annual Report.

Board of Directors

Mr. Shashwat Goenka
Non-Executive Non-Independent
Director & Chairman

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. Anuj Singh
CEO and Managing Director

Our Management Team

Mr. Shashwat Goenka
Chairman

Mr. Anuj Singh
CEO and Managing Director

Mr. Saurabh Bansal
Chief Merchandising Officer

Mr. G.R. Srikkanth
Head - Legal

Mr. Sandeep Kumar Banka
Chief Financial Officer

Mr. S. Ramanathan
Head of Operations

Corporate Information

Board of Directors

Mr. Shashwat Goenka
Non-Executive Non Independent Director & Chairman

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. Anuj Singh
CEO and Managing Director

Mr. Rahul Nayak
Whole-Time Director
Resigned w.e.f. May 18, 2024

Chief Financial Officer

Mr. Sandeep Kumar Banka
Appointed w.e.f. April 18, 2024

Company Secretary & Compliance Officer

Mr. Vikash Kumar Agarwal

Auditors

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

Solicitors

Khaitan & Co.

Registered Office

Duncan House, 31, Netaji Subhas Road,
Kolkata - 700 001, West Bengal, India
Tel: 033-6625 7600

Corporate Office

RPSG House, 2/4, Judges Court Road
Kolkata - 700 027, West Bengal, India
Tel: 033-24871091

Corporate Identity Number

L74999WB2017PLC219355

E-Mail

spencers.secretarial@rpsg.in

Website

www.spencersretail.com

Wholly Owned Subsidiary

- Natures Basket Limited
- Omnipresent Retail India Private Limited

Bankers

- ICICI Bank Limited
- Axis Bank Limited
- Yes Bank Limited
- HDFC Bank Limited
- Standard Chartered Bank
- RBL Bank Limited
- IDFC First Bank Limited

Listing of Shares

- National Stock Exchange of India Limited (NSE Ltd.)
- BSE Limited (BSE Ltd.)

Registrar and Share Transfer Agent

- Link Intime India Private Limited
  C - 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West
  Mumbai - 400 083, Maharashtra, India
  Tel: +91-8108116767
  E-Mail: rnt.helpdesk@linkintime.co.in
  Website: www.linkintime.co.in

Depositories

- National Securities Depository Limited (NSDL)
- Central Depository Services (India) Limited (CDSL)

NOTICE TO THE MEMBERS

NOTICE is hereby given that the **Seventh Annual General Meeting ("AGM")** of the Members of Spencer's Retail Limited will be held on **Wednesday, August 21, 2024 at 3:00 P.M.,** Indian Standard Time (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. **Consideration and adoption of:-**

   a. the Audited Financial Statements of the Company for the financial year ended March 31, 2024 together with the Reports of Board of Directors and Auditors thereon; and

   b. the Audited Consolidated Financial Statements for the financial year ended March 31, 2024 together with the Report of Auditors thereon.

   and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT

   a. the Audited Financial Statements of the Company for the financial year ended March 31, 2024 together with the Reports of Board of Directors and Auditors thereon, as circulated to the Members; and

   b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with the Reports of Auditors thereon, as circulated to the Members,

   be and are hereby considered and adopted."

2. **Re-Appointment of Mr. Anuj Singh as a Director, who retires by rotation,** and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Articles of Association of the Company, Mr. Anuj Singh (DIN - 09547776), who retires by rotation at this meeting, and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

3. **Issuance of Securities upto an aggregate amount of ₹ 300 Crores** and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT in accordance with the relevant enabling provisions of the Memorandum and Articles of Association of the Company and pursuant to the applicable provisions of Sections 23, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force (**"the Act"**) and the rules made thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force and other applicable rules made thereunder, the Foreign Exchange Management Act, 1999, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Foreign Exchange Management (Debt Instruments) Regulations, 2019, the Foreign Exchange Management (Mode of Payment and Reporting of Non debt Instruments) Regulations, 2019, the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, the Reserve Bank of India Master Directions on Foreign Investment in India, 2018, the Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations, 2019 including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, as amended and replaced from time to time, the relevant regulations of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, including any amendment(s), modification(s), variation or re-enactment thereof (the **"ICDR Regulations"**), the Securities and Exchange Board of India (Issue and Listing of the Non-Convertible Securities) Regulations, 2021, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended (the **"FCCB Scheme"**), the Depository Receipts Scheme, 2014 and the Framework for Issue of Depository Receipts dated October 10, 2019 issued by the Securities and Exchange Board of India (together, the **"GDR Scheme"**), the applicable listing agreement(s) entered into by the Company with the Stock Exchange(s) where the equity shares of the Company (the **"Equity Shares"**) are listed, the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, and all other applicable statutes, clarifications, rules, regulations, circulars, notifications, directions, guidelines, as may be applicable, and as amended from time to time, issued by the Government of India (the **"GoI"**), Ministry of Corporate Affairs (the **"MCA"**), Reserve Bank of India (the **"RBI"**), Securities and Exchange Board of India (the **"SEBI"**), BSE Limited and National Stock Exchange of India Limited (collectively referred to as **"Stock Exchanges"**) and/or any other regulatory/statutory authorities in India or abroad for the time being in force, to the extent applicable and all other approval(s), consent(s), permission(s) and/ or sanction(s) as may be required from any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time, including by the Registrar of Companies, West Bengal (**"RoC"**), GoI, MCA, RBI, SEBI and the Stock Exchanges (hereinafter singly or collectively referred to as the **"Appropriate Authorities"**) as may be required and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approvals, consents, permissions and sanctions, as may be applicable on the Company and in accordance with the applicable laws in force, which may be agreed to by the Board of Directors of the Company (the **"Board"**) (which term shall be deemed to include any committee constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution), which the Board be and is hereby authorised to accept, if it thinks fit in the best interest of the Company, the consent, authority and approval of the Members of the Company be and is hereby accorded to create, issue, offer and allot (including with provisions for reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted under the applicable laws) such number of Securities (as defined hereinafter), for cash at such price that may be decided by the Board in terms of the applicable regulations and as permitted under the applicable laws, in one or more tranches, with or without a green shoe option for an aggregate amount of up to ₹ 300 Crores (Rupees Three Hundred Crores) or its equivalent amount in such foreign currencies as may be necessary to such investors, whether Indian or foreign, that may be permitted to invest in such issuance of Securities, including eligible Qualified Institutional Buyers (the **"QIBs"**) as defined in the ICDR Regulations, by way of a private placement including Qualified Institutions Placement (the **"QIP"**) in accordance with the provisions of Chapter VI of the ICDR Regulations, or through a Further Public Offer (**"FPO"**) (including under the fast track route, subject to meeting the requisite prescribed criteria, in accordance with and under the provisions of Chapter IV of the ICDR Regulations), or through any other permissible mode and/ or combination thereof as may be considered appropriate, by way of issue of Equity Shares (whether fully or partly paid-up) or by way of issue of any other instrument or security, including fully/partly/optionally convertible debentures, warrants, securities convertible into Equity Shares, Global Depository Receipts (the **"GDRs"**), American Depository Receipts (the **"ADRs"**) or Foreign Currency Convertible Bonds (the **"FCCBs"**), or by way of a composite issue of Non-Convertible Debentures with or without warrants entitling the warrant holder(s) to apply for Equity Shares and/or any other eligible Securities which may or may not be listed (all instruments mentioned above collectively with the Equity Shares (whether fully or partly paid-up) to be hereinafter referred to as the **"Securities"**) or any combination of Securities, with or without premium or discount (as may be permitted), to be subscribed to in Indian and/or any foreign currency(ies) by all eligible investors, who may or may not be shareholders of the Company as the Board may decide, including resident and/or non-resident/foreign investors (whether institutions and/or incorporated bodies and/ or trusts or otherwise)/foreign portfolio investors/anchor investors/ Hindu undivided families/mutual funds/pension funds/venture capital funds/banks/alternate investment funds/Indian and/or multilateral financial institutions, insurance companies and any other category of persons or entities who/which are permitted to invest in Securities of the Company as per extant regulations/guidelines or any combination of the above as may be deemed appropriate by the Board in its absolute discretion and whether or not such investors are members of the Company (collectively referred to as the **"Investors"**), to all or any of them, jointly and/or severally through an offer/placement document and/or other letter or circular and/or on private placement basis, on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, including securities premium, or its equivalent amount in such foreign currencies as may be necessary inclusive of any premium and green shoe option attached thereto, in one or more tranche or tranches, at such price or prices, (whether at prevailing market price or at permissible discount or premium to market price in terms of applicable regulations) and on such terms and conditions at the Board's absolute discretion, including the discretion to determine the categories of Investors, considering the prevailing market conditions and other relevant factors wherever necessary, to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner, including allotment to stabilising agent in terms of green shoe option, if any, exercised by the Company and where necessary, in consultation with the book running lead managers and/or underwriters and/or stabilising agent and/or other advisors or otherwise on such terms and conditions, including making of calls and manner of appropriation of application money or call money, in respect of different class(es) of Investor(s) and/or in respect of different Securities, deciding of other terms and conditions like number of securities to be issued, face value, number of Equity Shares to be issued and allotted on conversion/redemption/extinguishment of debt(s), rights attached to the warrants, terms of issuance, period of conversion, fixing of record date or book closure dates, if any, as the Board may in its absolute discretion decide, in each case, subject to the applicable laws.

RESOLVED FURTHER THAT the relevant date (where applicable) for the purpose of pricing the Securities in case of a QIP or issuance of FCCBs/ADRs/GDRs shall be the date of the meeting in which the Board or any Committee duly authorised by the Board decides to open the issue of such Securities and the pricing shall be determined by the Board or any Committee duly authorised by the Board at or above the floor price determined on the basis of such formula and relevant date as provided under the Act, the ICDR Regulations, the FCCB Scheme, the GDR Scheme and other applicable laws, regulations and guidelines; in the event that convertible securities (as defined under the ICDR Regulations) are to be issued in the QIP, the relevant date for pricing of such Securities shall be either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as determined by the Board or any Committee duly authorised by the Board; and in the event of issuance of Securities by way of further public offer as per provisions of Chapter IV of the ICDR Regulations, an issue of Securities shall be made at a price which will be determined through book building process or any other permissible method under the ICDR Regulations as the Board may decide in consultation with book running lead managers.

RESOLVED FURTHER THAT in case of an issue and allotment of Securities by way of a QIP in terms of Chapter VI of the ICDR Regulations:

(i) the allotment of Equity Shares shall only be made to qualified institutional buyers as defined in the ICDR Regulations;

(ii) the allotment of Securities, or any combination of Securities as may be decided by the Board, shall be completed within 365 days from the date of the resolution of the members of the Company or such other time as may be allowed under the ICDR Regulations, the Act, and/or applicable and relevant laws/guidelines, from time to time;

(iii) the Equity Shares (including issuance of the Equity Shares pursuant to conversion of any Securities as the case may be in accordance with the terms of the offering) issued shall rank pari passu in all respects including entitlement to dividend with the existing Equity Shares of the Company as may be provided under the terms of issue and in accordance with the placement document(s);

(iv) the Equity Shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

(v) any issue of Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the ICDR Regulations (the "QIP Floor Price"). The Board may, however, in its absolute discretion, issue Equity Shares at a discount of not more than five percent or as may be in accordance with the applicable laws on such QIP Floor Price;

(vi) the tenure of any convertible or exchangeable Securities issued through the QIP shall not exceed sixty months from the date of allotment;

(vii) a minimum of ten percent of the allotment of Securities by of a QIP shall be to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs;

(viii) no allotment shall be made, either directly or indirectly, to any QIB who is a Promoter of the Company or any other person related to the Promoters of the Company;

(ix) the allotment to a single Qualified Institutional Buyer (QIB) in the proposed QIP issue will not exceed 50% of the total issue size and the minimum number of allottees shall not be less than two (in case the issue size is less than or equal to ₹ 250 Crores) or five (in case the issue size is more than ₹ 250 Crores), as applicable, or such other limit as may be permitted under applicable laws; and

(x) the Securities shall not be sold for a period of one year from the date of allotment, except on a recognised Stock Exchange or except as may be permitted from time to time by the ICDR Regulations.

RESOLVED FURTHER THAT in case of an issue and allotment of Securities by way of a QIP in terms of Chapter VI of the ICDR Regulations, the price determined for the QIP shall be subject to appropriate adjustments if the Company, pending allotment under this resolution:

(i) makes an issue of Equity Shares by way of capitalisation of profits or reserves, other than by way of dividend on Equity Shares;

(ii) undertakes a rights issue of Equity Shares;

(iii) consolidates its outstanding Equity Shares into a smaller number of Equity Shares;

(iv) divides its outstanding Equity Shares including by way of stock split;

(v) re-classifies any of its Equity Shares into other Securities of the Company; and

(vi) is involved in such other similar events or circumstances, which in the opinion of the concerned stock exchange, requires adjustments.

RESOLVED FURTHER THAT in case of an issue and allotment of Securities under the FCCB Scheme and/or the GDR Scheme and other applicable laws, the FCCBs and/or the GDRs to be created, offered, issued, and allotted shall be subject to the provisions of the Memorandum and Articles of Association and any Securities that may be created, offered, issued and allotted by the Company shall rank pari-passu in all respects with the existing Equity Shares of the Company in all respects, except as may be provided otherwise under the terms of issue/ offering and in the offer document and/or placement document and/or offer letter and/or offering circular and/or listing particulars. The Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon issuance / conversion of any FCCB or as may be necessary. Further, the Board be and is hereby authorised to decide upon, at its discretion, the facilitation of an exit by any current or future holder of Equity Shares (**"Permissible Securities"**) through the issue of Depositary Receipts (**"DRs"**), and a transfer of Permissible Securities by any current or future holder of a Permissible Security to a foreign depository for the purpose of issue of DRs, pursuant to a sponsored depository receipt programme to the extent permitted under applicable laws, through transactions permitted under applicable law (including without limitation on a recognised stock exchange, in bilateral transactions or by tendering through a public platform), where such DRs may be issued by the foreign depository and offered and sold in one or more transactions by way of a private placement, public offering or in any other manner prevalent and permitted in a permissible jurisdiction under applicable law, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws.

RESOLVED FURTHER THAT in case of an allotment of Securities by way of a FPO in terms of Chapter IV of the ICDR Regulations and other applicable laws:

(i) The Company may determine the price of Equity Shares, and in case of convertible securities, the coupon rate and conversion price in consultation with the book running lead managers or by way of a book building process, for cash at par or at such premium or discount per Equity Share as allowed under the applicable laws, to such category of persons as may be permitted or in accordance with the ICDR Regulations or other applicable laws, if any, as may be prevailing at that time and in such manner as may be determined by the Board in consultation with the book running lead managers and / or underwriters and / or the stabilising agent and / or other advisors or such persons appointed for the FPO;

(ii) the Board be and is hereby authorised on behalf of the Company to make available for allocation a portion of the FPO to any category(ies) of persons permitted under applicable laws, including without limitation, eligible employees and promoters of the Company or to provide a discount to the offer price to retail individual bidders or eligible employees; and to take any and all actions in connection with any reservation or discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalise and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing;

(iii) the Equity Shares allotted pursuant to the FPO shall be listed on the Stock Exchanges; and

(iv) the Equity Shares so allotted under the FPO (including any reservation or green shoe option) shall be subject to the provisions of the Memorandum and Articles of Association and rank pari passu in all respects with the existing Equity Shares of the Company including voting rights and rights in respect of dividend, however, in case of any partly paid-up Equity Shares issued pursuant to the FPO, such partly-paid up Equity Shares, shall, upon being fully paid- up, rank pari passu in all respects with the existing Equity Shares of the Company including voting rights and rights, including in respect of dividend.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any Appropriate Authorities including any conditions as may be prescribed in granting such approval or permissions by such Appropriate Authorities, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with the domestic and international practices to provide for the tradability and free transferability thereof as per the applicable laws and prevailing practices and regulations in the capital markets and the Board be and is hereby authorised, in its absolute discretion, in such manner as it may deem fit, to dispose off such of the Securities that are not subscribed, in accordance with the applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities, as described above, the Board and any committee of the Board constituted thereof be and is hereby authorised on behalf of the Company to take all such actions and do all such acts, deeds, actions, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the nature of the issuance, terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and/or international markets and proportion thereof, issue price and discounts permitted under applicable laws, premium amount on issue/ conversion of the Securities, if any, rate of interest, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, appoint /engage book running lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, credit rating agencies, monitoring agency(ies), stabilising agents, and all such agencies as are or may be required to be appointed, involved or concerned as it may deem expedient, seek listing of any or all of such Securities on the Stock Exchanges in India and in case of GDRs or ADRs internationally, enter into and execute arrangements for managing, underwriting, marketing, listing, trading and entering into and executing arrangements with merchant bankers, lead managers, legal advisors, depository, custodian, registrar, stabilising agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate, to open such bank accounts, including escrow accounts, share/ securities accounts, custodian accounts in India or abroad as required, in accordance with applicable law, to seek by making requisite applications as may be required, any approval, consent or waiver from the Company's lenders and/ or any third parties (including industry data providers, customers, suppliers) with whom the Company has entered into various commercial and other agreements, and/or any/all concerned government, statutory and regulatory authorities, and/or any other approvals, consents or waivers that may be required, and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by any Appropriate Authority, and to finalise, approve and issue any document(s) or agreements including but not limited to prospectus and/or letter of offer and/or circular and/or offering circular and/or placement memorandum and/or preliminary placement documents and/or placement document, registration statement and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or Stock Exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise with regard to the issue, offer or allotment of Securities and take all such steps which are incidental and ancillary in this connection, including in relation to utilisation of the issue proceeds, as it may in its absolute discretion, deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of its powers herein conferred by this resolution to any Committee duly authorised by the Board or subject to applicable laws to any one or more director and/or any one or more officers of the Company to give effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

Registered office
Duncan House
31, Netaji Subhas Road,
Kolkata – 700 001
CIN: L74999WB2017PLC219355
E-mail: spencers.secretarial@rpsg.in
Website: www.spencersretail.com
Kolkata, May 10, 2024

By Order of the Board of Directors

Vikash Kumar Agarwal
Company Secretary & Compliance Officer
Membership No. ACS 19583

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013, ("Act") in respect of the Special Business to be transacted at the AGM is annexed hereto. Further, the relevant details with respect to Item No. 2 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM is also annexed.

2. A. Pursuant to the General Circular numbers 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 and other related circulars issued by Ministry of Corporate Affairs (MCA), Government of India from time to time and Circular numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by Securities and Exchange Board of India (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM during the period upto September 30, 2024 through Video Conferencing (VC) / Other Audio Video Means (OAVM).

   B. AGM through VC/OAVM:

      i. Members are requested to join the AGM on Wednesday, August 21, 2024 through VC / OAVM mode latest by 2:45 P.M. IST by clicking on the link https://www.evoting.nsdl.com under members login, where the EVEN (E-Voting Event Number) of the Company will be displayed, by using the remote evoting credentials and following the procedures mentioned later in these Notes. The said process of joining the AGM will commence from 2:00 P.M. IST and will be closed at 3:15 P.M. IST, or, soon thereafter.

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

      iii. Members who would like to express any views, or, during the AGM, ask questions may do so in advance by sending in writing their views or questions in advance, along with their name, DP ID and Client ID number / folio number, email id and mobile number, to Company's email address at spencersagm2024@rpsg.in latest by Wednesday, August 14, 2024, by 5:00 P.M. IST.

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

      v. The Company reserves the right to restrict the number of questions / speakers, as appropriate, for smooth conduct of the AGM.

3. SEBI has mandated 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 14, 2024 to Wednesday, August 21, 2024, both days inclusive.

5. All documents referred to in the Notice are also uploaded on the Company's website and can be accessed at www.spencersretail.com.

6. **Instructions for attending the AGM**

   a) In view of the aforesaid Circulars, this AGM is being conducted through VC / OAVM and physical attendance of the members at this AGM is not required. Hence, Members can attend and participate at the ensuing AGM only through VC / OAVM facility as mentioned in Note 2(A) & (B) above as arranged by the Company along with National Securities Depository Limited (NSDL).

   b) Members may access NSDL e-Voting system by following the steps mentioned above and after successful login, they will be requested to click on VC / OAVM link placed under "Join General Meeting" menu against Company name. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed.

c) 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.

d) 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 at smguptaandco@yahoo.com with a copy marked to evoting@nsdl.com.

e) 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, the Chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

f) In compliance with the Circulars, Notice of the AGM along with the Annual Report for the financial year 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or Central Depository Services Limited ("CDSL") / NSDL ("Depositories"). Members may note that the Notice and Annual Report for the financial year 2023-24 will also be available on the Company's website at http://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. Additionally, Notice of the AGM will also be available at https://www.evoting.nsdl.com.

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

- 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 spencers.secretarial@rpsg.in or to the Registrar and Share Transfer Agent of the Company, Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in or upload the same at https://web.linkintime.co.in/emailreg/emailregister.html.

- 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

h) The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

i) Since AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.

j) 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 NSDL e-voting system at https://www. evoting.nsdl.com.

k) Members who need assistance before or during the AGM with regard to use of technology, can:

- Send a request at evoting@nsdl.com or call on 022-4886-7000

- Contact Ms. Pallavi Mhatre, Senior Manager, NSDL at the designated email ID: evoting@nsdl.com

l) Members are encouraged to join the Meeting through Computers 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.

m) Participants connecting from Mobile Devices or Tablets or through Computers 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.

n) 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 Voting through electronic means:

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), 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 arrangement with NSDL for facilitating e-voting through electronic means, as the authorised 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.

The remote e-voting period begins on Sunday, August 18, 2024 at 9.00 A.M. and ends on Tuesday, August 20, 2024 at 05.00 P.M. The remote e-voting will not be allowed beyond the aforesaid date and the remote e-voting module shall be disabled by NSDL upon expiry of the aforesaid period.

The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date), i.e, Wednesday, August 14, 2024 may cast their vote electronically.

The voting rights of a Member/Beneficial owner (in case of electronic shareholding) shall be in proportion to his/her/its shareholding in the paid up equity capital of the Company as on the cut-off date, being Wednesday, August 14, 2024.

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 for Individual members holding securities in demat mode

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

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

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see E-Voting services under Value added services. Click on **"Access to E-Voting"** under E-Voting services and you will be able to see E-Voting page. Click on company name or **E-Voting service provider i.e. NSDL** and you will be re-directed to E-Voting website of NSDL for casting your vote during the remote E-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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.

NOTICE (Contd.)

Type of Members	Login Method
	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 Members 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 & e-mail 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 Members (holding securities in demat mode) login through theirdepository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for E-Voting facility. Upon logging in, you will be able to see E-Voting option. Click on E-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see E-Voting feature. Click on company name or E-Voting service provider i.e. NSDL and you will be redirected to E-Voting website of NSDL for casting your vote during the remote E-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022-4886-7000.
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for Members other than Individual Members holding securities in demat mode and Member 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.

   a) 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.

   b) 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***

   c) Password details for Members other than Individual Member are given below:

      i. If you are already registered for E-Voting, then you can user your existing password to login and cast your vote.

      ii. 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.

      iii. How to retrieve your 'initial password'?

         i. If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the email sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

         ii. If your e-mail ID is not registered, please follow steps mentioned below in process for those **Members whose e-mail ids are not registered**.

   d) If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

      i. 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.

      ii. **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

      iii. 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.

      iv. Members can also use the OTP (One Time Password) based login for casting the votes on the E-Voting system of NSDL.

3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. After you click on the "Login" button, Home page of E-Voting will open.

Step 2 : Cast your vote electronically on NSDL E-Voting system. How to cast your vote electronically 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.
2. Select "EVEN" of company for which you wish to cast your vote during the remote E-Voting period.
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 Members/Shareholders

1. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to smguptaandco@yahoo.com with a copy marked to evoting@nsdl.com. Institutional Members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney/ Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"E-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the E-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and E-Voting user manual for members available at the download section of www.evoting.nsdl.com or call on 022-4886-7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com.

Process for those members whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for E-Voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of members, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to spencers.secretarial@rpsg.in or to the Registrar and Share Transfer Agent of the Company, Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in or upload the same at https://web.linkintime.co.in/emailreg/emailregister.html.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to spencers.secretarial@rpsg.in. If you are an Individual members holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for E-Voting for Individual members holding securities in demat mode.**
3. Alternatively shareholder / members may send a request to evoting@nsdl.com for procuring user id and password for E-Voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on E-Voting facility provided by Listed Companies, Individual member holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and e-mail ID correctly in their demat account in order to access E-Voting facility.

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.

   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.

2. 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.

3. 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.

Other Instructions:

1. 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 14, 2024.

2. 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.

3. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Wednesday, August 14, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.com.

4. Mr. S.M. Gupta, Practising Company Secretary (Membership No. FCS 896 has been appointed as the Scrutiniser to scrutinise the remote e-Voting process and votes cast through the e-Voting system during the Meeting in a fair and transparent manner.

5. 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.

6. The Results of voting will be declared within two working days from the conclusion of AGM. The declared results along with the Scrutiniser's Report will be available forthwith on the website of the Company www.spencersretail.com and 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 the NSE and BSE Limited.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM

[Pursuant to 36(3) of SEBI Listing Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India]

Item No.2

Mr. Anuj Singh is a Bachelor in Statistics from Delhi University, a Post-Graduate in Management from the Indian Institute of Management Calcutta and an MBA from the London Business School. He brings over two and half decades of leadership experience across leading organisations in India, Middle East & Europe. He spent his formative professional years working across Sales & Marketing roles in the paints, tobacco and beverages categories and then spent over a decade in leadership roles in the Beverages and Food Services industry in Europe and Middle East. He moved back to India in 2017 in a regional leadership role at Nestle. Thereafter, he worked with Walmart India as their Chief Merchandising Officer, and in his immediate past assignment, he was the Country Head for General Mills India.

NOTICE (Contd.)

Name of Director	Mr. Anuj Singh
Director Identification No. (DIN)	09547776 (CEO and Managing Director)
Age	50
Date of first appointment	March 22, 2023
Qualification	Post-Graduate in Management from the Indian Institute of Management Calcutta and an MBA from the London Business School.
Expertise in specific functional areas	As mentioned above in the profile.
List of other directorships held in Listed Entities	NIL
Chairman / Member of the Committees of Board of Directors of the Company	• Corporate Social Responsibility Committee- Member • Risk Management Committee - Member • Stakeholder's Relationship Committee Meeting – Member
Chairman / Member of the committees of board of directors of other Indian public limited companies in which he is a director - **a) Audit Committee** **b) Stakeholders' Relationship Committee**	NIL
Shareholding in the Company (as on March 31, 2024)	NIL
Relationship with other Directors, Managers and KMPs	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 Meeting attended during financial year 2023-24	4 out of 4
Terms and conditions of appointment or re-appointment	In terms of section 152(6) of the Companies Act, 2013, he is liable to retie by rotation at this meeting and being eligible, be and is hereby re-appointed.
Details of remuneration/sitting fees sought to be paid	Mr. Anuj Singh shall be entitled to remuneration as approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time. The details of remuneration paid to Mr. Anuj Singh during financial year 2023-24 have been disclosed in the Corporate Governance Report of the Company.
List of entities from which resigned in the past three years	General Mills Food Products India Private Limited General Mills India Private Limited

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ('ACT')

The following statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice dated May 10, 2024.

Item No.3 – Issuance of Securities upto an aggregate amount of ₹ 300 Crores

The Company is currently engaged in business of Retail and is now exploring different avenues to expand its business through agreements, contacts, acquisitions, joint ventures, other strategic alliances to broad-base the business interests with a special focus on new age businesses, opportunities and possibilities and accordingly the Company needs funds for the aforesaid plans and activities.

Therefore, considering the growth and expansion plans of the Company, investment in future operations and for general corporate purpose and to enhance financial resources, and in this regard, the Board of Directors of your Company explored various options to manage resources more efficiently and decided to raise additional funds aggregating up to ₹ 300 Crores (Rupees Three hundred Crores) by way of issuance of securities, convertible instruments, FCCB, QIP/Preferential Allotment/ GDR including series of Right Issue(s), etc.

This may also help the Company to improve its balance sheet and credit profile which in turn will improve the capability to obtain credit facilities at better terms and overall reduced cost and accordingly the Board at its meeting held on May 10, 2024, had approved the proposal of raising of additional fund aggregating up to ₹ 300 Crores (Rupees Three hundred Crores) or its equivalent, which may be consummated in one or more tranches as may be decided by the Board of Directors or Committee of the Company from time to time, by any of the following methods Qualified Institutions Placement, Private Placement in international markets through Depository Receipts, GDRs etc; Foreign Currency Convertible Bonds; Preferential Issue, Right Issue of Equity Shares, Issue of fully convertible debentures/partly convertible debentures/ non-convertible debentures with warrants, with a right exercisable by the warrant holder to exchange the said warrants with Equity Shares; Preference Shares convertible into Equity Shares and Any other financial instruments or securities convertible into Equity Shares, whether rupee denominated or denominated in foreign currency or a Public Issue or any other methods.

The Board may in their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company. The proposed issue of capital is subject to the approvals of the by the Securities and Exchange Board of India and any other government / regulatory approvals as may be required in this regard.

In case the issue is made through a qualified institutions placement, the pricing of the Securities that may be issued to qualified institutional buyers pursuant to a qualified institutions placement shall be determined by the Board in accordance with the regulations on pricing of securities prescribed under Chapter VI of the ICDR Regulations. The resolution enables the Board to offer such discount as permitted under applicable law on the price determined pursuant to the ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price determined pursuant to the ICDR Regulations (not be less than the average of the weekly high and low of the closing prices of the equity shares quoted on a stock exchange during the two weeks preceding the Relevant Date', less a discount of not more than 5%). Moreover, as per the same regulations, the Company shall not make any subsequent QIP until the expiry of two weeks from the date of the prior QIP made pursuant to one or more special resolutions. The Relevant Date for this purpose would be the date when the Board or a duly authorised Committee of the Board decides to open the qualified institutions placement for subscription, if Equity Shares are issued, or, in case of issuance of convertible securities, the date of the meeting in which the Board decides to open the issue of the convertible securities as provided under Chapter VI of the SEBI ICDR Regulations.

The proceeds from the issuance of Securities may be used as may be decided by the Board of the Company in accordance with applicable Regulations, including but not limited to support growth and expansion, capital expenditure, working capital requirements, payment to vendors, repayment / prepayment of debt, including interest and taxes, as applicable on the aforesaid payments and general corporate purposes.

The relevant date (where applicable) for the purpose of pricing the Securities shall be the date of the meeting in which the Board or any Committee duly authorised by the Board decides to open the issue of such Securities, subsequent to receipt of Members' approval in terms of the applicable laws. For the purposes of clarity: (a) In the event that Securities are issued by way of a QIP, the relevant date for the purpose of pricing of such Securities shall be either the date of the meeting in which the Board decides to open the issue of such Securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as determined by the Board or any Committee duly authorised by the Board; (b) In the event the Securities are proposed to be issued as FCCBs and/or GDRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the FCCB Scheme and/or the GDR Scheme and the other applicable pricing provisions issued by the Ministry of Finance.

In the event of issuance of Securities by way of a QIP, as per the provisions of Chapter VI of the ICDR Regulations, an issue of Securities shall be made at a price not less than the floor price calculated in accordance with Chapter VI of the ICDR Regulations. The Board or any Committee duly authorised by the Board may offer a discount of not more than five percent on such price determined in accordance with the pricing formula provided under the said Chapter, in accordance with the applicable laws. Further, in the event that such issuance of Securities is undertaken by way of a QIP, the allotment of Securities shall be completed within a period of 365 days from passing the Special Resolution by the Members.

In the event of issuance of Securities by way of further public offer as per provisions of Chapter IV of the ICDR Regulations, an issue of Securities shall be made at a price which will be determined through book building process or any other permissible method under the ICDR Regulations as the Board may decide in consultation with book running lead managers. The Securities shall be made available for allocation to all category(ies) of persons as permitted under the applicable laws, including without limitation, eligible employees and promoters of the Company.

Pursuant to Sections 23, 42, 62, 71 of the Companies Act, 2013, Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, including any amendment(s), statutory modification(s) and/ or re-enactment thereof for the time being in force, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of members is required to be obtained by a special resolution for making any further issue of Equity Shares or Securities to any person(s) other than the existing members of the Company.

The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s)/offering(s) will be determined by the Board or its committee at its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

The Equity Shares to be allotted would be listed on one or more stock exchanges in India and in case of GDR internationally. The offer/ issue/ allotment would be subject to the availability of the regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, Section 62(1)(a) of the Act provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further Equity Shares, such further Equity Shares shall be offered to the existing Members of such company in the manner laid down therein unless the Members by way of a special resolution in a General Meeting/ postal ballot decide otherwise. Since, the Special Resolution proposed in the business of the Notice may result in the issue of Equity Shares of the Company to persons other than existing Members of the Company, consent of the Members is also being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors, therefore, recommend the special resolution, as set forth in Item No. 3 of this Notice, for approval by the Members of the Company.

The Directors and Key Managerial Personnel of the Company and relatives thereof may be deemed to be concerned or interested in the passing of resolution to the extent of securities issued/allotted to them or to the companies in which they are directors or members. Save as aforesaid, none of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Registered office
Duncan House
31, Netaji Subhas Road,
Kolkata – 700 001
CIN: L74999WB2017PLC219355
E-mail: spencers.secretarial@rpsg.in
Website: www.spencersretail.com
Kolkata, May 10, 2024

By Order of the Board of Directors

Vikash Kumar Agarwal
Company Secretary & Compliance Officer
Membership No. ACS 19583

BOARD'S REPORT

Dear Members,

The Board of Directors ("Board") takes great pleasure in presenting the Seventh 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, 2024.

FINANCIAL HIGHLIGHTS

In compliance with the provisions of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the Company has prepared its standalone and consolidated financial statements as per Indian Accounting Standards ('Ind AS') for the Financial Year 2023-24. The financial performance for the year ended March 31, 2024 is as follows:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2023-24	**2022-23**	**2023-24**	**2022-23**
Revenue from operations and other Income	2,06,777.32	2,21,015.64	2,37,062.71	2,48,516.15
Earnings before interest expenses, tax, depreciation and amortisation (EBITDA)	9.08	3,434.01	1,395.56	3,615.49
Finance costs	11,934.21	9,070.16	14,799.20	11,521.46
Depreciation and amortisation expense	9,256.96	9,687.32	13,246.91	13,172.84
Profit/(Loss) before tax	(21,182.09)	(15,323.47)	(26,650.55)	(21,078.81)
Tax expenses	-	-	(35.45)	(39.13)
Profit/(Loss) after tax	(21,182.09)	(15,323.47)	(26,615.10)	(21,039.68)
Other comprehensive income /(loss)	79.38	(197.90)	78.14	(199.67)
Total comprehensive loss for the year	(21,102.71)	(15,521.37)	(26,536.96)	(21,239.35)

The financial results and the results of operations, including major developments have been further discussed in detail in the Management Discussion and Analysis Report.

MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with Regulation 34 of the SEBI Listing Regulations, a separate section on the Management Discussion and Analysis, which includes details review of operations, performance and future outlook of the Company, is annexed hereto and forming part of this Report as **Annexure-A**.

DIVIDEND

In view of the accumulated losses, the Board of Directors of the Company do not recommend any dividend for the financial year ended on March 31, 2024.

Dividend Distribution Policy of the Company, as required under the SEBI Listing Regulations has been uploaded on the website of the Company and can be accessed at http://www.spencersretail.com/investor

CORPORATE GOVERNANCE

The Company is committed to focus on long term value creation and protecting stakeholders' interest by applying proper care, skill and diligence to business decisions and adhering to the SEBI Listing Regulations and to follow and implement best practices in Corporate Governance in letter and spirit.

In compliance with Regulation 34 read with Schedule V of the SEBI Listing Regulations, a Report on Corporate Governance for the year under review is annexed as **Annexure-B** alongwith Additional Shareholders Information as **Annexure-C** to this Report.

A certificate from Mr. S.M. Gupta of M/s. S.M. Gupta & Co., Company Secretaries, the Secretarial Auditors of the Company confirming the compliance with the conditions of Corporate Governance, as stipulated under the SEBI Listing Regulations, is annexed to the Corporate Governance report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2024 is available on the website of the Company and can be accessed at http://www.spencersretail.com/investor

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

As a part of succession planning and since Mr. Shashwat Goenka is overseeing business operations of the Company, Dr. Sanjiv Goenka (DIN: 00074796) stepped down from the position of Chairman and Director of the Company with effect from close of business hours on May 22, 2023. Consequently, the Board of Directors at its meeting held on May 22, 2023 has unanimously approved the appointment of Mr. Shashwat Goenka as the Chairman of the Company w.e.f. May 23, 2023.

In terms of the provisions of Section 152 of the Act read with Article 100 of the Articles of Association of the Company, Mr. Anuj Singh (DIN: 09547776), Director of the Company, will retire by rotation at the ensuing AGM and, being eligible, offers himself for re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee (NRC), has recommended his re-appointment.

During the year, Mr. Debanjan Mandal (DIN: 00469622) has been re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five years, from February 11, 2024 to February 10, 2029. The NRC of the Company had evaluated the performance of Mr. Debanjan Mandal and found it to be satisfactory and in view of his performance and based on the recommendation of NRC and Board, members of the Company has approved the said re-appointment on March 10, 2024 through Postal Ballot / E-Voting.

Further, Mr. Rahul Nayak has stepped down from the position of Whole-time Director as well as from the directorship of the Company w.e.f. May 18, 2024 due to his personal reasons and to pursue his career outside the Company. Necessary disclosures as required under Regulation 30 of SEBI Listing Regulations were made to the Stock Exchanges where the shares of the Company are listed in this regard.

In the opinion of the Board, all the directors possess the requisite qualifications, experience and expertise and hold high standards of integrity. All the Independent Directors are exempt from the requirement of passing the proficiency test. The Company has received necessary disclosures/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, Independent Directors of the Company have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

The list of key skills, expertise and core competencies of the Board are provided in the Report on Corporate Governance forming part 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.

Change in Key Managerial Personnel (KMP)

Mr. Neelesh Bothra, Chief Financial Officer of the Company stepped down from the position of Chief Financial Officer and KMP of the Company due to his personal reasons and was relieved from the services w.e.f January 20, 2024 (after the closing of the business hours). Mr. Sandeep Kumar Banka was appointed as the Chief Financial Officer of the Company with effect from April 18, 2024. Necessary disclosures have been filed with the Stock Exchanges, wherein the shares of the Company are listed in this regard.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the year under review, four Board meetings were held, the details of which are given in the Corporate Governance Report which forms part of this Report.

SHARE CAPITAL

During the year under review there has been no change in the authorised, issued, subscribed and paid up equity share capital of the Company.

The equity shares of the Company are continued to be listed on BSE Limited ('BSE') and on National Stock Exchange of India Limited ('NSE'). The Company has paid the requisite listing fees to the Stock Exchanges for the financial year 2024-25.

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 and no such amount of Principal or interest was outstanding as on the date of the Financial Statements.

STATUTORY AUDITORS AND AUDITORS' 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), were appointed as the Statutory Auditors of the Company for a term of five consecutive years at the third Annual General Meeting of the Company.

The Auditors' Report on the Financial Statements of the Company for the year under review does not contain any qualification(s), reservation(s) or adverse remark(s). No fraud has been reported by the Auditors to the Audit Committee of the Company or to the Board. The Notes to Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

The Board had appointed Mr. S.M Gupta of M/s. S. M. Gupta & Co., Company Secretaries, as the Secretarial Auditors of your Company to conduct Secretarial Audit of the Company for the financial year 2023-24.

Secretarial audit of secretarial and related records of the Company were conducted by the aforesaid Secretarial Auditors and a copy of the Secretarial Audit Report is annexed to this Report as **Annexure-D**. Secretarial Audit Report of Natures Basket Limited, the material unlisted subsidiary of the Company, is also attached to the Report as **Annexure-D1**.

None of the above Secretarial Audit Reports contain any qualification(s), reservation(s) or adverse remark(s).

SECRETARIAL STANDARDS

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs, Govt. of India, relating to Meetings of the Board of Directors and General Meeting(s).

RELATED-PARTY TRANSACTIONS

All contracts / arrangements / transactions entered into by the Company with related parties during the financial year were in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. All such contracts or arrangements were executed in the ordinary course of business and at an arm's length basis and pre-approved by the Audit Committee of the Board. During the year, the Company had not entered into any contract / arrangement / transaction with any related party having potential conflict with the interests of the Company and which could be considered materially significant. Hence, the disclosure of Related Party Transactions (RPT) (in Form AOC-2) as required under Section 134(3)(h) of the Act is not applicable to the Company for the financial year 2023-24.

The Policy on materiality of RPT and on dealing with RPT as approved by the Board, is available on the Company's website and can 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, with respect to loans given, investments made and guarantee/comfort provided etc. and details thereof are given in the notes to the financial statements.

COMMITTEES OF THE BOARD

The Board has constituted following statutory Committees according to their respective roles and defined scope:

1) Audit Committee,
2) Nomination and Remuneration Committee,
3) Stakeholders' Relationship Committee,
4) Corporate Social Responsibility Committee
5) Risk Management Committee

Details of the composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance.

The various Committees of the Board focus on specific areas and make informed decisions in accordance with the relevant regulatory requirements and terms of reference.

CODE OF CONDUCT

The Company has adopted a Code of Conduct for its Directors and senior management personnel and the same can be accessed at http://www.spencersretail.com/investor.

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

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Sections 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, 2024, 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 account 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

In order to ensure that the Board and Board Committees are functioning effectively and to comply with the statutory requirements, the annual performance evaluation of the Board, Board Committees and Individual directors were conducted during the year. The evaluation was carried out based on the criterion and framework approved by the NRC. A detailed disclosure on the parameters and the process of Board evaluation as well as the outcome has been provided in the Report on Corporate Governance.

INDEPENDENT DIRECTORS MEETING

The Independent Directors of your Company met on February 1, 2024, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees of the Board and the Board as a whole alongwith the performance of the Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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

The Company recognises the importance of a diverse Board in its success and believe that a truly diverse Board will leverage differences in thought, perspective, industry experience, knowledge and skills including expertise in financial, global business, leadership, technology, and other domains, will ensure that Company retains its competitive advantage.

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, NRC is authorised / empowered for determining qualification, positive attributes and independence of a Director. Additional details on Board diversity are available in the Corporate Governance that forms part of this Report. The NRC is also empowered for recommending to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Company has devised inter-alia the Remuneration Policy and the same can be accessed on the Company's website at https://www.spencersretail.com/investor

RISK MANAGEMENT

Your Board has formed a Risk Management Committee to frame, implement and monitor the risk management plan of the Company. The Committee has been entrusted with the responsibility to assist the Board in a) overseeing, monitor and review the risk management plan and ensuring its effectiveness. b) ensuring that all material Strategic and Commercial including Cybersecurity, Safety and Operations, Compliance, Control and Financial risks have been identified and assessed and c) ensuring that all adequate risk mitigations are in place, to address these risks. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Act and the Rules made thereunder, the Company has formulated a Corporate Social Responsibility Policy, a brief outline of which along with the required disclosures are annexed as **Annexure-E** as a part of this Report. No amount was required to be spent by the Company on CSR activities as per Section 135 of the Act during the financial year as the Company had incurred continuous losses in the past.

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

VIGIL MECHANISM / WHISTLEBLOWER POLICY

Pursuant to the guidelines laid down under Section 177 of the Act, and the Rules made thereunder read with the SEBI Listing Regulations, the Company has a Whistleblower Policy (Vigil Mechanism) in place for reporting any actual or potential concerns pertaining to any instances of irregularity, unethical practice and / or misconduct. 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 any irregularity, unethical practice and/or misconduct. No person has been denied access to the Chairman of the Audit Committee and there was no such reporting during the financial year 2023-24.

The aforesaid CSR Policy has also been uploaded on the Company's website and may be accessed at https://www.spencersretail.com/investor.

ANTI-SEXUAL HARASSMENT POLICY

The Company is committed to provide a safe and conducive work environment to all its employees and associates and has zero tolerance towards sexual harassment at work place. The Company has a policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Adequate workshops and awareness programmes against sexual harassment are conducted across the organisation. The Company has constituted an Internal Committee(s) (ICs) to redress and resolve any complaints arising under the Prevention of Sexual Harassment Act (POSH). Training / awareness programmes are conducted throughout the year to create sensitivity towards ensuring respectable workplace.

Details of complaints received / disposed during the Financial Year 2023-24 are provided in the Report on Corporate Governance. Further there was no complaint pending as on March 31, 2024.

SUBSIDIARIES

As on March 31, 2024, the Company has two wholly-owned subsidiaries, Natures Basket Limited (NBL) and Omnipresent Retail India Private Limited (ORIPL). 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 Independent Director of the Company on the Board of material Subsidiaries is not applicable to NBL.

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is available on the Company's website and can be accessed at https://www.spencersretail.com/investor.

The Company has prepared consolidated financial statements for the Company and its Subsidiaries in the form and manner which is in compliance with the applicable Indian Accounting Standards and the SEBI Listing Regulations and the same has been audited by M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company.

The consolidated financial statements for the financial year 2023-24 forms a part of the Annual Report and shall be laid before the Members of the Company at the ensuing AGM while laying its standalone financial statements. Further, the Auditors Reports of Subsidiaries do not contain any qualifications, remarks or disclaimer. 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 consolidated Financial Statements of the Company.

Furthermore, pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, consolidated Financial Statements along with relevant documents and separate Audited Financial Statements in respect of subsidiaries are available on the website of the Company at https://www.spencersretail.com/investor. Shareholders desirous of obtaining the Audited Financial Statements of the Company's Subsidiaries may obtain by requesting the same.

COST RECORDS

The provisions of Section 148 of the Act pertaining to cost audit and maintenance of cost records are not applicable to the Company.

EMPLOYEE STOCK OPTION

Your Company has formulated Spencer's Retail Limited Employee Stock Option Plan 2019 ('ESOP Scheme') for benefit of its employees as per applicable regulations of Securities and Exchange Board of India (SEBI) as amended from time to time and the said schemes are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, 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.

The Company aims to reward its employees for their continuous hard work, dedication and support through ESOP. The main objective of the ESOP Scheme is to recognise employees who are performing well, a certain minimum opportunity to gain from your Company's performance thereby acting as a retention tool and to attract best talent available in the market.

1,20,000 options have been granted till date under the Employee Stock Option (ESOP), 2019 Scheme and is being implemented through a trust viz. Spencer's Employee Benefit Trust ("Trust") in accordance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and involves the secondary market acquisition of the Company's equity shares by the Trust through the Stock Exchanges.

Details with respect to employee stock options under the ESOP Scheme as on March 31, 2024 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	NIL
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	NIL

A certificate from M/s. S.M Gupta & Co, Secretarial Auditors of the Company, with respect to the implementation of the Company's Employee Stock Option Scheme(s), would be kept at the ensuing Annual General Meeting of the Company for inspection of the Members.

AWARDS AND RECOGNITIONS

The Company has been a proud recipient of numerous awards and recognitions during the financial year 2023-24. The significant ones among them are listed hereunder:

1. Award was given to Spencer's Retail in the Retailers Brand Category recognising its efforts in curating unique and high quality Private Brands fostering Health, driving Innovation and Excellence in the Contract Manufacturing and Private Label sector.
2. "Images Excellence Award for Quick Commerce Execution" under "Coca Cola Golden Spoon Awards 2023".
3. "Modern Trade Partnership Award, 2023" under "Catch Spice Icon".
4. "Global Marketing Excellence Awards" held on November 23, 2023 at Taj Lands End, Mumbai.
5. Direct Marketing campaign of the Year" award under "Global Awards for Retail Excellence" conducted by Asia Retail Congress.

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 on March 31, 2024 and the date of this Board's Report.

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

No significant and material order has been passed by any Regulator(s), Court(s) and Tribunal(s) impacting the going concern status and the Company's operations in future.

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

There are no proceedings, initiated by any Financial Creditor or Operational Creditor or by the Company, under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the financial year 2023-24.

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 FINANCIAL CONTROL (IFC) AND THEIR ADEQUACY

The Company maintains adequate internal control systems, policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguard of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures in all areas of its operations. The services of internal and external auditors are sought from time to time. 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.

The reports and deviations are regularly discussed with the Management 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-F**).

PARTICULARS OF EMPLOYEES

As required under the provisions of Section 197 of the Act and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of the concerned employees forms a part of this Report. However, as per the provisions of Section 136(1) of the Act, the Annual Report and Financial Statements are being sent to all the members of the Company excluding the aforesaid information. The said statement is also available for inspection by the shareholders at the Registered Office of the Company during business hours on working days of the Company. Any member interested in obtaining such particulars may write to the Company Secretary of the Company through email at spencers.secretarial@rpsg.in. The same will be replied by the Company suitably.

None of the employees listed in the said Annexure are related to any Director of the Company.

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, are annexed hereto and forms part of this Report (**Annexure-G**).

INDUSTRIAL RELATIONS

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

INTEGRATED REPORT

The Company has voluntarily provided Integrated Report, which encompasses both financial and non-financial information to enable the Members to take well-informed decisions and have a better understanding of the Company's long-term perspective. The Report also touches upon aspects such as organization's strategy, governance framework, performance and prospects of value creation based on the five forms of capital viz. financial capital, intellectual capital, human capital, social capital and natural capital.

GREEN INITIATIVES

Pursuant to the relevant circulars issued by Ministry of Corporate Affairs (MCA), Government of India and Securities & Exchange Board of India (SEBI), Notice of the Seventh AGM and the Annual Report of the Company for the financial year 2023-24, are being sent to the Members only by email.

The Company supports the 'Green Initiative' undertaken by the MCA, enabling electronic delivery of documents including Annual Report etc. to Members at their e-mail address already registered with the Depository Participants ("DPs") and Registrar and Transfer Agent ("RTA"). Additionally, the Company conducts various meetings by means of electronic mode in order to ensure the reduction of carbon footprint.

In view of the above, shareholders who have not yet registered their email addresses are requested to register the same with their DPs/ the Company's RTA for receiving all communications, including Annual Report, Notices, Circulars etc. from the Company electronically.

ACKNOWLEDGEMENTS

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

On behalf of the Board of Directors

Shashwat Goenka
Chairman
(DIN 03486121)

Place: Kolkata
Date: May 10, 2024

Management Discussion & Analysis

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

Prelude

Spencer's Retail Limited (also referred to as 'Spencer's', 'SRL', or 'The Company'), shines as a paragon of modern retail excellence in India under the illustrious umbrella of the RP - Sanjiv Goenka Group (also referred to as 'RPSG Group'). This vibrant retail powerhouse and its subsidiaries encompass a vast range of economically significant retail segments. These include the ever-dynamic, fast-moving consumer goods (FMCG) segment, a variety of staples, and an eclectic mix of non-food treasures, such as fashion, general merchandise, personal care, home essentials and electronics. The FMCG spectrum offers a delightfully diverse assortment comprising tantalising processed food & beverage, fresh fruits, vegetables, fish, and meat. Spencer's has carved a niche in the hearts of its patrons with its distinct brand persona. Its vast retail stores comprise exquisite specialty sections such as Spencer's Gourmet, Patisserie, and an inviting selection of wines and liquors.

In a bold stride towards inclusivity and increased diversity, Spencer's has introduced Wholesale Bazaar store format designed to cater the Kirana market. This initiative, alongside its wholly owned subsidiary Natures Basket Limited ('Natures Basket' or 'NBL'), positions the Company as a sanctuary for all. Be it the connoisseur of premium gourmet experiences or the aspirational and budget-conscious shopper; all customers find something that fits their needs.

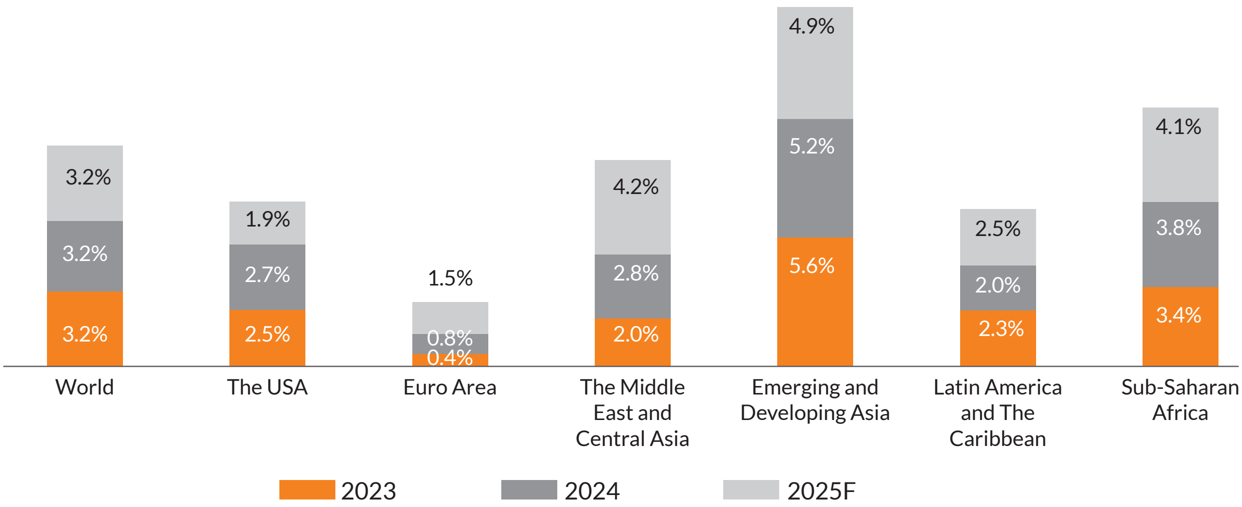
SRL has embraced the digital era with grace through its e-commerce arm, Omnipresent Retail India Private Limited (ORIPL), which seamlessly weaves the digital with the physical. The Company offers an OMNI-Channel experience that ensures impeccable customer service irrespective of whether customers are shopping online or in-store. In the process, Spencer's seamlessly blends heritage and forward-thinking. This approach shows the Company's dedication to nurturing comprehensive and vibrant development in the retail industry, extending a warm welcome to all customers coming into its fold.

Global Economy

The global economy exhibited remarkable resilience in CY2023, rebounding from the persistent effects of the Covid-19 pandemic despite prevailing geopolitical tensions and cost-of-living challenges. Inflation, which peaked in 2022, is currently receding faster than expected, resulting in a milder impact on employment and economic activity. This positive trend can be credited to favourable supply-side developments and proactive measures by central banks to stabilise inflation expectations.

Global growth, which was at 3.2% in 2023, is projected to maintain the same growth rate in 2024 and in 2025. Driving this growth will be the resilience of the US and key emerging markets and effective fiscal support from China. For advanced economies, the growth rate is forecasted to rise slightly from 1.6% in 2023 to 1.7% in 2024 before rebounding to 1.8% in 2025, primarily driven by the recovery of the Euro Zone. Emerging markets and developing economies are expected to witness stable growth at 4.2% during 2024 and 2025.

Regional Economic Growth (in %)



(Source: https://www.imf.org/en/Blogs/Articles/2024/04/16/global-economy-remains-resilient-despite-uneven-growth-challenges-ahead)
F stands for Forecast

Outlook

The global economic scenario faces balanced risks, accompanied by persistent uncertainties. Geopolitical tensions, exemplified by conflicts in Ukraine and Gaza, pose the threat of price spikes, potentially heightening interest rate expectations and weakening asset values. Moreover, the varied rates of disinflation among major economies may induce currency fluctuations, thereby impacting financial sectors. The confluence of high interest rates, household debt levels, and fixed-rate mortgage adjustments could strain financial stability.

In China, economic growth is at risk owing to the lack of comprehensive solutions for the country's property sector issues, which could also affect its trading partners. The high levels of Government debt in several economies could necessitate disruptive fiscal adjustments, eroding investor confidence and impeding climate change mitigation efforts. Geo-economic fragmentation may further impede supply-side dynamics. Conversely, the loosening of fiscal policies could transiently boost economic activity but might require more significant adjustments later on. Unexpectedly, the rapid decline in inflation, driven by increased participation from the labour force, could lead central banks to consider easing policies sooner. Advances in artificial intelligence and structural reforms hold the potential to enhance productivity.

Central banks are likely to play a crucial role as the global economy transitions towards a soft landing, necessitating careful management of inflation. Moreover, there is a pressing need for a renewed focus on medium-term fiscal consolidation to rebuild fiscal space for vital investments and ensure debt sustainability. Tailored policy responses, coupled with supply-enhancing reforms, are vital for addressing inflation, reducing debt levels, fostering higher growth rates, and narrowing income disparities. Additionally, multilateral cooperation is essential to address challenges such as geo-economic fragmentation, climate change, and debt restructuring. It would ultimately help foster a sustainable and inclusive economic recovery, promising a brighter future.

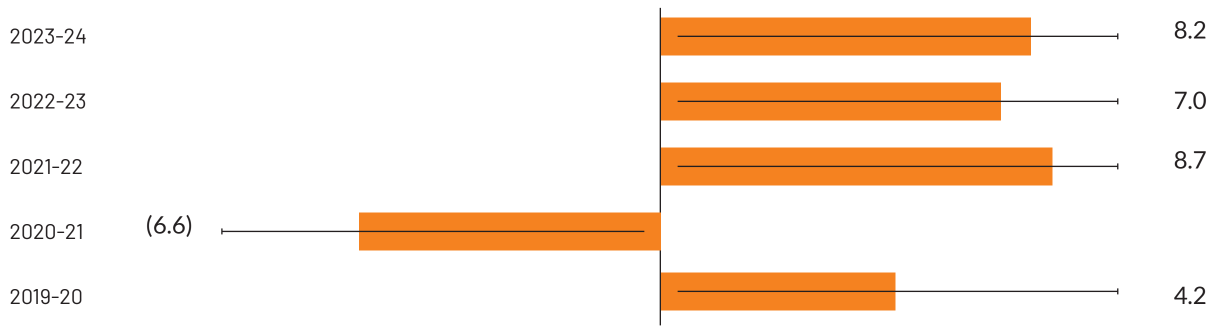
(Source: https://www.imf.org/en/Blogs/Articles/2024/04/16/global-economy-remains-resilient-despite-uneven-growth-challenges-ahead)

Indian Economy

India's economy has shown remarkable resilience and sustained growth over the past three years, defying global economic challenges. This remarkable trajectory has been supported by a combination of stringent policy and regulatory measures, alongside the gradual resurgence of the private sector. The nation is on the cusp of further economic flourishment. The driving forces behind this anticipated growth include substantial investments in emerging sectors, continued government spending, and efficiency gains driven by advancements in digitalisation and infrastructure.

In the current fiscal year, India's economic growth narrative has been one of robust expansion, achieving an impressive 8.2% growth rate and surpassing prior forecasts. However, the next fiscal year's GDP growth is expected to moderate to 7.2%, signalling the need for cautionary measures. This anticipated slowdown is due to the impact of elevated interest rates and a constrained fiscal policy aimed at reducing the deficit to 5.1% of the GDP. Despite these headwinds, the Indian economy remains vibrant, which is underpinned by several factors. These include strengthening consumer purchasing power through disinflation, anticipated robust agricultural outputs, and a revitalisation in private capital expenditure. Furthermore, Governmental initiatives aimed at bolstering rural incomes and enhancing infrastructure spending will likely further solidify India's status as the fastest-growing major economy.

Indian Economy GDP Growth Rate (in %)



Outlook

As we peer into the horizon, India is primed for a decade of dynamic and transformative growth. Between the fiscal years 2025 and 2031, the Indian economy is anticipated to near the US$ 7 Trillion mark, which is likely to position the country as the world's third-largest economy. This ambitious journey transcends mere economic achievements; it signifies a leap in enhancing the quality of life for the country's citizens. In fact, it is likely to result in a surge in per capita income, transitioning India into the upper-middle income strata.

This growth will be powered by capital and productivity enhancements, achieved through a holistic integration of digital and physical connectivity. India is poised to excel in both the manufacturing and services sectors, leveraging the combined strength of competitiveness, effective investments, policy incentives, and a commitment to the green transition. Specifically, the manufacturing sector is anticipated to experience a revival. It will benefit from global opportunities, domestic policy support, and the imperative to transition to green energy.

The years ahead promise robust annual capital expenditure growth of 9-11%, driven by a synergistic mix of industrial and infrastructure development. This momentum is buoyed by factors such as the sound financial health of Indian corporates, consistent revenue growth, and an optimistic commodity price outlook. Additionally, emerging sectors, including electric vehicles, semiconductors, and electronics, are set to receive significant investments. All these developments are likely to play a critical role in redefining India's industrial landscape.

The industrial renaissance is central to the Government's Production Linked Incentive (PLI) scheme. Offering incentives across 14 sectors totalling ₹ 1.82 Lakh Crores, this scheme aims to elevate India's manufacturing capabilities on the global stage. Furthermore, a robust banking sector and innovative financing avenues are likely to make India well-equipped. This possible development is expected to ensure a vibrant inflow of capital, especially into burgeoning sectors.

Navigating the intricacies of global geopolitics, economic disparities, and environmental challenges, India's economic journey has been fortified by three primary developmental trends. These include domestic reforms, competitive advancements on a global scale, and a dedication to value-added growth.

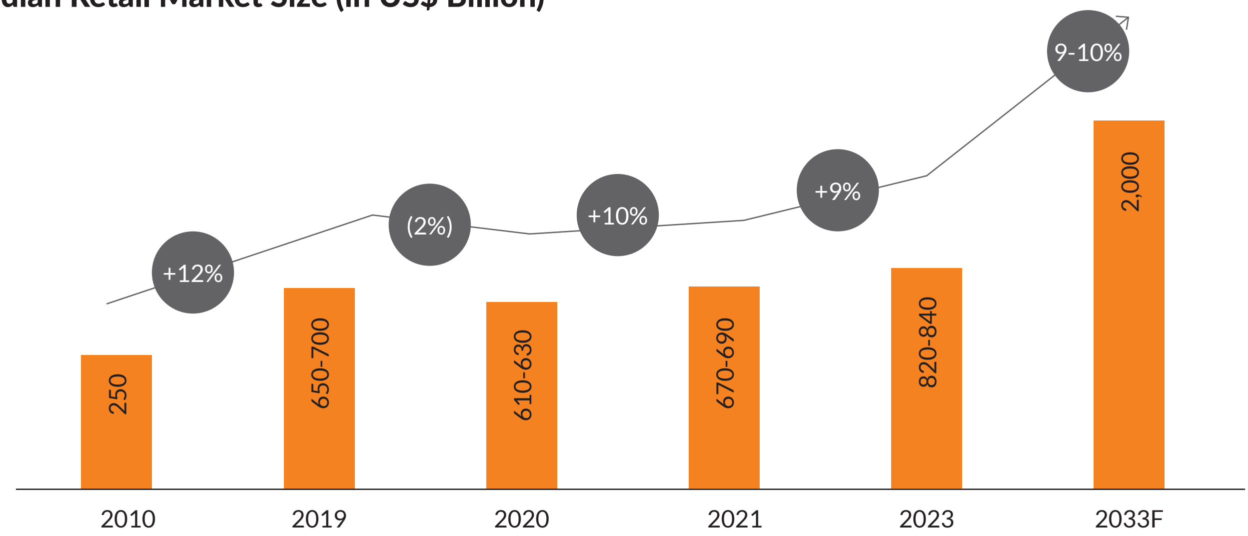
(Source: https://www.crisil.com/en/home/our-analysis/reports/2024/03/india-outlook-2024-report/growth-marathon.html)

Indian Retail Industry

India's retail industry is witnessing a significant transformation due to evolving consumer preferences and advancements on the digital forefront. With recent challenges, such as a sales slowdown and a shift towards experience-driven spending, the sector remains robust, contributing around 10% to the country's GDP. According to the Household Consumption expenditure survey, Indians spend less on staples and more on discretionary items and durables. This trend in consumer behaviour signals a significant move towards premiumisation of consumer products. Notably, this shift presents both challenges and opportunities for retailers.

Retailers are adopting OMNI-Channel strategies, blending online and offline channels for a seamless shopping experience. Traditional retailers are enhancing their digital presence, while e-commerce players are exploring brick-and-mortar stores. Government initiatives like Make in India and Digital India are influencing the retail sector by promoting domestic manufacturing and enhancing digital infrastructure.

Indian Retail Market Size (in US$ Billion)



(Source: https://economictimes.indiatimes.com/industry/services/retail/the-experience-turn-a-good-news-and-a-bad-news-for-indian-retailers/articleshow/108202584.cms?from=mdr)
F stands as Forecast

Outlook

The Indian retail market is poised for significant growth, projected to reach US$ 2 Trillion over the next decade. This expansion is driven by steady disposable income growth, increased urbanisation, and a growing demand for luxury and premium brands. Retailers are focussed on driving growth and profitability by offering superior-quality products, enhancing consumer experiences, and catering to a wider audience. Meanwhile, there have been challenges posed by the shift towards experience-oriented spending and increased savings. However, the industry is expected to leverage these trends to its advantage, unlocking new revenue streams and creating lasting value for consumers.

(Source: https://www.thehindubusinessline.com/economy/indian-retail-has-the-potential-to-reach-2-trillion-in-the-next-decade/article67896350.ece
https://economictimes.indiatimes.com/industry/services/retail/the-experience-turn-a-good-news-and-a-bad-news-for-indian-retailers/articleshow/108202584.cms?from=mdr)

Spencer’s Approach

Spencer’s has 79% of its total sales stemming from large format stores and the remaining 21% originating from small format stores, including Natures Basket. OMNI-Channel business approach is likely to generate significant growth for the Company. In fact, such a strategy is becoming increasingly relevant with evolving consumer behaviours. There is an increasing preference for a blend of online and offline shopping experiences. The shift towards digital platforms has been rapid, with the Company responding swiftly by enhancing its digital infrastructure to cater to the growing demand for doorstep delivery services.

Spencer’s adept digital team has been instrumental in boosting online sales through an intuitive mobile app and user-friendly website. Such strategies have helped provide a smooth shopping experience for its customers. The Company’s commitment to an OMNI-Channel strategy is evident in its efforts to integrate digital channels with its physical stores, alongside offering phone ordering services to broaden its out-of-store sales channels. This strategic blend of the Company’s online presence and brick-and-mortar locations showcases Spencer’s commitment to meeting the evolving needs of its customers. Natures Basket has launched ‘Artisan Pantry’, a novel format aimed at redefining luxury grocery shopping in India. This holistic approach has enabled Spencer’s to navigate challenges successfully in 2023-24.

Indian Retail Industry: Opportunities & Challenges

The retail landscape in 2024 is likely to undergo a remarkable transformation driven by technological advancements. Retailers are leveraging innovative tools such as AI, machine learning, and cloud systems to streamline operations and enhance customer experiences. Deloitte India has predicted that the online retail market could reach US$ 325 Billion by 2030, driven by the digitalisation momentum in smaller cities and rural areas. With diversifying consumer demand, efficient supply chain management is becoming more crucial to meet evolving customer needs.

Opportunities

Embracing the OMNI-Channel Model

The integration of online and offline channels presents a promising opportunity for retailers. By catering to consumers who prefer both physical stores and online platforms, retailers can offer a seamless shopping experience, thereby enhancing customer engagement and satisfaction.

Spencer's Take

Spencer's is strengthening its position as a fully-integrated 'OMNI-Channel' retailer. The Company has adopted a hyper-local strategy, directly communicating with clients and providing contactless delivery through its 'Out-of-Store' channels. Spencer's is also expanding into new markets, and servicing other locations to capitalise on e-commerce opportunities.

The Evolution of Consumer Behaviour

With consumers seeking value, convenience, and quality above all, consumer behaviour has undergone a significant shift. They expect a unified brand experience across all channels, leading to a multi-dimensional consumer journey that demands consistency and integration.

Spencer's Take

Spencer's is adapting to dynamic consumer preferences with differentiated offerings and private brands. The Company provides an efficient in-store experience with well-lit stores, a standardised store design, and pricing competitiveness. These efforts help ensure higher cross-selling and exceptional offers.

Leveraging Quick-Commerce Growth

The Quick-Commerce (QC) market in India has experienced rapid growth, driven by the increasing requirement for on-demand delivery services. This growth is supported by India's growing middle class, rising disposable income, and Government initiatives for digitalisation.

Spencer's Take

Spencer's is currently offering Express Delivery services from the nearest store to the doorstep. Spencer's operates under both Slotted delivery & Express delivery as per customer's convenience. Spencer's proposition is not just to deliver within minutes but to offer consumers a choice of products that can be delivered on time.

Adopting Advanced Technology

Embracing technologies such as AI, IoT, and analytics can enhance operational efficiency, personalise customer experiences, and optimise inventory management. Such investments in technology can position retailers among forward-thinking industry leaders.

Spencer's Take

Spencer's leverages advanced technology to offer personalised shopping experiences to its customers. Through its digital platform and CRM tools, the Company provides customised basket options and efficient customer service through call centres and online channels. Additionally, the Company harnesses technology in order to manage its replenishment of inventory and manage them in the most optimal way.

Contributing to Employment Generation

With the continued growth of the retail sector, job opportunities are continuing to grow across various skill sets. These opportunities, in turn, are fuelling economic growth and addressing the issue of unemployment.

Spencer's Take

Spencer's is providing newer employment opportunities for the community at its new stores/outlets, thereby contributing to economic growth.

Challenges

The Dominance of the Unorganised Sector: Competition from the unorganised sector poses a challenge to organised retail. As such, organised retailers like Spencer's need to utilise the advantages of traditional retailing, such as its low-cost structure and customer familiarity.

Supply Chain Limitations: Inefficient supply chains hinder the flow of goods and lead to increased operational costs. As such, addressing such limitations is crucial for ensuring the availability of quality products and reducing waste. Spencer's focusses on operational excellence to manage these challenges effectively.

Competition: Price wars and promotional schemes make it challenging to retain customers and build loyalty. Spencer's differentiates itself through its product offerings, in-store experiences, and customer service to maintain a competitive edge over other organised retail chains.

Regulatory Framework: Complex regulations in India often pose challenges for retailers. As such, simplifying the regulatory framework can create a more conducive environment for retailers to thrive and innovate. Spencer's navigates these regulations on regular basis to ensure effective compliance and business continuity.

Real Estate Challenges: Finding affordable and prime retail spaces continues to be a major challenge for the sector. By exploring innovative solutions like shared retail spaces and strategic partnerships, Spencer's seeks to overcome these challenges and enhance the overall shopping experience.

Indian Organised Retail Market

The organised retail sector in India has been on a steady growth trajectory for the past few years. It accounted for 18.5% of the total retail market in 2022, a figure predicted to increase to 25% by 2025. This growth can be attributed to several key factors, including the urbanisation rate, which is projected to reach 50% by 2030. Urban consumers with higher disposable incomes are more inclined to shop in organised retail outlets. Additionally, the rapid expansion of the middle class in India presents a significant demographic for organised retailers, further fuelling growth in this retail sector. Apart from this, the booming e-commerce sector offers another avenue for organised retailers to expand their market reach. The supportive stance of the Indian Government is also evident through policies like Foreign Direct Investment (FDI), the introduction of the Goods and Services Tax (GST), and initiatives to improve infrastructure. These initiatives have provided a conducive environment for the growth of the organised retail sector, which is segmented into various categories. Notably, the food and grocery segment is the largest among these, accounting for about 60% of the organised retail market. Other categories include apparel and footwear, consumer electronics, home improvement, jewellery, books, and home appliances, among others.

Outlook

The Indian organised retail sector is headed towards continued growth in the coming years. This trend is likely to be propelled by policy reforms and the ongoing trend of urbanisation. Furthermore, it would be supported by a surge in consumption, leading to higher disposable incomes, a heightened focus on hygiene, changing lifestyles, and the increased adoption of multiple models.

India's vibrant consumer culture is significantly impacted by these powerful factors. In addition, the availability of secure and convenient financial transactions enhances consumer trust and promotes the use of e-commerce platforms and services. As retail activities gradually return to pre-pandemic levels and demand rebounds, numerous international brands in the retail and F&B sectors are showing interest in the Indian retail market. This trend is expected to drive growth further across these sectors in the near future.

(Source: https://www.linkedin.com/pulse/organised-retail-sector-india-parimal-ade#:~:text=The%20organised%20retail%20sector%20in%20India%20is%20dominated%20by%20a,a%20dynamic%20and%20growing%20sector.
https://retail.economictimes.indiatimes.com/files/cp/1294/cdoc-1661333692-ECOM_july_7_5in%20x%208in_Correction.pdf)

Spencer's Approach

Spencer's holds a commanding ~72% of the business segment in India's organised retail market. The Company encompasses a wide array of segments, including Food and Grocery, Apparels, General Merchandise, Consumer Durables, Mobile and IT, Furniture and Household Items, and Footwear. Despite this strong foothold, the grocery industry, with ~5% penetration by modern trade, presents a substantial growth avenue for the Company. By leveraging its expertise, market insights, and diverse product portfolio, Spencer's is well-positioned to capitalise on these opportunities.

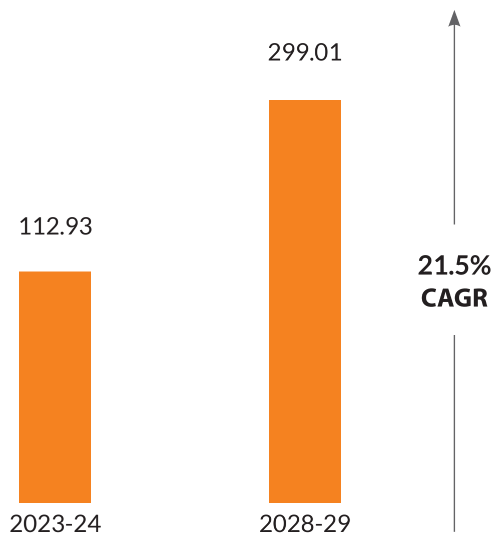
SRL is adept at identifying and adapting to industry trends continuously. To that end, the Company optimises its stores for efficiency, expands its customer base, and initiates new store launches. Committed to a hybrid brick-and-mortar store model and an OMNI-Channel distribution strategy, Spencer's takes strategic steps geared towards further market expansion and enhancing customer engagement.

Indian E-Commerce Market

The Indian e-commerce market is on the path towards achieving remarkable growth, projected to expand from US$ 112.93 Billion in 2024 to US$ 299.01 Billion by 2029. This growth translates to a noteworthy CAGR of 21.5%.

The surge in growth is expected to be fuelled by rapid urbanisation, increased internet and smartphone penetration, and favourable government policies. The diverse range of schemes implemented include 100% FDI in B2B e-commerce and digitalisation initiatives like the Digital India campaign to bolster the sector. Such changes have not only streamlined business operations by reducing the necessity for physical infrastructures but also significantly enhanced market reach and efficiency. The Government's support through policies and the introduction of platforms such as the Open Network for Digital Commerce underscores a clear strategy to transition India into a leading digital economy. The bigger aim behind these steps is to democratise the e-commerce landscape and foster equitable growth among online and offline retailers.

Indian E-Commerce Industry Size
(US$ in Billion)



Outlook

The Indian e-commerce market reflects a bright outlook, driven by an expanding internet user base expected to reach 220 Million online shoppers by 2025. Furthermore, it is likely to be influenced by an increase in e-commerce penetration across various retail segments. Despite the potential for anti-competitive behaviour in this rapidly evolving digital marketplace, the overall sentiment remains positive. The Covid-19 pandemic significantly accelerated e-commerce adoption for traditional shoppers. It has converted them into online consumers, and introduced a plethora of small businesses to digital platforms. This shift is not merely a temporary response to the Covid-19 pandemic's constraints but marks a fundamental change in consumer behaviour and business models. The observed changes suggest that the Indian e-commerce sector will continue to experience sustained growth and innovation in the coming years.

(Source: https://www.mordorintelligence.com/industry-reports/india-ecommerce-market)

Spencer's Approach

Spencer's started its journey as an 'OMNI-Channel' player, serving clients through its shops, e-commerce websites, and mobile application. Over the years, the Company has improved its online platform to provide seamless customer service delivery. Capitalising on the boost in opportunities during the Covid-19 pandemic, Spencer's started pushing its efforts towards its e-commerce subsidiary, ORIPL. In 2023-24, ORIPL was marginally positive in its Operating Profit with a Gross Merchandise Value (GMV) of ₹ 312.83 Crores.

Shifting Dynamics in Indian E-Commerce

The landscape of e-commerce in India is experiencing nuanced shifts in consumer behaviour. These changes are particularly associated with purchasing patterns across various product categories. Here's a breakdown of the trends observed:

E-Commerce Penetration and Consumer Preferences

Big-Ticket Items

There's a notable plateau in e-commerce penetration for large electronics and mobiles, with over 70% of surveyed participants already shopping for these items online. However, despite their high current penetration levels, a reluctance to increase online wallet share for these categories is also evident.

Long-Tail Products

Conversely, categories like food, grocery, and home merchandise reflect a different trend. Despite having similar penetration levels to mobiles and large electronics, consumers are more inclined to increase their online wallet share for these items. The convenience of accessing a wide range of products on a single platform seems to be a significant driver behind this trend.

Platform Loyalty and Consumer Behaviour

Platform Favourites

Indian consumers clearly prefer specific platforms, depending on the product category. This preference is so strong that many don't bother comparing prices across platforms, challenging the stereotype of Indian consumers as predominantly value seekers.

Rising Platform and Delivery Fees

As India's e-commerce market matures gradually, retailers are increasingly leaning towards increasing platform and delivery fees. This shift is partly due to the monopolistic or oligopolistic positions of certain platforms. While consumers are aware of these rising costs, the convenience factor and the lack of alternatives have led to a reluctant acceptance.

Market Dynamics and Profitability

Consolidation and Oligopoly

The e-commerce market is increasingly dominated by a few key players in each category, leading to oligopolistic market dynamics. Due to this consolidation, certain platforms have enhanced profitability by raising fees, reducing discounts, and sometimes compromising user satisfaction.

Consumer Adaptation

Despite grievances regarding increased fees and reduced discounts, consumers continue to prefer these platforms as they have gotten into the habit and enjoy the convenience offered. There's a noteworthy shift in the market dynamics in favour of incumbents, who are trying to optimise bottom lines but putting consumer experience at stake.

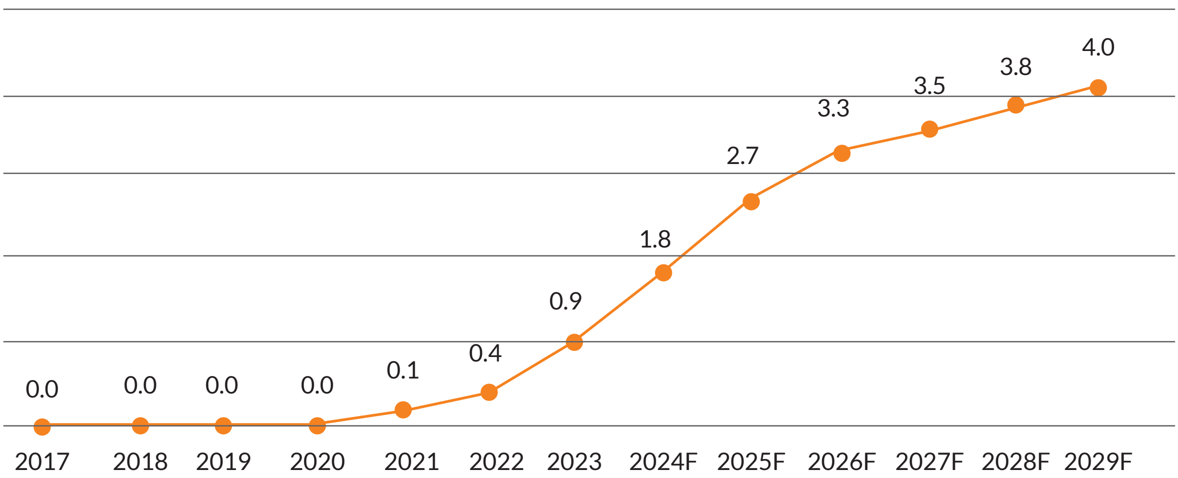
Spencer's Approach

There are enough loyal customers of Spencer's and they resonate with the overall brand proposition. Spencer's caters to both set of customers who wants to purchase from the physical stores and experience the overall shopping environment. Also, Spencer's wants to cater to the quick need of the customers by providing them with a wide range of assortments delivered at their doorstep timely.

Indian Quick-Commerce Market

India's retail market is predominantly unorganised, with around 80% falling under this category. Thus, brands face the challenge of fully understanding consumer behaviour once their products leave the distributor's network. Quick-Commerce platforms offer a digital alternative to traditional Kiranas. These platforms allow companies to leverage data analytics to gain insights into consumption patterns and address gaps in their understanding. As a result, FMCG brands are not only at an advantage but also enable direct-to-consumer (D2C) companies to target specific consumer segments or geographical areas more effectively. D2C platforms have proven lucrative for brands, as they can yield high returns on investment (RoI) from advertising.

Quick-Commerce Penetration Rate in India (in %)



(Source: https://www.statista.com/outlook/emo/online-food-delivery/grocery-delivery/quick-commerce/india#users)
F stands for Forecast

Expanding Quick-Commerce Categories: Quick-Commerce categories are gradually diversifying beyond fresh products, with key players leveraging evolved planning models that offer more data. Replenishment cycles are based on a safety stock setup at a geo-location level. For instance, in Beauty and Personal Care, users are comfortable shopping for cosmetic and grooming products like kajals. On the other hand, when it comes to electronics and allied products, consumers readily order items like phone holders and chargers. This is because faster delivery offsets the discounts offered by horizontal e-commerce platforms.

Balancing Stickiness and Margins with Category Mix: Experts suggest that launching a private label is beneficial only for product categories that don't offer high take rates. Large FMCG brands have realised the potential of Quick-Commerce and are now focussing on targeted campaigns, search optimisation, and more effective ad management. However, achieving the right assortment mix remains crucial for retaining consumers on a platform.

Purchasing Patterns of Different Consumer Set

	Local Kiranas	Supermarkets	Slotted Online Delivery	Quick-Commerce
Key Value Proposition	• Trust & familiarity • Local relevant products • Network	• Discounts • Wide variety • Convenience	• Convenience + discount • Doorstep delivery • SKU variety	• On-demand ordering • Doorstep delivery • Instant delivery
Consumer Set	• Old/loyal base • Housewives	• Households preferring • In-store shopping • Over a monthly cart	• Online shoppers seeking convenience	• Young generation • Internet users • Time savers

Combating User Retention Challenges and Implementing Strategies

Making users try a new platform is not difficult, though converting trials into regular use requires strategic planning. Platforms often offer free deliveries, coupons, and other incentives to attract users. But the key lies in building a journey for consumers to make them transact repeatedly. Providing an assortment of products, ensuring the right pricing, and capturing high-repeat categories are essential for retaining new users.

Moving Towards Positive Unit Economics

Achieving profitability in Quick-Commerce relies on factors like the average order value, margins, and an ideal category mix. As such, companies negotiate with brands that they associate with to improve margins and discounts. Operational efficiencies, such as densification at the store level, can help reduce costs considerably. Some strategies for increasing density and profitability include launching more stores and viewing dark stores as retail outlets.

(Source: Deeper insights on Quick com: Momentum strong in the rapidly evolving space, BofA GLOBAL RESEARCH)

Key Performance Highlights

- Witnessed a 30% Y-o-Y growth for the express delivery proposition for its online business in Kolkata.
- Launched the Express Delivery proposition in Lucknow and Varanasi in February.
- Unveiled Artisan Pantry at Natures Basket, a gourmet haven in Palladium Mall, Mumbai, covering more than 11,000 sq. ft.
- Unveiled Aritsan Pantry at Natures Basket in Kolkata, a luxury grocery format having more than 5,000 sq.ft.
- Added 9 stores during the year, with a trading area of 64k sq. ft., four in Spencer's and five in Natures Basket in their existing geographies.
- Refurbished the entire store in Kolkata's Quest Mall & South City Mall to international standards, enhancing the shopping experience and offerings for customers.

Operational Review

Operational Metrics	2023-24	2022-23
Revenue from Operations (₹ in Crores)	2,345.03	2,452.58
Gross Margin (%)	20.15	20.10
ORIPL (GMV ₹ in Crores)	313	302
ORIPL Operating Profit (₹ in Crores)	0.06	1.25

Financial Review

Financial Metrics	Standalone for the Year Ended March 31		Consolidated for the Year Ended March 31	
	2023-24	2022-23	2023-24	2022-23
Turnover (in ₹ Crores)	2,067.77	2,210.16	2,370.63	2,485.16
Return on Equity (%)	N.A*	(150.48)	N.A*	(139.83)
Net Asset Value per Share (₹)	(12.12)	11.30	(46.14)	(16.69)
Earnings per Share (₹)	(23.50)	(17.00)	(29.53)	(23.34)

**As the net-worth is negative as of March 31, 2023 and March 31, 2024*

Standalone Ratio Shifts

Particulars	2023-24	2022-23	% Change
Interest Coverage Ratio	(1.69)	(1.98)	(15)
Operating Profit Margin (%)	(4.51)	(2.87)	57
Net Profit Margin (%)	(10.34)	(7.03)	47
Earnings per Share (₹)	(23.50)	(17.00)	38
Return on Net Worth (%)	N.A*	(150.48)	N.A*
Debt Equity Ratio	N.A*	4.32	N.A*
Debtors' Turnover (Days)	3.86	3.79	2
Inventory Turnover (Days)	40.18	38.31	5
Current Ratio	0.37	0.43	(14)

**As the net-worth is negative as of March 31, 2023 and March 31, 2024*

Consolidated Ratio Shifts

Particulars	2023-24	2022-23	% Change
Interest Coverage Ratio	(1.79)	(2.42)	(26)
Operating Profit Margin (%)	(5.04)	(3.90)	29
Net Profit Margin (%)	(11.35)	(8.58)	32
Earnings per Share (₹)	(29.53)	(23.34)	27
Return on Net Worth (%)	N.A*	(139.83)	N.A*
Debt Equity Ratio	N.A*	(3.60)	N.A*
Debtors' Turnover (Days)	3.52	3.45	2
Inventory Turnover (Days)	41.39	39.06	6
Current Ratio	0.38	0.42	(9)

**As the net-worth is negative as of March 31, 2023 and March 31, 2024*

Risk Management

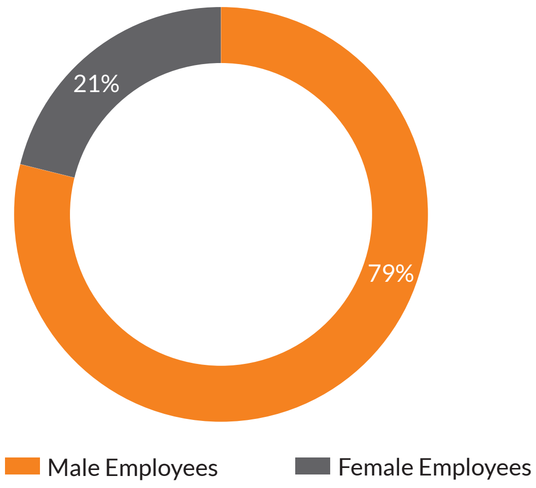
Risk Domains	Briefs	Mitigation Strategies
Inventory Risk	Spencer's faces the risk of customer dissatisfaction and reduced loyalty during times when inventory is unavailable.	• Spencer's store operations and supply chain teams continuously monitor inventory levels to ensure adequate stock availability • The Company conducts flexible inventory procedures to enable real-time reporting • SRL analyses essential data points for inventory level forecasting to promote timely reordering and maintain stock levels
Inflationary Risk	Spencer's business may be affected due to price fluctuations, leading to accumulation of stock and reduced demand.	• Spencer's conducts regular inventory analyses for prompt stock clearance • The Company uses in-store offers, coupons, and customised discounts for quick stock clearance
Competitive Risk	Spencer's faces the risk of intense competition in the retail store chain industry.	• Spencer's ensures brand visibility and differentiation through private brand campaigns and strategic initiatives • SRL applies customer retention and acquisition strategies, such as acquiring Natures Basket for product range expansion and broadening its customer base • The Company offers specialty segments like Spencer's Gourmet, Patisserie, Wine and Liquor, and 'Epicuisine' that offer valuable differentiation
Supply Chain Risk	Spencer's faces the risk of potential losses due to supply-side delays caused by logistical interruptions.	• The Company utilises distribution centres and third-party supply chain management for logistical support • It maintains strong relationships with suppliers to mitigate the risks associated with supply delays
Quality Risk	Spencer's also faces the risk of losing customer trust due to compromised product quality and services.	• Spencer's deploys a trained service team adept at handling customer issues and complaints to ensure speedy and effective redressal • The Company performs regular and stringent quality and safety checks conducted by the quality team to uphold quality standards

Human Capital

Spencer's regards its employees as invaluable assets essential for ensuring seamless business continuity. The Company strongly emphasises striking a balance between personal growth and professional development, providing a safe, conducive, and productive work environment. All in all, SRL holds its skilled and professional management team in high esteem, recognising it as a key driver for the SRL's growth and success.

Talent Pool and Diversity

Spencer's relies on its experienced and talented employee pool to enhance business efficiency, devise prudent strategies, and adapt to evolving industry requirements. The Company also conducts regular skill development and training sessions to improve efficiency and maintain high employee morale. In the foundation of all its endeavours lies, SRL's belief in providing equal opportunities and nurturing diversity in the workplace, while ensuring equitable remuneration for all employees. The Company hires individuals from diverse backgrounds and geographies, demonstrating its commitment to being a non-discriminatory employer that values diversity in the workplace. The Company also hires people with disabilities for roles that align with their working conditions.



Employee Training and Development

Spencer's strongly emphasises employee training and development, offering functional and customer-first training programmes such as 'Pragati 2.0' aimed at preparing employees for customer interaction. Further, the Company provides effective opportunities for career development through initiatives like 'Utthaan'.

Positive Work Environment

Spencer's is dedicated to fostering a positive and healthy work environment for all its employees. To that end, the Company empowers employees in a manner that encourages positive behaviour and enhances performance, ultimately adding value for customers. It also evaluates and recognises top talent through R&R events such as 'Umang' and 'Utsav'. Overall, SRL believes that a motivated and happy workforce, aligned with organisational objectives, can propel the Company to the next level of growth.

Empowering Women Employees

Spencer's focusses significantly on women's empowerment, encouraging female employees to participate in training programmes such as 'Saheli' and 'Naari Shakti' to nurture their growth and development. The Company has proudly opened its first all-women stores in the Eastern & Southern India region. These stores, located at Mahamayatala in Kolkata, are entirely operated and managed by women employees. The stores' teams consist of 8 female employees, including the store operations team, riders, and security staff, who are all dedicated to providing the best shopping experience to customers. This milestone showcases the Company's diverse and inclusive culture, empowering women employees to take on leadership roles and contribute significantly to the business. More than 24% of Spencer's workforce comprises fearless women who effortlessly handle the Company's stores every single day while also managing their homes effectively. Owing to such attributes, these women embody the modern, aspirational woman of India.

Internal Control Systems and their Adequacy

Spencer's has instituted a comprehensive internal control framework to safeguard the Company's interests. This approach aligns with the scale and complexity of its financial reporting and operational data. The Company ensures that all its processes comply with established policies, procedures, and statutory requirements. It has developed well-documented guidelines and procedures for authorisations and approvals, with regular audits in place.

The internal audit system at Spencer's covers all financial and operational controls across divisions, functions, and departments. The team handling these functions regularly reviews the Company's various operations, identifying opportunities for improvement. The Company is committed to conducting business ethically and responsibly through its internal control system. To integrate these values into its operations, the Company conducts regular knowledge-sharing and training sessions for its employees. At the same time, SRL provides e-learning courses to enhance its employees' awareness of the Code of Conduct and other essential policies.

Such a comprehensive approach ensures that employees are well-informed and up-to-date regarding the Company's business affairs. It also enables them to uphold the Company's values and principles in their daily activities.

Cautionary Statement

The statements in the Management Discussion and Analysis section describing Spencer's objectives, projections, estimates, and predictions may be considered forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the Company's growth strategy, 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 achievements may 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 based on any subsequent developments, information, or events. To avoid duplication and repetition, certain information required to be disclosed in the Management Discussion and Analysis has been included in the Board's Report.

REPORT ON CORPORATE GOVERNANCE

(Annexure 'B' to Board's Report)

Corporate Governance is a process of governing a corporate entity through a set of systems, rules, procedures and practices which establishes a valuable relationship of trust with all Stakeholders. Fundamental of Corporate Governance includes transparency, accountability and independence. Such strong fundamental helps in maximising wealth for the Company's Stakeholders. In order to accomplish fair Corporate Governance, the Government of India has put in place a framework based on stipulations contained under the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ('SEBI Listing Regulations'), Accounting Standards and Secretarial Standards etc. The Company considers Stakeholders as partners in its business process.

Spencer's Philosophy on Code of 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 world 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 ('Board') from the executive management team and constitution of the committees of the Board of Directors has been carried out as required under the applicable laws. A robust Corporate Governance framework has been implemented across the organisation 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 organisation emphasises 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 Regulations pertaining to corporate governance, including the appointment of the Independent Directors and constitution of Committees of the Board. The Board of Directors functions either independently or through various committees constituted to oversee specific operational areas. The Company's management provides the Board of Directors with detailed reports on a periodic basis. The Company continuously endeavors 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 the Stakeholders. As such, the Company has established a fair, transparent and ethical governance practices.

The Equity shares of the Company are listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). A report on the Company's compliance with the Corporate Governance provisions as prescribed under 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, reflects the status of Compliance of Corporate Governance norms of the SEBI Listing Regulations by the Company for the year ended March 31, 2024.

BOARD OF DIRECTORS

COMPOSITION AND ATTENDANCE

The Board of Directors is the apex body constituted by the shareholders for overseeing the Company's overall functioning. The Board provides strategic direction and leadership and oversees the management policies and their effectiveness looking at long-term interests of shareholders and other stakeholders. The Board, inter alia, reviews and guides corporate strategy, major plans of action, risk policy, annual budgets, acquisitions and divestments. It also monitors implementation and effectiveness of governance structures.

The Company believes that an active, well-informed and Independent Board is an important facet of responsible behavior which 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, 2024, the Board comprises of seven Directors. The Board is headed by a Non-Executive Non-Independent Chairman. The Company is having five Non-Executive Directors out of which four are Independent Directors, including a Woman Independent Director. Further, there are two Executive Directors designated as a) Chief Executive Officer & Managing Director and b) Whole-time Director respectively . 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.

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

The Details of other Directorship / Chairmanships / membership of Committee 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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Table 1: Composition of the Board of Directors as on March 31, 2024.

Name of the Directors	Category	No. of other Directorships and Committee Membership / Chairmanships in other Indian Public Companies			Attendance Particulars		
		Director (Note - 1)	Member*1 (Note - 2)	Chairman (Note - 2)	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at last AGM
Mr. Shashwat Goenka	Chairman and Non-Executive Director	6	3	1	4	4	Yes
Mr. Utsav Parekh	Non-Executive, Independent Director	8	7	3	4	3	Yes
Mr. Pratip Chaudhari	Non-Executive, Independent Director	4	4	0	4	3	Yes
Ms. Rekha Sethi	Non-Executive, Independent Director	5	3	0	4	4	Yes
Mr. Debanjan Mandal	Non-Executive, Independent Director	8	5	1	4	3	No
Mr. Anuj Singh	CEO and Managing Director	-	-	-	4	4	Yes
Mr. Rahul Nayak**	Whole-time Director	-	-	-	4	4	Yes

* Members include Chairmanship.

** Mr. Rahul Nayak has stepped down from the position of Whole-time Director of the Company and also as Director of the Company with effect from May 18, 2024 due to his personal reasons.

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 are related to each other.
4. The details of the familiarisation programme for Independent Directors is disclosed on the Company's website at http://www.spencersretail.com/investor.
5. The Company has in place, plans for orderly succession for appointment to the Board of Directors and Senior Management.
6. The Independent Directors have confirmed that they meet the criteria of independence under Section 149(6) of the Act and the SEBI Listing Regulations. The Board is of the opinion that the Independent Directors fulfill the conditions prescribed under Regulations 16(1)(b) & 25(8) of SEBI Listing Regulations and are independent of 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 is 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. The Company has proper systems to enable the Board of Directors to periodically review the compliance reports of all laws applicable to the Company.
8. The Chairman of the Company is a Non-Executive Director and is not related to CEO & Managing Director and Whole-time Director of the Company.

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

Name of the Directors	Directorship in other Listed Entities	Category
Mr. Shashwat Goenka	a) CESC Limited	Non-Executive / Non-Independent Director
	b) Firstsource Solutions Limited	
	c) PCBL Limited	
	d) RPSG Ventures Limited	
Mr. Utsav Parekh	a) Eveready Industries India Limited	Non-Executive / Non-Independent Director
	b) Firstsource Solutions Limited	Non-Executive / Independent Director
	c) Jay Shree Tea and Industries Limited	
	d) SMIFS Capital Markets Limited	Chairman / Non-Executive / Non-Independent Director
	e) Texmaco Rail & Engineering Limited	Non-Executive / Independent Director
	f) Xpro India Limited	
Mr. Pratip Chaudhuri	a) CESC Limited	Non-Executive / Independent Director
	b) Cosmo First Limited	Non-Executive / Non-Independent Director
	c) Firstsource Solutions Limited	Non-Executive / Independent Director
Ms. Rekha Sethi	a) CESC Limited	Non-Executive / Independent Director
	b) Kirloskar Brothers Limited	
	c) Samvardhana Motherson International Limited	
	d) Firstsource Solutions Limited	
Mr. Debanjan Mandal	a) Apeejay Surrendra Park Hotels Limited	Non-Executive / Independent Director
	b) Century Plyboards (India) Limited	
	c) CESC Limited	
	d) Industrial and Prudential Investment Company Limited	
	e) Titagarh Rail Systems Limited	
Mr. Anuj Singh	-	-
Mr. Rahul Nayak*	-	-

* Mr. Rahul Nayak has stepped down from the position of Whole-time Director of the Company and also as Director of the Company with effect from May 18, 2024 due to his personal reasons.

SKILLS / EXPERTISE / COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS

As required under the SEBI Listing Regulations, the list of core skills / expertise / competencies as identified by the Board of Directors 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 / Regulatory / Technical and Legal	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.

Definitions of skills/expertise/competencies

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 and Operational Experience	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, 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.
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, Environment, Social and Governance (ESG)	Experience in leading the sustainability and ESG visions of organisations, 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, Environment, Social and Governance (ESG)	Risk Expertise
Mr. Shashwat Goenka	√	√	√	√	√	√	√	√
Mr. Utsav Parekh	√	√	√	√	√	√	√	√
Mr. Pratip Chaudhari	√	√	√	√	√	√	√	√
Ms. Rekha Sethi	√	√	√	√	√	√	√	√
Mr. Debanjan Mandal	√	√	√	√	√	√	√	√
Mr. Anuj Singh	√	√	√	√	√	√	√	√
Mr. Rahul Nayak*	√	√	√	√	√	√	√	√

* Mr. Rahul Nayak has stepped down from the position of Whole-time Director of the Company and also as Director of the Company with effect from May 18, 2024 due to his personal reasons.

ROLE OF THE BOARD OF DIRECTORS

The primary role of the Board of Directors ("the Board") to protect and enhance shareholders values through strategic supervisions and to provide leadership to the Company and to deliver shareholders value over the long term. The Board sets the Company's strategic objectives, making sure they align with its values and standards and the desired business culture. The Board have the responsibility of ensuring effective management, implementation of the business strategy, monitor the performance of the Company, its compliance efficacy and the effectiveness of the Company's corporate governance practices. Executive Directors report to the Board and are in charge of running the Company's operations, executing the business strategy in consultation with the Board for achieving annual and long term business goals.

RESPONSIBILITIES OF THE BOARD LEADERSHIP

The Chairman of the Board presides over Board meetings in a manner that encourages participation and information sharing while conducting the meetings toward timely closure and prudent decision-making. As Chairman, he provides leadership, overall direction and guidance to the Board. The Chairman is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Board and it's Committees provide effective governance to the Company. The Chairman takes a lead role in managing the Board and facilitating effective communication among the Directors. He plays a significant role in setting up the governance standards of the Board and ensuring that the Board's decision are aligned to the organisations vision, mission and strategy. He stays up-to-date about the organisation and determines when an issue needs to be brought to the attention of the Board.

BOARD / COMMITTEE MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policies and strategy apart from other regular business matters. The Board / Committee Meetings are pre-scheduled and a tentative calendar of the Board and Committee Meetings circulated to all Directors and invitees well in advance to enable them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business needs, the Board's approval is taken by passing resolution by circulation, for the matters permitted under law, which is noted and confirmed in the subsequent meetings of Board / Committee(s). Business unit heads and Senior Management Personnel make presentations to the Board as and when required. The Board is updated on the discussions held at the Committee Meetings and the recommendations made by various Committees. The agenda of the Board / Committee Meetings is set by the Company Secretary in consultation with the Chairman, MD / CFO and functional heads of the Company. Usually meetings of the Board are held at the Corporate Office of the Company at Kolkata.

In the financial year 2023-24, the Board met 4 (four) times on May 22, 2023, August 10, 2023, November 8, 2023 and February 1, 2024. The Board Meeting is conducted at least once in every quarter to review the quarterly financial results, performance of the Company and other agenda items. Additional meetings are held on need basis. The Company provides facility to the Directors to attend the meetings of the Board and its Committees through Video Conferencing mode and Other Audio Visual Means (OAVM).

The gap between two Board Meetings is well within the maximum time gap of one hundred and twenty days as prescribed under Section 173 of the Act and Regulation 17(2) of the SEBI Listing Regulations respectively or any other statutory extension thereof.

The Company Secretary plays a key role in ensuring that the Board (including committees hereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements, to provide guidance to Directors and to facilitate convening of meetings. The Company Secretary assists the Chairman in management of the Board's administrative activities such as meetings, schedules, agenda, communications and documentation. The Company Secretary interfaces between the management and regulatory authorities for governance matters. The Company's internal guidelines for Board and Committee meetings facilitate decision-making process at its meetings in an informed and efficient manner.

MEETINGS OF INDEPENDENT DIRECTORS

Pursuant to Schedule IV of Companies Act, 2013 and as per Regulation 25(3) of SEBI Listing Regulations, Independent Directors met on February 1, 2024 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

The Board has complete access to all Company related information. The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Chairman of the Board and the Company Secretary determine the agenda for every meeting along with explanatory notes in consultation with the CEO and Managing Director, Whole-time Director and Senior Management. Along with the agenda papers, the Directors are presented with detailed notes including all material information as required under Part A of Schedule II of SEBI Listing Regulations, read with 17(7) of the said regulations with regard to information being place before the Board of Directors. These papers are circulated to the Directors well in advance for their perusal to enable them to take informed decisions at the meeting. The Board periodically reviews compliance reports prepared by the Company regarding all laws applicable to the Company. There has not been any instance of any non-compliance.

The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings.

CODE OF CONDUCT

The Code of Business Conduct and Ethics ('the Code') relating to matters concerning Board members, Senior Management Personnel and their duties and responsibilities have been meticulously followed. All Directors and Senior Management Personnel have affirmed their compliance with the Code for the financial year ended March 31, 2024 in terms of Regulation 26(3) of the SEBI Listing Regulations and a declaration from the CEO and Managing Director to that effect is given at the end of this report. The Code is posted on the Company's website and can be accessed at http://www.spencersretail.com/investor.

COMMITTEES OF THE BOARD

The Board Committees play a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensure expedient resolution of diverse matters. The Board Committees are set up under formal approval of the Board to carry out clearly defined roles as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their actions. The minutes of the proceedings of the meetings of all Committees are placed before the Board for its review and noting purposes.

The Board is responsible for assigning and fixing terms of service of committee members. The Chairman of the Board, in consultation with the Committee Chairperson, determines the frequency and duration of the Committee meetings. The Company's guidelines relating to the Board meetings are applicable to the Committee meetings. The composition and terms of reference of all the Committees are in compliance with the Companies Act, 2013 and the SEBI Listing Regulations, as applicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functioning. The recommendations of the Committees are submitted to the Board for approval. During the year, all recommendations of the Committees were approved by the Board. The quorum for meetings is as prescribed under Companies Act, 2013 and SEBI Listing Regulations and the Articles of Association of the Company.

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

The terms of reference of the Board Committees are governed by relevant law & regulations 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 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, 2024, 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 May 22, 2023, August 10, 2023, November 8, 2023 and February 1, 2024. 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	3
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 Financial Officer and representatives of the Statutory Auditors and Internal Auditors are invited by the Audit Committee at its meetings. The Auditors are heard at the meetings of the Audit Committee when it considers the financial results of the Company and Auditors' 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) Oversight 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) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;

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

(d) Reviewing, with the management, the annual financial statements 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 Companies Act, 2013;

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

(iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

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

(v) Compliance with SEBI listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and

(vii) Qualifications in the draft audit report, if any.

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

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

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

(h) Approving or subsequently modifying transactions of the Company with related parties;

(i) Scrutinising inter-corporate loans and investments;

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

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

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

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

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

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

(q) 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) Reviewing the functioning of the whistle blower mechanism;

(s) Approve the appointment of the Chief Financial Officer of the Company 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) Carrying 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 SEBI 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.

(x) 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, 2024, the Stakeholders Relationship Committee comprises:

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. Rahul Nayak*	Whole Time Director	Member

* Mr. Rahul Nayak has stepped down from the position of Whole-time Director of the Company and also as Director of the Company with effect from May 18, 2024 due to his personal reasons and consequently also ceased to be a member from the Stakeholders Relationship Committee of the Board.

Mr. Anuj Singh has been inducted as a member of the Committee w.e.f. May 19, 2024.

(ii) Meetings:

- The Committee met four times on May 22, 2023, August 10, 2023, November 8, 2023 and February 1, 2024. The attendance record of the Members at the Meeting is given below in Table 4.

Table 4: Attendance Record of Stakeholders Relationship Committee

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Dr. Sanjiv Goenka*	Chairman (Upto May 22, 2023)	Non-Executive Director	4	1
Mr. Shahshwat Goenka	Chairman (From May 23, 2023	Non-Executive Director	4	4
Mr. Utsav Parekh	Member	Non-Executive Independent Director	4	3
Mr. Rahul Nayak**	Member	Whole time Director	4	4

* Dr. Sanjiv Goenka stepped down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board had approved the appointment of Mr. Shashwat Goenka as the Chairman of the Company w.e.f. May 23, 2023 and also as the Chairman of Stakeholders Relationship Committee.

** Mr. Rahul Nayak has stepped down from the position of Whole-time Director of the Company and also as a Director of the Company with effect from May 18, 2024 due to his personal reasons and consequently also ceased to be a member from the Stakeholders Relationship Committee of the Board. Mr. Anuj Singh has been inducted as a member of the Committee w.e.f. May 19, 2024.

Details of the number and nature of complaints received and redressed during the financial year 2023-24 are given in the section titled "Additional Shareholder Information".

- 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.
- The Chairperson of the Stakeholders Relationship Committee, Mr. Shashwat Goenka was present at the 6th Annual General Meeting of the Company held on August 4, 2023 to answer the queries of the shareholders.
- The Company Secretary attends the Stakeholders' Relationship Committee Meetings and acts as the Secretary to the Committee.

(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 com-plaints;

(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;

(d) Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading; and

(e) 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, 2024, 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.	Mr. Shashwat Goenka*	Non-Executive Director	Member
4.	Mr. Debanjan Mandal**	Non-Executive Independent Director	Member

*Dr. Sanjiv Goenka stepped down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board had approved the appointment of Mr. Shashwat Goenka as the Chairman of the Company w.e.f. May 23, 2023 and also inducted as a member of Nomination and Remuneration Committee.

**Mr. Debanjan Mandal has been inducted as a member of the Committee w.e.f. May 9, 2023.

The Company Secretary acts as the Secretary to the Committee.

The committee met three times on May 22, 2023, August 10, 2023, and February 1, 2024. 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	3	2
Mr. Pratip Chaudhuri	Member	Non-Executive Independent Director	3	3
Mr. Shashwat Goenka	Member	Non-Executive Director	3	2
Mr. Debanjan Mandal	Member	Non-Executive Independent Director	3	2
Dr. Sanjiv Goenka*	Member	Non-Executive Director	3	1

*Dr. Sanjiv Goenka stepped down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board had approved the appointment of Mr. Shashwat Goenka as the Chairman of the Company w.e.f. May 23, 2023 and also inducted as a member of Nomination and Remuneration Committee.

(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. The remuneration policy has been uploaded on the website of the Company and can be accessed at http://www.spencersretail.com/investor.

(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.

(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 of the Board, its Committees and Individual Directors :

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board committees, and executive / non-executive /independent directors through peer evaluation, excluding the director being evaluated.

Independent Directors have three key roles – governance, control and guidance. Some of the performance indicators, based on which the independent directors are evaluated, includes:

- The ability to contribute to and monitor our corporate governance practices.
- The ability to contribute by introducing international best practices to address business challenges and risks.
- Active participation in long-term strategic planning.
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities; these include participation in Board and committee meetings.

To improve the effectiveness of the Board and its committees, as well as that of each individual director, a formal and rigorous Board review is internally undertaken on an annual basis. The evaluation process focused on Board dynamics and softer aspects. The process involved independent discussions with all Board members. Further, the evaluation process was based on the affirmation received from the Independent Directors that they met the independence criteria as required under the Act and the SEBI Listing Regulations, 2015.

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

- Attendance and participation in the Meetings.
- Preparedness for the Meetings.
- Understanding of the Company and the external environment in which it operates and contributes to strategic direction.
- Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.
- Engaging with and challenging the management team without being confrontational or obstructionist.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The philosophy of our CSR Policy is as under:

a) To define CSR projects or programs which Company plans to undertake and which fall within the purview of the Companies Act 2013 ("the Act") and Rules made thereunder as amended from time to time;

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

c) Monitoring process of such CSR projects or programs;

(i) Composition :

As on March 31, 2024, the Corporate Social Responsibility Committee comprises:

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. Anuj Singh**	CEO and Managing Director	Member

*Dr. Sanjiv Goenka stepped down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board had approved the appointment of Mr. Shashwat Goenka as the Chairman of the Company w.e.f. May 23, 2023 and also inducted as a member and chairman of Corporate Social Responsibility Committee.

**Mr. Anuj Singh has been inducted as a member of the Committee w.e.f. May 23, 2023.

The Company Secretary acts as the Secretary to the Committee

(ii) Meetings :

The Committee met one time on May 22, 2023.

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	0
Mr. Anuj Singh**	Member	CEO & Managing Director	1	0

* Dr. Sanjiv Goenka stepped down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board had approved the appointment of Mr. Shashwat Goenka as the Chairman of the Company w.e.f. May 23, 2023 and also as Chairman of CSR Committee.

**Mr. Anuj Singh has been inducted as a member of the Committee w.e.f. May 23, 2023.

(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 Companies 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."

The CSR Policy is available on the Company's website at: http://www.spencersretail.com/investor

5. RISK MANAGEMENT COMMITTEE

The Objective of Risk Management Committee 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) prioritise 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 :

As on March 31, 2024, the Risk Management Committee comprises:

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. Rahul Nayak*	Whole-time Director	Member

* Mr. Rahul Nayak has stepped down from the position of Whole-time Director of the Company and also as Director of the Company with effect from May 18, 2024 due to his personal reasons and consequently also ceased to be a member from the Risk Management Committee of the Board. Mr. Anuj Singh has been inducted as a member of the Committee w.e.f. May 19, 2024.

The Company Secretary acts as the Secretary to the Committee.

(ii) Meetings :

The Committee met twice during the financial year on August 10, 2023 and February 1, 2024

The attendance of members is given below in Table 7:-

Table 7: Attendance Record of Risk Management Committee

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Shashwat Goenka	Chairman	Non-Executive Director	2	2
Mr. Utsav Parekh	Member	Non-Executive Independent Director	2	2
Mr. Rahul Nayak*	Member	Whole-time Director	2	2

* Mr. Rahul Nayak has stepped down from the position of Whole-time Director of the Company and also as Director of the Company with effect from May 18, 2024 due to his personal reasons and consequently also ceased to be a member from the Risk Management Committee of the Board. Mr. Anuj Singh has been inducted as a member of the Committee w.e.f. May 19, 2024.

(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 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.

COMMITTEE RECOMMENDATION

There were no instances of any recommendation by the Committees that was not accepted by the Board.

REMUNERATION OF DIRECTORS

The details of remuneration and sitting fees paid to the Directors are given below:-

a) Non-Executive Directors for the year ended March 31, 2024:

Details of Sitting Fees paid to Non-Executive Directors during the Financial Year 2023-24 for the Board and Committee meetings are as follows: Dr. Sanjiv Goenka ₹ 2.50 Lakhs, Mr. Shashwat Goenka, Chairman – ₹ 10.50 Lakhs, Mr. Utsav Parekh – ₹ 8.50 Lakhs, Mr. Pratip Chaudhuri – ₹ 7.00 Lakhs, Ms. Rekha Sethi – ₹ 4.50. Lakhs and Mr. Debanjan Mandal – ₹ 6.00 Lakhs.

Apart from sitting fees, no other payments have been made to the Non-Executive Directors during the year.

b) Executive Directors:

Payment of remuneration to the CEO and Managing Director and Whole-time Director are pursuant to the letter issued as per the terms of employment by the Company and as approved by Board and Shareholders' respectively.

The remuneration structure comprises of salary, variable pay, perquisites and allowances and retirement benefits in the forms of superannuation and gratuity.

Mr. Anuj Singh, CEO and Managing Director of the Company was paid salary and other benefits of ₹ 409.06 Lakhs during the financial year ended March 31, 2024.

Mr. Rahul Nayak, Whole-time Director of the Company was paid salary and other benefits of ₹ 183.80 Lakhs during the financial year ended March 31, 2024.

EQUITY SHARES HELD BY NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2024:

Name	No of equity shares held
Mr. Shashwat Goenka	75,756

As on March 31, 2024, no convertible instruments of the Company were outstanding.

SUBSIDIARY COMPANIES

As on March 31, 2024, Spencer's Retail Limited had two subsidiaries, Omnipresent Retail India Private Limited (ORIPL) and Natures Basket Limited (NBL). The Company is having one material subsidiary in the current financial year i.e., NBL.

The details of material subsidiaries of the Company are given below:

Name of the Subsidiary: Natures Basket Limited

Date of Incorporation: May 29, 2008

Place of Incorporation: Mumbai, Maharashtra

Name of the Statutory Auditor: S.R. Batliboi & Co. LLP

Date of appointment of the Statutory Auditor: August 16, 2021

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 is not applicable to NBL.

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

SENIOR MANAGEMENT

Following persons comprises the Senior Management of the Company during the Financial Year 2023-24: a) Mr. Anuj Singh – CEO & Managing Director b) Mr. Rahul Nayak – Whole-time Director (till May 18, 2024) c) Mr. Neelesh Bothra – CFO (till January 20, 2024) d) Mr. Vikash Kumar Agarwal - CS e) Mr. G.R.Srikanth – ED – Legal f) Mr. Saurabh Bansal - Chief Merchandising Officer.

MANAGEMENT DISCUSSION AND ANALYSIS

This Annual Report has a detailed chapter on Management Discussion and Analysis as **Annexure-A** to the Board's Report.

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 participated in the discussion nor do they voted on such matters.

DISCLOSURE OF ACCOUNTING CONVENTION IN PREPARATION OF FINANCIAL STATEMENTS

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

Fees 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.	131.51
S. R. Batliboi & Co. LLP and Network Firms	Natures Basket Limited	Audit Fees and related services	16.08

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 Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('SEBI PIT Regulations'). 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. The 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

The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the securities 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 securities 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 on 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 and can be accessed 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 the aforesaid Regulations.

STRUCTURED DIGITAL DATABASE FOR PREVENTION OF INSIDER TRADING PRACTICE

In accordance with the SEBI PIT Regulations, as amended, the Company has in place a secure Inside Trading Compliance Tool (maintained in house) and also a structured digital database wherein details of persons with whom UPSI is shared for, on need to know basis and for legitimate business purposes is maintained with time stamping and audit trails to ensure non-tampering of the database.

CREDIT RATINGS

The Company has obtained credit rating during the financial year 2023-24 from CARE Ratings Limited as specifically required by the lender banks. The rating obtained is BBB- ; stable.

OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

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

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

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

DETAILS OF UTILIZATION OF FUNDS

The Company does not have any unutilised fund for reporting in terms of Regulation 32(7A) of SEBI Listing Regulations.

RELATED PARTY TRANSACTIONS

Details of transactions of 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 year 2023-24. There has been no material transaction with any of the related parties which may have potential conflict with the interests of the Company. There have 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 available and can be accessed at http://www.spencersretail.com/investor.

LOANS AND ADVANCES

During the year under review, the Company and its subsidiaries has not given any loans and advances to firms / companies in which Directors of the Company are interested.

ESTABLISHMENT OF VIGIL / WHISTLE BLOWER MECHANISM

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. The Whistle Blower Policy / Vigil Mechanism Policy adopted by the Company is available on the website of the Company at http://www.spencersretail.com/investor

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

Particulars	No. of complaints
Number of complaints pending at the beginning of the financial year	NIL
Number of complaints filed during the financial year	4 (Four)
Number of complaints disposed off during the financial year	4 (Four)
Number of complaints pending as on end of the financial year	NIL

CEO/CFO CERTIFICATION

Certification by CEO and Managing Director (MD) and the Chief Financial Officer (CFO) of the Company on financial reporting and internal controls has been submitted to the Board of Directors in terms of Regulation 17(8) of the SEBI Listing Regulations. They also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations.

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 a request from any Shareholder.

The Company supports the 'Green Initiative' undertaken by the MCA, enabling electronic delivery of documents including Annual Report etc. to shareholders at their e-mail address already registered with the Depository Participants ("DPs") and Registrar and Transfer Agents ("RTA"). Additionally, the Company conducts various meetings by means of electronic mode to the extent possible in order to ensure the reduction of carbon footprint.

In view of the above, shareholders who have not yet registered their email addresses are requested to register the same with their DPs/ the Company's RTA for receiving all communications, including Annual Report, Notices, Circulars etc. from the Company electronically.

GENERAL BODY MEETINGS

The 7th Annual General Meeting of the Company will be held on Wednesday, August 21, 2024 at 3:00 P.M. via video conferencing and other audio visual means.

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
2022-23	August 4, 2023	3:00 P.M.	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")'	Three	1. Re-appointment of Mr. Utsav Parekh (DIN: 00027642) as an Independent Director of the Company. 2. Re-appointment of Mr. Pratip Chaudhuri (DIN: 00915201) as an Independent Director of the Company. 3. Re-appointment of Ms. Rekha Sethi (DIN: 06809515) as an Independent Director of the Company.
2021-22	July 29, 2022	12:30 P.M.	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")'	TWO	1. Re-appointment of Mr. Devendra Chawla as the Chief Executive Officer and Managing Director of the Company. 2. Re-appointment of Mr. Rahul Nayak as a Whole-time Director of the Company.
2020-21	August 18, 2021	12:30 P.M	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	One	Creation of Charge/Security on movable and immovable properties of the Company.

Following Resolutions were passed through Postal Ballot:

a) Two special resolutions were passed through Postal Ballot on May 13, 2023 in connection with appointment of Mr. Anuj Singh as (a) Director (b) CEO and Managing Director of the Company. Both the resolutions were approved with overwhelming majority of 99.99% and 98.53% respectively.

b) Two special resolutions were passed through Postal Ballot on March 10, 2024 in connection with (a) Re-appointment of Mr. Debanjan Mandal (DIN: 00469622) as an Independent Director of the Company and (b) Creation of Charge on the movable and immovable properties of the Company. Both the resolutions were approved with overwhelming majority of 99.98% and 99.97% respectively.

Mr. Pankaj Kumar, Company Secretary was appointed as the scrutiniser for the above Postal Ballot exercise and the Company had availed NSDL platform for e-Voting services in connection with the above.

Relevant details regarding the Postal Ballot were advertised in one English newspaper having nation-wide circulation and in one vernacular language newspaper in the principal vernacular language of the district in which the registered office of the Company is situated.

The Scrutinizer submitted his report to the Chairman after completion of scrutiny of votes cast. Based on the Scrutinizer's Report, the Results of the Postal Ballot was announced for the aforesaid resolutions and was displayed at the Registered Office of the Company and communicated to National Stock Exchange of India Limited and BSE Limited where the Equity Shares of the Company are listed. A copy of the result was also forwarded to National Securities Depository Limited (NSDL) for displaying the same on its website www.evoting.nsdl.com.

The Results of the Postal Ballot along with the Scrutinizer's Report was also placed on the Company's website, www.spencersretail.com. The resolutions, passed by the requisite majority, are deemed to be passed on the last date specified for e-voting.

There was no Extra-Ordinary General Meeting held during the financial year 2023-24.

NON-MANDATORY REQUIREMENTS

The details of compliance of the non-mandatory requirements are listed below.

SHAREHOLDERS RIGHTS

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

AUDIT QUALIFICATIONS

During the financial year 2023-24, there was no audit qualification in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements.

COMPLIANCE

No penalty has been imposed by any stock exchange, SEBI nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market.

DISCRETIONARY REQUIREMENTS

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

a) The Statutory Auditors have issued an unmodified audit opinion on the financial statements of the Company for the year ended March 31, 2024.

b) Separate posts of Chairperson and the CEO & Managing Director are in place.

c) The Internal Auditor directly reports to the Audit Committee for functional matters and presents the internal audit report to the Audit Committee.

d) Details of shareholders' rights in this regards are given in the section 'Communication to Shareholders.

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.

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 2023-24 for all applicable compliances as per SEBI Regulations and Circulars / Guidelines issued thereunder. Accordingly, the Annual Secretarial Compliance Report for the financial year ended March 31, 2024 has been submitted to the Stock Exchanges within the prescribed timeline.

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

The Company has in place D & 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 responsibility 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 and can be accessed at http://www.spencersretail.com/investor.

COMFIRMATION

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

2. The Company has complied with the requirements prescribed under Regulations 17 to 27 and 34(3) read with Schedule V of the SEBI Listing Regulations.

3. 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

Shashwat Goenka
Chairman
(DIN - 03486121)

Kolkata, May 10, 2024

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

TO THE MEMBERS OF

SPENCER'S RETAIL LIMITED

CIN: L74999WB2017PLC219355

1. We have examined the compliance of conditions of corporate governance by Spencer's Retail Limited for the year ended March 31, 2024 as stipulated in Regulation 17 to 27 and 34(3) read with Schedule–V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulation').
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 and based on the Audit conducted by us physically and also by way of electronic mode, 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. 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.

(S. M. Gupta)
Proprietor
S. M. GUPTA & CO.
Company Secretaries
Firm Registration No.: S1993WB816800
Membership No: FCS – 896
CP No.: 2053
Peer Review No: 2464/2022
UDIN: F000896F000339071

Place: Kolkata
Date: May 10, 2024

CERTIFICATION FROM THE CEO AND MANAGING DIRCETOR AND THE CFO

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

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 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, if any;

   (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and, if any;

   (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, if any;

	Anuj Singh	**Sandeep Kumar Banka**
Kolkata, May 10, 2024	CEO and Managing Director	Chief Financial Officer

ADDITIONAL SHAREHOLDERS INFORMATION

(Annexure 'C' to Board's Report)

ANNUAL GENERAL MEETING

Date	:	Wednesday, August 21, 2024
Time	:	3:00 P.M.
Venue	:	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
FINANCIAL CALENDAR	:	April 1 to March 31

For the financial year ended March 31, 2024 results were announced on:

Period	First Quarter	Second Quarter	Third Quarter	Fourth Quarter and Annual results
Date	**August 10, 2023**	**November 8, 2023**	**February 1, 2024**	**May 10, 2024**

For the financial year ended March 31, 2025, results will be announced by:

Period	First Quarter	Second Quarter	Third Quarter	Fourth Quarter and Annual results
Date	**on or before August 14, 2024**	**on or before November 14, 2024**	**on or before February 14, 2025**	**on or before May 30, 2025**

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 do not recommend any dividend for the financial year ended on March 31, 2024.

LISTING

Equity shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

STOCK CODE DETAILS

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

All the Listing fees and Custodial fees have been paid to the Stock Exchanges and Depositories upto the financial year 2024-25.

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 year 2023-24.

ADDITIONAL SHAREHOLDERS INFORMATION (Contd.)

Table 1: High and Low Prices at the BSE and NSE for the Financial Year 2023-24:-

(in ₹)

Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High	Low	High	Low
April, 2023	61.48	52.01	60.90	52.50
May, 2023	66.61	56.90	66.70	56.50
June, 2023	69.20	57.33	69.40	57.15
July, 2023	64.50	59.00	64.55	57.90
August, 2023	67.00	58.25	66.95	58.35
September, 2023	77.55	61.19	77.60	61.15
October, 2023	72.50	63.05	72.60	63.05
November, 2023	83.30	65.28	83.35	65.10
December, 2023	124.95	75.25	125.00	77.05
January, 2024	133.00	98.15	133.00	97.80
February, 2024	139.40	108.80	139.30	108.75
March, 2024	117.55	85.15	117.05	85.80

Table 2 provides the closing price of the Company's equity shares on NSE with leading market and sector indices at the last trading day for each month during the financial year 2023-24:

Table 2: Performance in Comparison to NSE Nifty, BSE Sensex, and BSE 500 Index for the Financial Year 2023-24:-

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, 2023	60.10	60.00	18,065.00	61,112.44	24,209.37
May, 2023	57.15	57.33	18,534.40	62,622.24	25,059.67
June, 2023	62.90	62.68	19,189.05	64,718.56	26,078.65
July, 2023	61.75	61.70	19,753.80	66,527.67	27,069.01
August, 2023	61.45	61.51	19,253.80	64,831.41	26,848.76
September, 2023	70.70	70.67	19,638.30	65,828.41	27,407.75
October, 2023	67.50	67.59	19,079.60	63,874.93	26,605.19
November, 2023	77.75	77.92	20,133.15	66,988.44	28,442.43
December, 2023	107.75	107.36	21,731.40	72,240.26	30,720.28
January, 2024	130.15	130.80	21,725.70	71,752.11	31,303.35
February, 2024	114.75	114.55	21,982.80	72,500.30	31,777.02
March, 2024	91.30	91.25	22,326.90	73,651.35	32,043.20

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.	+918108116767
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, 3rd Floor, 2/4, Judges Court Road, Kolkata – 700027
Telephone No.	033-24871901/66257600
E-mail	spencers.secretarial@rpsg.in
Website	www.spencersretail.com

Mr. Vikash Kumar Agarwal, Company Secretary is also the compliance officer and 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, the Company 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.

The Company's equity shares fall under compulsory dematerialised trading. Shares held in the dematerialised form are electronically traded in the equity platform of Stock Exchanges. 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, 2024.

Nature of holding	Holders	Percentage	Shares	Percentage
DEMAT	57,420	93.05	8,94,58,596	99.25
Physical	4,286	6.95	6,73,413	0.75
Total	**61,706**	**100.00**	**9,01,32,009**	**100.00**

There is no subsisting court order or legal proceedings against the Company in any share transfer/transmission matter.

Table 3 gives details of the number and nature of complaints for the year 2023-24:

Table 3: Complaints from Shareholders during 2023-24

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
Opening Balance	NIL	NIL	NIL	NIL	NIL
Received during the year	2	-	-	1	3
Resolved during the year	2	-	-	1	3
Pending as on March 31 , 2024	NIL	NIL	NIL	NIL	NIL

ADDITIONAL SHAREHOLDERS INFORMATION (Contd.)

SHAREHOLDING PATTERN

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

Table 4: Pattern of Shareholding by Ownership as on March 31, 2024:

Sl. No.	Category	As on March 31, 2023	
		Number of Shares	Percentage
1	**Promoters / Promoter's Group**	5,30,08,514	58.81
2	**Institutional investors**		
A)	Mutual Funds	2,211	0.00
B)	Banks, Financial Institutions, NBFC and Insurance Companies	18,01,332	2.00
C)	Institutions (Foreign)	84,62,488	9.39
3	**Others**		
A)	Bodies Corporate	69,13,926	7.67
B)	Indian Public	1,73,41,312	19.24
C)	NRI's	6,32,664	0.70
D)	Others	19,69,562	2.19
	Total	**9,01,32,009**	**100.00**

Table 5: Pattern of Shareholding by Share Class as on March 31, 2024:

Shareholding Class	Number of Shareholders	% of Total Shareholders	Number of Shares held	Shareholding %
1 to 500	45605	90.41	3718633	4.13
501 to 1000	2264	4.49	1819729	2.02
1001 to 2000	1151	2.28	1757982	1.95
2001 to 3000	419	0.83	1083912	1.20
3001 to 4000	205	0.41	742234	0.82
4001 to 5000	210	0.41	1001866	1.11
5001 to 10000	296	0.59	2237176	2.48
10001 and above	294	0.58	77770477	86.29
TOTAL	**50444**	**100.00**	**90132009**	**100.00**

Store Locations

The Company was operating 133 stores till March 31, 2024. The location of these stores can be checked at the website of the Company www.spencersretail.com.

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 for the financial year 2023-24.

Unclaimed Shares

In terms of the SEBI Listing Regulations, 2015, the Company opened separate Unclaimed Suspense Account wherein 78,066 equity shares are 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.

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

Shashwat Goenka
Chairman
(DIN : 03486121)

Kolkata, May 10, 2024

DECLARATION

As required under the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is confirmed that all Directors and Senior Management Officers have affirmed compliance of the Code of Business Conduct and Ethics for the financial year 2023-24.

Anuj Singh
CEO and Managing Director
(DIN: 09547776)

Kolkata, May 10, 2024

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
CIN: L74999WB2017PLC219355
Duncan House,
31, Netaji Subhas Road, Kolkata,
WB - 700001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SPENCER'S RETAIL LIMITED** having **CIN:L74999WB2017PLC219355** and having registered office at **Duncan House,31, Netaji Subhas Road, Kolkata, WB700001** (herein after 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 clause10 (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 electronic mode), we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs under the Companies Act, 2013.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	SANJIV GOENKA (Resigned as Chairman and Non-Executive Director w.e.f. May 22, 2023).	00074796	November 14, 2018
2	SHASHWAT GOENKA	03486121	November 14, 2018
3	DEBANJAN MANDAL	00469622	February 11, 2019
4	PRATIP CHAUDHURI	00915201	November 14, 2018
5	UTSAV PAREKH	00027642	November 14, 2018
6	ANUJ SINGH	09547776	March 22, 2023
7	RAHUL NAYAK	06491536	November 14, 2018
8	REKHA SETHI	06809515	November 14, 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.

(S. M. Gupta)
Proprietor
S. M. GUPTA & CO. Company
Company Secretaries
Firm Registration No.: S1993WB816800
Membership No: FCS – 896
CP No.: 2053
Peer Review No: 2464/2022
UDIN: F000896F000277469

Place: Kolkata
Date: April 30, 2024

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024

[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 'D' to the Board's Report)

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

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 Notes issued by the Institute of Company Secretaries of India (A statutory body constituted under the Company Secretaries Act, 1980) read with Company Secretaries Auditing Standards (CSAS) 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 and process to ensure the 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 with the statutory authorities 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 authorised representatives during the conduct of secretarial audit, including by way of electronic mode, 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 March 31, 2024 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 with the statutory authorities and other records maintained by **SPENCER'S RETAIL LIMITED** "the Company" for the financial year ended on March 31, 2024 according to the applicable provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder, as amended from time to time
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, 2018; **No event reported during the year**
   d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;

FORM NO. MR-3 (Contd.)

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **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 authorised Category I Registrar and Share Transfer Agent as required under Law**.

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;**No delisting was done during the year;**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.**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.

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 notices were 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 meetings for meaningful participation at the meeting.

3. Majority decisions were carried through while the dissenting members' views, if any, were 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) Legal Metrology Act, 2009 and Packaged Commodities Rules, 2011;

    (iii) Insecticides Act, 1968;

    (iv) The Payment of Bonus Act, 1965;

    (v) The Industrial Disputes Act, 1947;

    (vi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;

    (vii) The Employees' State Insurance Act, 1948;

    (viii) Consumer Protection Act, 1986;

    (ix) Trade Marks Act, 1999.

    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 representations 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)
Proprietor
S. M. GUPTA & CO.
Company Secretaries
Firm Registration No.: S1993WB816800
Membership No: FCS – 896
CP No.: 2053
Peer Review No: 2464/2022
UDIN: F000896F000338926

Place: Kolkata
Date: May 10, 2024

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.

   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.
6. 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.

(S. M. Gupta)
Proprietor
S. M. GUPTA & CO.
Company Secretaries
Firm Registration No.: S1993WB816800
Membership No: FCS – 896
CP No.: 2053
Peer Review No: 2464/2022
UDIN: F000896F000338926

Place: Kolkata
Date: May 10, 2024

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024

[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 'D1' to the Board's Report)

To,
The Members
Natures Basket Limited
CIN: U15310WB2008PLC244411
Duncan House,
31, Netaji Subhas Road,
Kolkata, W. B. 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Natures Basket Limited** (hereinafter referred to as 'the Company') having CIN No – U15310WB2008PLC244411. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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 authorised representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024**, 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, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2024** and made available to us, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under. **(Not applicable since unlisted Company)**;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under. **(The Company has complied with the provisions of the Depositories Act, 1996 to the extent applicable)**;

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

(v) Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **(Not applicable, since unlisted Company)**.

(vi) The Following are the various Laws applicable to the Company. According to the information/details/explanation provided to us, the Company has complied with the provisions of the said Acts and the Company has a mechanism to monitor the compliances of the said laws, to the extent applicable.

- The Food, Safety & Standard Act, 2006
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employees Provident Fund and Misc. Provisions Act, 1952
- Employees State Insurance Act, 1948
- The Payment of Bonus Act, 1965
- The Environment (Protection) Act, 1986
- Income Tax Act 1961, Wealth Tax Act, Goods and Services Tax Act 2016 and rules made thereof
- Negotiable Instrument Act, 1881
- Maternity Benefits Act, 1961
- Payment of Gratuity Act, 1972

FORM NO. MR-3 (Contd.)

- The Industrial Disputes Act, 1947
- The Child Labour (Regulation and Abolition) Act, 1970
- The Weekly Holidays Act, 1942

We have also examined compliance with the applicable clauses of the following:

Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting;

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof as produce before us on test-check basis, the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standard, etc., as applicable to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Women 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.

In compliance with applicable provisions of the Companies Act, 2013 and rules made there under and Secretarial Standards issued by the Institute of Company Secretaries of India, adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately 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.

Majority decision is carried through while the dissenting members' views, if any, were captured and recorded as part of the minutes.

The Company has complied with all the applicable provisions of Companies Act, 2013, regarding filing of forms with Ministry of Corporate Affairs.

We further report that there are adequate systems and processes in the Company commensurate with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. We have relied on the information and representation made by the Company and its Officers for Systems and mechanism formed by the Company for Compliances under applicable Acts, Laws, and regulations to the Company.

We further report that during the period under review there is no specific event/action having major bearing on the Company's affairs takes place.

For PVK & Associates

Pankaj Kumar
Company Secretary
Certificate of Practice No: 20994
UDIN: A012288F000335270

Date: May 10, 2024
Place: Indirapuram (Ghaziabad)

Note: *This report is to be read with our letter of even date by the Secretarial Auditor, which is annexed as '**ANNEXURE A**' and forms an integral part of this report, which is available on the website of the Company.*

"Annexure A"

To,
The Members
Natures Basket Limited
CIN: U15310WB2008PLC244411
Duncan House, 31, Netaji Subhas Road
Kolkata, W. B. 700001

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For PVK & Associates

Pankaj Kumar
Company Secretary
Certificate of Practice No. 20994
UDIN: A012288F000335270

Date: May 10, 2024
Place: Indirapuram (Ghaziabad)

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

(Annexure 'E' 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 activities undertaken during the year are stated in Management Discussion and Analysis which forms a part of the Board'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	Mr. Shashwat Goenka	Chairman and Non-Executive Director	1	1
2	Mr. Utsav Parekh	Member and Non-Executive Independent Director	1	0
3	Mr. Anuj Singh	Member and CEO & Managing Director	1	NA

   NOTE:

   a) Dr. Sanjiv Goenka resigned from the CSR Committee and the Board w.e.f. May 22, 2023. He attended the CSR Committee Meeting held on May 22, 2023

   b) Mr. Anuj Singh was appointed as a member of the Committee w.e.f May 22, 2023.

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 CSR Policy and details of CSR Committee are posted at www.spencersretail.com

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**

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.

For and behalf of Board of Directors

Shashwat Goenka
Chairman
DIN: 03486121

Anuj Singh
CEO and Managing Director
DIN: 09547776

Kolkata, May 10, 2024

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

(Annexure 'F' 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 Equipment's;	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 during the year. However, foreign exchange outgo was to the tune of ₹ 2.10 Lakhs.

For and on behalf of the Board of Directors

Shashwat Goenka
Chairman
DIN 03486121

Kolkata, May 10, 2024

PARTICULARS OF REMUNERATION

(Annexure 'G' 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 2023-24 – Dr. Sanjiv Goenka, Mr. Shashwat Goenka, Mr. Utsav Parekh, Mr. Pratip Chaudhari, Ms. Rekha Sethi, Mr. Debanjan Mandal Non-Executive Directors and Mr. Anuj Singh and Mr. Rahul Nayak, Executive Directors to the median remuneration of employees of the Company for the financial year 2023-24 is 1.56:1, 6.57:1, 5.32:1, 4.38:1, 2.82:1, 3.75:1, 313:1 and 128:1. The percentage increase in remuneration of Chief Financial Officer and Company Secretary is 15.3% and 0% respectively.

During the said financial year, there was an increase of 5.6% in the median remuneration of employees on the rolls as at March 31, 2024. There were 3279 permanent employees on the rolls of Company as on March 31, 2024.

1) During the financial year 2023-24, the average increase in the remuneration was 6.4%.
2) The average % increase in the salaries of the employees on roll as at March 31, 2024 other than the managerial personnel was 6.5% in 2023-24, whereas managerial remuneration for the same financial year was 5.8%.
3) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Shashwat Goenka
Chairman
DIN - 03486121

Kolkata, May 10, 2024

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 2024, 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 material 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, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
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, 2024 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 an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment of such investments. • We discussed with the management the methodology and assumptions used in the valuation including discount rates, expected growth rates and terminal growth rates. In performing these procedures, we have involved valuation specialists. • 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 assessed management's sensitivity analysis around the key assumptions. • We obtained suitable management representation on the projections of future cash flows and the various assumptions used in the valuation. • We tested the arithmetical accuracy of the financial projections. • We assessed the disclosures made in the standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
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 an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the valuation of such investments. • We discussed with the management the methodology and assumptions used in the valuation including discount rates, expected growth rates and terminal growth rates. In performing these procedures, we have involved valuation specialists. • 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 obtained suitable management representation on the projections of future cash flows and the various assumptions used in the valuation. • We tested the arithmetical accuracy of the financial projections. • We assessed the disclosures made in the standalone financial statements.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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.

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, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g).
   (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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2 (i) (vi) below on reporting under Rule 11(g).

(g) 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;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2024 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;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 29 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 42 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 42 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data when using certain access rights as described in note 43 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 24056102BKFVIM9732

Place of Signature: Kolkata
Date: May 10, 2024

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Spencer's Retail Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) All the Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verifying them once in three years 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.

(i) (c) As represented to us by the management, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(i) (e) As represented to us by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed.

(ii) (b) As disclosed in note 42 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five Crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. The Company do not have sanctioned working capital limits in excess of Rs. five Crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year the Company has given interest free advances in the nature of loans to employees aggregating to ₹ 32.49 Lakhs and the balance outstanding as at March 31, 2024 aggregates to ₹ 15.49 Lakhs.

(iii) (b) During the year the Company has not provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. The investments made and the terms and conditions of the investments are not prejudicial to the Company's interest.

(iii) (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(iii) (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(iii) (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) As represented to us by the management, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act ("the Act") and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) As represented to us by the management, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Stature	Nature	Disputed Amount (₹ In lakhs)	Period	Forum where the dispute is pending
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
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
Tamil Nadu GST Act, 2017	Demand Raised against excess Input Tax Credit claimed for the period Nov 2017	1.17	2017-18	Commissioner (Appeals)
Andhra Pradesh General Sales Tax Act, 1957	Demand on single point tax	0.74	2003-04	AP State Appellate Authorities
Telangana GST Act, 2017	GST demand on Short Reversal of ITC under Rule42/43 of CGST Rule and other issues	268.66	2018-19	Commissionerate Appeal-II, Hyderabad

(viii) As represented to us by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) As represented to us by the management, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) Based on an overall examination of the Balance Sheet and information, explanations and representations provided to us, term loans were applied for the purpose for which they were obtained.

(ix) (d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis aggregating to ₹ 46,111.95 lakhs for long-term purposes.

(ix) (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations

INDEPENDENT AUDITOR'S REPORT (Contd.)

of its subsidiaries, joint venture or associate companies.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) As represented to us by the management, no material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi) (d) As represented to us by the management, the Group has 4 Core Investment Companies as a part of the Group.

(xvii) The Company has incurred cash losses amounting to ₹ 11,925.13 lakhs and ₹ 5,636.14 lakhs in the current year and in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 41 to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company is not required to spend any amount towards Corporate Social Responsibility under sub section 5 of section 135 of the Act as the Company has average losses during the three immediately preceding financial years. Accordingly, the requirement to report on clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 24056102BKFVIM9732

Place of Signature: Kolkata
Date: May 10, 2024

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, 2024 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, 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 Navin Agrawal
Partner
Membership Number: 056102
UDIN: 24056102BKFVIM9732

Place of Signature: Kolkata
Date: May 10, 2024

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2024

Particulars	Note No.	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	12,030.40	12,796.33
Capital work in progress	3	94.59	195.32
Right-of-use assets	30	56,307.27	50,385.73
Other intangible assets	4	9,043.53	9,128.44
Financial assets			
(i) Investments	6	52,180.48	47,159.84
(ii) Other financial assets	10	3,356.16	3,682.56
Tax assets (net)		569.59	579.75
Other assets	11	55.77	115.67
Total non-current assets (A)		**1,33,637.79**	**1,24,043.64**
Current assets			
Inventories	5	22,251.00	22,865.16
Financial assets			
(i) Investments	6	-	2,021.05
(ii) Trade receivables	7	2,424.68	1,906.91
(iii) Cash and cash equivalents	8	2,894.87	1,166.84
(iv) Bank balances other than cash and cash equivalents	9	484.03	443.00
(v) Other financial assets	10	180.38	123.13
Other assets	11	2,693.39	2,703.71
Total current assets (B)		**30,928.35**	**31,229.80**
TOTAL ASSETS (A+B)		**1,64,566.14**	**1,55,273.44**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	4,506.60	4,506.60
Other equity	13	(15,426.41)	5,676.30
Total equity (C)		**(10,919.81)**	**10,182.90**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	24,863.05	14,167.74
(ii) Lease liabilities	30	65,717.32	57,015.98
(iii) Other financial liabilities	15	138.85	125.68
Provisions	19	1,399.96	1,459.33
Total non-current liabilities (D)		**92,119.18**	**72,768.73**
Current liabilities			
Contract liabilities	16	1,648.57	1,162.47
Financial liabilities			
(i) Borrowings	14	38,284.52	29,801.53
(ii) Lease liabilities	30	5,296.69	7,793.89
(iii) Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		108.93	54.78
- Total outstanding dues of creditors other than micro enterprises and small enterprises		33,915.05	29,801.45
(iv) Other financial liabilities	15	2,869.58	2,193.46
Other current liabilities	18	468.52	604.56
Provisions	19	774.91	909.67
Total current liabilities (E)		**83,366.77**	**72,321.81**
TOTAL EQUITY AND LIABILITIES (C+D+E)		**1,64,566.14**	**1,55,273.44**

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

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

STANDALONE STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Notes No.	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
INCOME			
Revenue from operations	20	2,04,922.30	2,18,024.90
Other income	21	1,855.02	2,990.74
Total Income (I)		**2,06,777.32**	**2,21,015.64**
EXPENSES			
Cost of raw materials consumed	22	575.57	720.65
Purchases of stock-in-trade		1,65,080.98	1,75,961.99
Changes in inventories of finished goods and stock-in-trade	23	574.97	(49.11)
Employee benefits expense	24	16,104.59	16,432.45
Other expenses	25	24,432.13	24,515.65
Total Expenses (II)		**2,06,768.24**	**2,17,581.63**
Earnings before interest expenses, tax, depreciation and amortisation (EBITDA) [(I)-(II)]		**9.08**	**3,434.01**
Depreciation and amortisation expense	26	9,256.96	9,687.32
Finance costs	27	11,934.21	9,070.16
Loss before tax (III)		**(21,182.09)**	**(15,323.47)**
Tax expense			
Current tax		-	-
Deferred tax	33	-	-
Loss for the year (IV)		**(21,182.09)**	**(15,323.47)**
Other comprehensive income			
Items that will not be reclassified subsequently to Statement of Profit and Loss			
Remeasurement of defined benefit plans	35	79.38	(197.90)
Income tax relating to items that will not be reclassified to Profit and Loss		-	-
Other comprehensive income for the year (V)		**79.38**	**(197.90)**
Total comprehensive income for the year [(IV)+(V)]		**(21,102.71)**	**(15,521.37)**
Earnings per share - Basic and Diluted (₹)	28	**(23.50)**	**(17.00)**
[Nominal value per equity share ₹ 5 (March 31, 2023 : ₹ 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

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

A. EQUITY SHARE CAPITAL

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Balance at the beginning of the year	9,01,32,009	4,506.60	9,01,32,009	4,506.60
Balance at the end of the year	**9,01,32,009**	**4,506.60**	**9,01,32,009**	**4,506.60**

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 1, 2023	**55,965.23**	**(57,525.87)**	**7,196.57**	**40.37**	**5,676.30**
Loss for the year	-	(21,182.09)	-	-	(21,182.09)
Remeasurement of defined benefit plans	-	79.38	-	-	79.38
Balance as at March 31, 2024	**55,965.23**	**(78,628.58)**	**7,196.57**	**40.37**	**(15,426.41)**

	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, 2022	**55,965.23**	**(42,004.50)**	**7,196.57**	**33.57**	**21,190.87**
Loss for the year	-	(15,323.47)	-	-	(15,323.47)
Remeasurement of defined benefit plans	-	(197.90)	-	-	(197.90)
Addition on account of Spencer's Employee Stock Option Plan 2019 (ESOP 2019) (refer note 37)	-	-	-	6.80	6.80
Balance as at March 31, 2023	**55,965.23**	**(57,525.87)**	**7,196.57**	**40.37**	**5,676.30**

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

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

STANDALONE STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED MARCH 31, 2024

Particulars	Notes	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Operating Activities			
Loss before tax		**(21,182.09)**	**(15,323.47)**
Adjustments :			
Depreciation and amortisation expense	26	9,256.96	9,687.32
(Reversal of Provision)/Provision for bad & doubtful debts / bad debts (net)	25	(8.18)	6.57
Provision for doubtful store lease deposits	25	9.56	46.72
Reversal of provision for obsolete stocks		(86.66)	(513.57)
Finance costs	27	11,934.21	9,070.16
Fair value loss/(gain) on investments measured at FVTPL	21	248.67	(84.34)
Gain on sale of investments	21	(714.51)	(76.43)
Interest income	21	(506.37)	(449.83)
Reversal of net liability on termination of lease	21	(618.27)	(1,527.54)
Loss on sale of property, plant and equipment (net)	25	231.27	80.99
Covid - 19 related rent concessions	21	-	(73.14)
Cash from operations before working capital changes		**(1,435.41)**	**843.44**
Working capital changes:			
Decrease in inventories		700.82	548.37
(Increase)/Decrease in trade receivables		(509.59)	703.65
Decrease in other financial assets		205.91	76.31
Increase in other assets		(0.73)	(463.69)
Increase in trade payables		4,167.75	653.12
Increase/(Decrease) in financial liabilities		425.57	(542.41)
Decrease in other current liabilities		(136.04)	(257.88)
Increase/(Decrease) in contract liabilities		486.10	(12.65)
(Decrease)/Increase in provisions		(137.60)	30.42
Cash flow generated from operating activities		**3,766.78**	**1,578.68**
Income taxes refund (net)		174.44	1,301.95
Net cash generated from operating activities (A)		**3,941.22**	**2,880.63**
Investing Activities			
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances		(1,876.62)	(2,112.11)
Proceeds from sale of property, plant and equipment		342.17	84.59
Investment in subsidiary companies		(6,810.00)	(1,380.00)
Investment in alternative investment fund		(15.00)	(30.00)
Proceeds from alternative investment fund		1,985.03	6.23
Purchase of mutual fund units		(34,272.10)	(4,501.20)
Proceeds from sale of mutual fund units		36,578.33	4,668.57
Investment in bank deposits		(0.50)	(362.00)
Redemption / maturity of bank deposits		20.00	142.40
Interest received		28.17	12.44
Net cash used in investing activities (B)		**(4,020.52)**	**(3,471.08)**
Financing Activities			
Payment of lease liabilities (principal)		(5,545.75)	(5,216.00)
Proceeds from non-current borrowings		17,600.00	9,344.07
Repayment of non-current borrowings		(4,944.28)	(2,366.67)
Net movement in current borrowings		6,522.58	7,670.34
Interest paid		(11,825.22)	(9,049.43)
Net cash generated from financing activities (C)		**1,807.33**	**382.31**

STANDALONE STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2024 (Contd.)

Particulars	Notes	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)		**1,728.03**	**(208.14)**
Cash and cash equivalents at the beginning of the year		1,166.84	1,374.98
Cash and cash equivalents at the end of the year		**2,894.87**	**1,166.84**
Components of cash and cash equivalents :			
Balance with banks			
- In current accounts	8	1,785.59	518.87
Balance with credit card, e-wallet companies and others	8	556.61	399.23
Cash on hand	8	552.67	248.74
Total cash and cash equivalents (refer note 8)		**2,894.87**	**1,166.84**

Change in liabilities arising from financing activities :

Particulars	As at April 01, 2023 ₹ in lakhs	Cash flows Inflow/(outflow) ₹ in lakhs	Non-cash changes ₹ in lakhs	As at March 31, 2024 ₹ in lakhs
Other Financial Liabilities - Preference Shares (refer note 15)	125.68	-	13.17	138.85
Non current borrowings (includes current maturities of long term borrowings)	18,533.80	12,655.72	-	31,189.52
Current Borrowings (excludes current maturities of long term borrowings)	25,435.47	6,522.58	-	31,958.05
Lease Liabilities [refer note 30]	64,809.87	(5,545.75)	11,749.89	71,014.01

Particulars	As at April 01, 2022 ₹ in lakhs	Cash flows Inflow/(outflow) ₹ in lakhs	Non-cash changes ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Other Financial Liabilities - Preference Shares	114.26	-	11.42	125.68
Non current borrowings (includes current maturities of long term borrowings)	11,556.40	6,977.40	-	18,533.80
Current Borrowings (excludes current maturities of long term borrowings)	17,765.13	7,670.34	-	25,435.47
Lease Liabilities [refer note 30]	58,528.53	(5,216.00)	11,497.34	64,809.87

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

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

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 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 Company is primarily engaged in developing, conducting and promoting organised retail and operates departmental and neighbourhood stores under various formats across the country.

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, 2024, 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, 2024 were approved for issuance in accordance with the resolution passed by the Board of Directors on May 10, 2024.

(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

(ii) Determining the fair values of investments - Note 2.2(g) & 6

(iii) Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources - Note 2.2 (j), 19 & 29(a)

(iv) Measurement of defined benefit obligations: key actuarial assumptions - Note 2.2(i) & 35

(v) Impairment of financial assets: key assumptions used in estimating recoverable cash flows - Note 2.2 (g) & 38

(vi) Non recognition of deferred tax assets - Note 2.2 (q) & 33

(vii) Discounting rate and lease term for accounting of Right-of-use assets and lease liabilities under Ind AS 116 - Note 2.2(p) & 30

2.2 Material accounting policies information

(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 nonrefundable 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.

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

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 comprises 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.

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

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

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.

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 37. 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 recognises 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. Any unappropriated shares which are not backed by grants, and acquired through secondary acquisition by the trust, are appropriated within a reasonable period of time.

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.

(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 recognise 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 towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. Amounts disclosed as revenue are, 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 recognises 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 recognises 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.

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.

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 1, 2021.

MCA issued an amendment to Ind AS 116 Covid-19 related Rent Concessions beyond June 30, 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before June 30, 2022 from June 30, 2021. The Company has applied this amendment to annual reporting periods beginning on or after April 1, 2021 in respect of lease agreements where negotiations have been completed and accounted the unconditional rent concessions as per Note 30.

(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

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

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 realise 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 measured 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 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) Standard issued but not effective

There are no standards issued but not effective up to the date of issuance of the Company's financial statements.

(z) New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards)

Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's standalone financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

(aa) Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Company considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

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 March 31, 2022	**13,841.51**	**5,826.40**	**2,698.71**	**19.55**	**9,024.57**	**157.38**	**31,568.12**
Additions during the year	1,170.39	331.08	244.66	-	543.50	29.61	2,319.24
Disposals during the year	208.94	200.55	47.18	-	433.47	10.94	901.08
As at March 31, 2023	**14,802.96**	**5,956.93**	**2,896.19**	**19.55**	**9,134.60**	**176.05**	**32,986.28**
Additions during the year	1,081.59	324.43	308.55	-	336.26	81.26	2,132.09
Disposals during the year	5,395.28	1,710.68	845.63	-	2,132.30	44.53	10,128.42
As at March 31, 2024	**10,489.27**	**4,570.68**	**2,359.11**	**19.55**	**7,338.56**	**212.78**	**24,989.95**
Accumulated depreciation							
As at March 31, 2022	**7,723.51**	**3,047.07**	**2,140.32**	**19.02**	**5,382.35**	**56.02**	**18,368.29**
Depreciation for the year (refer note 26)	998.17	573.62	211.60	-	763.70	10.07	2,557.16
Disposals for the year	172.99	146.37	44.84	-	360.91	10.39	735.50
As at March 31, 2023	**8,548.69**	**3,474.32**	**2,307.08**	**19.02**	**5,785.14**	**55.70**	**20,189.95**
Depreciation for the year (refer note 26)	945.84	436.80	219.29	-	700.05	26.10	2,328.08
Disposals for the year	5,296.87	1,476.46	822.01	-	1,920.72	42.42	9,558.48
As at March 31, 2024	**4,197.66**	**2,434.66**	**1,704.36**	**19.02**	**4,564.47**	**39.38**	**12,959.55**
Net carrying amount							
As at March 31, 2024	**6,291.61**	**2,136.02**	**654.75**	**0.53**	**2,774.09**	**173.40**	**12,030.40**
As at March 31, 2023	**6,254.27**	**2,482.61**	**589.11**	**0.53**	**3,349.46**	**120.35**	**12,796.33**

Note:

1. Refer note 14 for hypothecation of Property, plant and equipment.
2. Refer note 29 for disclosure of contractual commitments for acquistion of Property, plant and equipment.

Capital work in progress (CWIP)

₹ in lakhs

As at March 31, 2022	**580.13**
Addition during the year	101.14
Less : Capitalised to Property, plant and equipment and intangible assets during the year	485.95
As at March 31, 2023	**195.32**
Addition during the year	275.42
Less : Capitalised to Property, plant and equipment and intangible assets during the year	376.15
As at March 31, 2024	**94.59**

CWIP Ageing Schedule

₹ in lakhs

	0-1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024					
Upcoming stores	64.19	30.24	0.16	-	94.59
	64.19	**30.24**	**0.16**	**-**	**94.59**
As at March 31, 2023					
Upcoming stores	167.27	15.63	4.71	7.71	**195.32**
	167.27	**15.63**	**4.71**	**7.71**	**195.32**

Note:

1. There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the year March 31, 2024 and March 31, 2023.
2. There are no project that has been temporarily suspended during the year ended March 31, 2024 and March 31, 2023.

4. OTHER INTANGIBLE ASSETS

₹ in lakhs

	Computer softwares	Know-how and licenses	Designs	Brand	Total
Gross carrying amount					
As at March 31, 2022	**1,054.34**	**257.82**	**523.86**	**8,625.00**	**10,461.02**
Additions during the year	153.27	-	63.80	-	217.07
Disposals during the year	-	-	-	-	-
As at March 31, 2023	**1,207.61**	**257.82**	**587.66**	**8,625.00**	**10,678.09**
Additions during the year	17.09	-	67.14	-	84.23
Disposals during the year	33.09	-	-	-	33.09
As at March 31, 2024	**1,191.61**	**257.82**	**654.80**	**8,625.00**	**10,729.23**
Accumulated amortisation					
As at March 31, 2022	**761.91**	**226.79**	**374.62**	**-**	**1,363.32**
Amortisation for the year (refer note 26)	67.20	-	119.13	-	186.33
Disposals for the year	-	-	-	-	-
As at March 31, 2023	**829.11**	**226.79**	**493.75**	**-**	**1,549.65**
Amortisation for the year (refer note 26)	84.57	-	81.07	-	165.64
Disposals for the year	29.59	-	-	-	29.59
As at March 31, 2024	**884.09**	**226.79**	**574.82**	**-**	**1,685.70**
Net carrying amount					
As at March 31, 2024	**307.52**	**31.03**	**79.98**	**8,625.00**	**9,043.53**
As at March 31, 2023	**378.50**	**31.03**	**93.91**	**8,625.00**	**9,128.44**

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 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 no impairment is required in respect of brand.

5. INVENTORIES

(at lower of cost and net realisable value)

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Raw materials	46.77	57.51
Finished goods	28.58	46.17
Stock-in-trade	21,918.65	22,476.03
Packing materials	257.00	285.45
	22,251.00	**22,865.16**

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

6. INVESTMENTS

		As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i)	**Non-current**		
	Unquoted		
	Investments in equity instruments		
	Wholly owned subsidiaries : (At FVTOCI)*		
	Natures Basket Limited : 64,12,80,000 equity shares (March 31, 2023: 57,31,80,000 equity shares) of ₹ 10 each, fully paid up	37,109.84	30,299.84
	Omnipresent Retail India Private Limited : 8,60,96,569 equity shares (March 31, 2023: 8,60,96,569 equity shares) of ₹ 10 each, fully paid up	9,523.58	9,523.58
	Others : (at FVTOCI)		
	Retailer's Association of India: 10,000 equity shares (March 31, 2023: 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 : 1,303.79 units (March 31, 2023: 1,335.26 units) of face value ₹ 100,000 each	5,546.06	7,335.42
		52,180.48	**47,159.84**
(ii)	**Current**		
	Quoted		
	Investment in mutual fund (at FVTPL)		
	ICICI Prudential Liquid Fund - Direct Plan - Growth: Nil (March 31, 2023 : 6,06,585.05 Units of ₹ 333.19 each)	-	2,021.05
		-	**2,021.05**

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Aggregate value of unquoted investments	52,180.48	47,159.84
Aggregate market value of quoted investments	-	2,021.05

Refer note 38 for information about fair value measurements and credit and market risk on investments.

Refer note 29 for disclosure of contractual commitments and comfort letter.

* These investments in equity instruments are not held for trading. Upon application of Ind AS 109, the Company has chosen to designate these investments in equity instruments at FVTOCI as the management belives that this provides a more meaningful presentation for long term investments than refelecting changes in fair value immediately in statement of profit and loss. Based on the aforesaid election, fair value changes are accumulated within Equity under "Fair Value Changes through Other Comprehensive Income - Equity Instruments." The Company transfers amount from this reserve to retained earnings when relevant equity shares are derecognised. The fair value of such unquoted investments has been carried out by applying applicable valuation methodologies, which has been performed by independent valuation experts.

7. TRADE RECEIVABLES

(Unsecured)

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Considered good	2,424.68	1,906.91
Significant increase in credit risk	108.58	135.85
	2,533.26	2,042.76
Impairment allowance:		
Significant increase in credit risk	(108.58)	(135.85)
	2,424.68	**1,906.91**

7. TRADE RECEIVABLES (continued)

Trade receivables Ageing Schedule

As at March 31, 2024

₹ in lakhs

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	971.26	1,140.35	0.00*	-	-	313.07	2,424.68
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	38.69	20.93	23.23	25.73	108.58
	971.26	**1,140.35**	**38.69**	**20.93**	**23.23**	**338.80**	**2,533.26**

As at March 31, 2023

₹ in lakhs

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	893.50	695.44	0.26	0.17	317.54	0.00*	1,906.91
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	63.75	36.12	16.74	19.24	135.85
	893.50	**695.44**	**64.01**	**36.29**	**334.28**	**19.24**	**2,042.76**

1. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
2. There are no disputed trade receivables as at March 31, 2024 and March 31, 2023.
3. Refer note 36 for receivables from related parties.
4. Refer note 38 for fair value measurement.

* Amount is below rounding off norms followed by the Company.

8. CASH AND CASH EQUIVALENTS

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Balance with banks		
- in current accounts	1,785.59	518.87
Balance with credit card, e-wallet companies and others	556.61	399.23
Cash on hand	552.67	248.74
	2,894.87	**1,166.84**

9. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Deposits with original maturity of more than 3 months and less than 12 months*	484.03	443.00
	484.03	**443.00**

* marked as lien with Banks and various authorities for working capital facilities, licenses etc.

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

10. OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless otherwise stated)

		As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i)	**Non-current**		
	Security Deposits		
	- Considered good	3,247.64	3,502.91
	- Significant increase in credit risk	53.76	53.76
	- Credit impaired	249.17	249.17
		3,550.57	3,805.84
	Impairment allowance:		
	- Significant increase in credit risk	(53.76)	(53.76)
	- Credit impaired	(249.17)	(249.17)
		(302.93)	(302.93)
		3,247.64	3,502.91
	Margin money deposit*	5.73	66.25
	Interest accrued on bank deposits	0.79	11.40
	Advance to Spencer's Employee Benefit Trust (ESOP Trust)	102.00	102.00
		3,356.16	**3,682.56**
(ii)	**Current**		
	Interest accrued on bank deposits	27.21	15.60
	Advances to employees	20.76	26.81
	Other receivables	132.41	80.72
		180.38	**123.13**

* Margin money deposit are encumbered with banks against bank guarantees.

11. OTHER ASSETS

(Unsecured, considered good)

		As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i)	**Non-current**		
	Capital advances	45.53	106.92
	Deposits for claims and tax disputes	10.24	8.75
		55.77	**115.67**
(ii)	**Current**		
	Advances for goods and services	484.94	1,029.49
	Prepaid expenses	582.48	485.77
	Balance with Statutory / Government authorities	1,625.97	1,188.45
		2,693.39	**2,703.71**

12. EQUITY SHARE CAPITAL

	As at March 31, 2024		As at March 31, 2023	
	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	9,01,32,009	4,506.60
	9,01,32,009	**4,506.60**	**9,01,32,009**	**4,506.60**

*0.01% non-cumulative non-convertible redeemable preference shares of ₹ 100 each issued are classified as financial liability [refer note 15(i)].

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year:

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Equity shares				
At the beginning of the year	9,01,32,009	4,506.60	9,01,32,009	4,506.60
At the end of the year	**9,01,32,009**	**4,506.60**	**9,01,32,009**	**4,506.60**

(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, 2024		As at March 31, 2023	
	No. of shares	%	No. of shares	%
Rainbow Investments Limited	3,96,04,042	43.94%	3,96,04,042	43.94%

(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, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Equity shares of ₹ 5 each allotted as fully paid-up pursuant to the Scheme [refer note 13 (a) & 2.2 (r)]	7,95,34,226	7,95,34,226	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 13 (a) & 2.2 (r)]	5,00,000	5,00,000	5,00,000	5,00,000	5,00,000

(e) Details of shares held by promoters and promotor group

Sl No	Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
As at March 31, 2024						
1	Rainbow Investments Limited	3,96,04,042	-	3,96,04,042	43.94%	-
2	Stel Holdings Limited	43,96,082	-	43,96,082	4.88%	-
3	Castor Investments Limited	23,90,661	-	23,90,661	2.65%	-
4	Quest Capital Markets Limited	17,41,508	-	17,41,508	1.93%	-
5	PCBL Limited	11,46,613	-	11,46,613	1.27%	-
6	Digidrive Distributors Limited*	-	10,50,590	10,50,590	1.17%	100.00%
7	Integrated Coal Mining Limited	24,56,247	-	24,56,247	2.73%	-
8	Dotex Merchandise Private Limited	28,107	-	28,107	0.03%	-

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

12. EQUITY SHARE CAPITAL (continued)

Sl No	Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
As at March 31, 2024						
9	Lebnitze Real Estates Private Limited	1,399	-	1,399	0.00%	-
10	Sanjiv Goenka (HUF)	8,360	-	8,360	0.01%	-
11	Sanjiv Goenka	91,659	-	91,659	0.10%	-
12	Shashwat Goenka	75,756	-	75,756	0.08%	-
13	Preeti Goenka	17,150	-	17,150	0.02%	-
14	Avarna Jain	340	-	340	0.00%	-
		5,19,57,924	**10,50,590**	**5,30,08,514**	**58.81%**	**2.02%**
As at March 31, 2023						
1	Rainbow Investments Limited	3,96,04,042	-	3,96,04,042	43.94%	-
2	Stel Holdings Limited	43,96,082	-	43,96,082	4.88%	-
3	Castor Investments Limited	23,90,661	-	23,90,661	2.65%	-
4	Quest Capital Markets Limited	17,41,508	-	17,41,508	1.93%	-
5	PCBL Limited	11,46,613	-	11,46,613	1.27%	-
6	Saregama India Limited	10,50,590	-	10,50,590	1.17%	-
7	Integrated Coal Mining Limited	24,56,247	-	24,56,247	2.73%	-
8	Dotex Merchandise Private Limited	28,107	-	28,107	0.03%	-
9	Lebnitze Real Estates Private Limited	1,399	-	1,399	0.00%	-
10	Sanjiv Goenka (HUF)	8,360	-	8,360	0.01%	-
11	Sanjiv Goenka	91,659	-	91,659	0.10%	-
12	Shashwat Goenka	75,756	-	75,756	0.08%	-
13	Preeti Goenka	17,150	-	17,150	0.02%	-
14	Avarna Jain	340	-	340	0.00%	-
		5,30,08,514	**-**	**5,30,08,514**	**58.81%**	**-**

(f) None of the shares were issued at bonus or brought back by the Company since incorporation.

* Post Scheme of arrangement duly sanctioned by the National Company Law Tribunal (NCLT),Kolkata Bench vide Order dated June 22, 2023, with effect from the Appointed Date i.e., April 1, 2022 between Saregama India Limited and Digidrive Distributors Limited, equity shares of the Company has been transferred from Saregama India Limited to Digidrive Distributors Limited.

13. OTHER EQUITY

	As at March 31, 2024	As at March 31, 2023
	₹ in lakhs	₹ 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		
Balance as at beginning of the year	7,196.57	7,196.57
Balance as at end of the year (b)	**7,196.57**	**7,196.57**
Share based payment reserve		
Balance as at beginning of the year	40.37	33.57
Addition on account of ESOP 2019 (refer note 37)	-	6.80
Balance as at end of the year (c)	**40.37**	**40.37**
Retained earnings		
Balance as at beginning of the year	(57,525.87)	(42,004.50)
Loss for the year	(21,182.09)	(15,323.47)
Remeasurement of defined benefit plans (net of tax)	79.38	(197.90)
Balance as at end of the year (d)	**(78,628.58)**	**(57,525.87)**
Total Other Equity (a) + (b) + (c) + (d)	**(15,426.41)**	**5,676.30**

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

13. OTHER EQUITY (continued)

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, 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 37).

(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 has positive balance represents net earnings till date.

14. BORROWINGS

	As at March 31, 2024	As at March 31, 2023
	₹ in lakhs	₹ in lakhs
Non- Current Borrowings		
(Secured)		
Term Loan from Banks	31,750.52	18,700.00
Less: Current maturities of long term borrowings	(6,326.47)	(4,366.06)
Less Unamortised borrowings costs	(561.00)	(166.20)
	24,863.05	**14,167.74**

1. Security & other terms

Out of the term loan from banks:

a) ₹ 333.34 lakhs (March 31, 2023 : ₹ 1,000 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 first disbursement in 18 equal quarterly installments of ₹ 166.67 lakhs each.

b) ₹ 3,600.00 lakhs (March 31, 2023 : ₹ 4,800.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 first disbursement in 20 equal quarterly installments.

c) ₹ 3,500.00 lakhs (March 31, 2023 : ₹ 4,500.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 12 months from the date of first disbursement in 20 equal quarterly installments.

d) ₹ 3,947.36 lakhs (March 31, 2023 : ₹ 5,000.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 6 months from the date of first disbursement in 19 equal quarterly installments.

e) ₹ 2,894.82 lakhs (March 31, 2023 : ₹ 1,400.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 first disbursement in first 10 quarterly installments of 1.67% of disbursement & next 10 quarterly installments of 8.33% of disbursement.

f) ₹ 1,600.00 lakhs (March 31, 2023 : ₹ 2,000.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 9 months from the date of first disbursement in first 4 quarterly installments of 5.00% of disbursement & next 8 quarterly installments of 10.00% of disbursement.

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

14. BORROWINGS (continued)

g) ₹ 1,000.00 lakhs (March 31, 2023 : ₹ Nil) is secured by first Pari Passu charge by way of hypothecation over moveable fixed assets and immovable fixed assets of the Company, both present and future and second Pari Passu charge on the entire current assets of the Company. The said loan is payable after 18 months from the date of first disbursement in 14 equal quarterly installments of ₹ 71.43 lakhs each.

h) ₹ 4,875.00 lakhs (March 31, 2023 : ₹ Nil) is secured by first Pari Passu charge by way of hypothecation over moveable fixed assets of the Company, both present and future, second Pari Passu charge on the entire current assets of the Company and a letter of comfort from RPG Power Trading Company Limited (company under common control). The said loan is payable after 3 months from the date of first disbursement in 12 structured quarterly installments.

i) ₹ 10,000.00 lakhs (March 31, 2023 : ₹ Nil) is secured by first Pari Passu charge by way of hypothecation over moveable fixed assets of the Company, both present and future, second Pari Passu charge on the entire current assets of the Company and first charge on all assets and cash flows of RPG Power Trading Company Limited (company under common control). The said loan is payable after 6 months from the date of first disbursement in 19 structured quarterly installments divided into first 3 quarterly installments of 2.50% of disbursement & next 4 to 11th quarterly installments of 5.00% of disbursement & next 8 quarterly installments of 6.56%.

Interest rate on loans from banks varies from 8.76% p.a. to 11.00% p.a .

2. Maturity profile of non current borrowings outstanding as at year end

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Payable within 1 year	6,326.47	4,366.06
Payable between 1 to 3 years	17,612.85	8,625.64
Payable between 3 to 5 years	7,811.20	5,475.06
Payable beyond 5 years	-	233.24

3. Term loans were applied for the purpose for which the loans were obtained except for idle funds amounting to ₹ Nil (March 31, 2023 : 259.13 lakhs) which were not required for immediate utilisation and which have been gainfully invested in highly liquid investments.

4. The Company's bank loan agreements contain compliance with certain financial ratios which are not met as at and for the year ended March 31, 2024 and March 31, 2023. On the basis of its past track record of timely interest and principal repayment, the Company, as at year end March 31, 2024 and March 31, 2023, had written to its concerned lenders for condonation of the non-compliance with such ratio and has obtained confirmation from banks that the banks do not plan to take any action for such non-compliance. Accordingly, basis confirmation from banks, no adjustment has been made in the financial statements as regards to classification of such loans and they continue to get classified as current / non-current as per the original terms of the loan agreements.

Current Borrowings

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
a. Secured		
Working Capital Loan from Bank	12,566.81	12,296.47
Invoice financing facility from Bank	14,893.75	8,230.38
Current maturities of long term borrowings	6,326.47	4,366.06
b. Unsecured		
Invoice financing facility from Bank	4,497.49	4,908.62
	38,284.52	**29,801.53**

14. BORROWINGS (continued)

1. Security & other terms

a) ₹ 8,024.81 lakhs (March 31, 2023 : ₹ 7,688.25 lakhs) Working Capital loan 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. It is payable on demand.

b) ₹ 4,500.00 lakhs (March 31, 2023 : ₹ 4,608.22 lakhs) Working Capital loan 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. It is payable on demand.

c) ₹ 42.00 lakhs (March 31, 2023 : ₹ Nil) Working Capital loan 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 is payable on demand.

d) ₹ 2,972.33 lakhs (March 31, 2023 : ₹ 947.46 lakhs) 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. Loan is payable in maximum period of 90 days.

e) ₹ 2,964.20 lakhs (March 31, 2023 : ₹ Nil) 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. Loan is payable in maximum period of 120 days.

f) ₹ 6,489.05 lakhs (March 31, 2023 : ₹ 7,282.92 lakhs) 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. Loan is payable in maximum period of 90 days.

g) ₹ 2,468.17 lakhs (March 31, 2023 : ₹ Nil) 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. Loan is payable in maximum period of 120 days.

h) ₹ 4,497.49 lakhs (March 31, 2023 : ₹ 4,908.62 lakhs) Invoice financing facility from Bank is unsecured. Loan is payable in maximum period of 120 days.

Interest rate on loans from banks varies from 9.80% p.a. to 11.35% p.a.

15. OTHER FINANCIAL LIABILITIES

(i) Non Current

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Non-cumulative non-convertible redeemable preference shares		
0.01% non-cumulative non-convertible redeemable preference shares of ₹ 100 each: 5,00,000 shares (March 31, 2023 : 5,00,000 shares) issued pursuant to the Scheme [refer note 13 (a)]	138.85	125.68
	138.85	**125.68**

Rights, preferences and restrictions attached to preference shares:

The non-cumulative non-convertible redeemable 5,00,000 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, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Interest accrued but not due on borrowings	237.72	164.76
Sundry deposits	242.10	254.03
Liability for capital goods	376.13	198.54
Payable to employees	1,994.18	1,510.91
Others	19.45	65.22
	2,869.58	**2,193.46**

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

16. CONTRACT LIABILITIES

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Advances from customers	1,648.57	1,162.47
	1,648.57	**1,162.47**

17. TRADE PAYABLES

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Total outstanding dues of micro enterprises and small enterprises (refer note 31)	108.93	54.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	33,915.05	29,801.45
	34,023.98	**29,856.23**

1. Refer note 36 for dues to related parties.
2. Refer note 38 for fair value measurement.
3. Micro and small enterprises as defined under the Micro and Small Enterprises Development Act, 2006 have been identified by the Company on the basis of the information available with them and the auditors have relied on the same.

Trade payable Ageing Schedule

As at March 31, 2024

₹ in lakhs

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	59.50	9.82	8.47	31.14	108.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	27,067.58	4,222.02	914.68	1,710.77	33,915.05
	27,127.08	**4,231.84**	**923.15**	**1,741.91**	**34,023.98**

As at March 31, 2023

₹ in lakhs

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	15.17	8.47	15.03	16.11	54.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,877.44	1,699.84	852.62	1,371.55	29,801.45
	25,892.61	**1,708.31**	**867.65**	**1,387.66**	**29,856.23**

18. OTHER CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
	₹ in lakhs	₹ in lakhs
Statutory dues	452.53	588.57
Others	15.99	15.99
	468.52	**604.56**

19. PROVISIONS

(i) Non-current

	As at March 31, 2024	As at March 31, 2023
	₹ in lakhs	₹ in lakhs
Provisions for employee benefits		
Provision for gratuity (refer note 35)	611.30	692.17
Provision for compensated absences	380.93	349.50
	992.23	**1,041.67**
Other provisions		
Provision for decommissioning liability [refer note (a) below]	407.73	417.66
	1,399.96	**1,459.33**

(ii) Current

	As at March 31, 2024	As at March 31, 2023
	₹ in lakhs	₹ in lakhs
Provisions for employee benefits		
Provision for gratuity (refer note 35)	81.86	133.08
Provision for compensated absences	205.73	289.27
	287.59	**422.35**
Other provisions		
Provision for tax disputes [refer note (b) below]	27.21	27.21
Provision for claims on leased properties [net of amount deposited - refer note (c) below]	460.11	460.11
	487.32	**487.32**
	774.91	**909.67**

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, 2024	For the year ended March 31, 2023
	₹ in lakhs	₹ in lakhs
Opening balance	**417.66**	**404.95**
Provision (reversed / utilised) / created during the year	(32.78)	(12.24)
Interest expense during the year	22.85	24.95
Closing balance	**407.73**	**417.66**

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

19. PROVISIONS (continued)

(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, 2024	For the year ended March 31, 2023
	₹ in lakhs	₹ in lakhs
Opening balance	**27.21**	**48.81**
Provision (reversed / utilised) / created during the year	1.49	(21.60)
Paid during the year	(1.49)	-
Closing balance *	**27.21**	**27.21**

* Net of deposits as at March 31, 2024 ₹ 25.75 lakhs (March 31, 2023: ₹ 24.26 lakhs) made under appeal.

(c) Retailers Association of India (RAI) of which the Company is a member, had 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 had 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%. Accordingly the Company had already deposited ₹ 460.00 lakhs and furnished a surety for ₹ 460.00 lakhs towards the balance service tax liability.

During the year ended March 31, 2022, the Company has settled the said case under Sabka Vishwas – (Legacy Dispute Resolution) Scheme, 2019 and obtained a Discharge Certificate for full and final settlement of tax dues upto the period under dispute and accordingly, company had reversed the excess liability in the books.

The Company has also been making provision for service tax on commercial rent on immovable property from October 2011 till FY 2018-19, the balance whereof as on March 31, 2024 is ₹ 460.11 lakhs (March 31, 2023: ₹ 460.11 lakhs).

	For the year ended March 31, 2024	For the year ended March 31, 2023
	₹ in lakhs	₹ in lakhs
Balance as at the start of the year	460.11	460.11
Closing balance	**460.11**	**460.11**

20. REVENUE FROM OPERATIONS

	For the year ended March 31, 2024	For the year ended March 31, 2023
	₹ in lakhs	₹ in lakhs
Revenue from contract with customers		
Sale of goods	2,13,562.20	2,28,093.42
Sale of concessionaire products	3,154.09	3,516.56
Total	**2,16,716.29**	**2,31,609.98**
Less: Goods & Services Tax	(18,353.04)	(20,386.76)
Less: Cost of goods sold for concessionaire products	(2,464.46)	(2,768.61)
	1,95,898.79	**2,08,454.61**
Other operating revenue		
- Display income	5,983.87	6,179.60
- Others	3,039.64	3,390.69
Total revenue from contract with customers	**2,04,922.30**	**2,18,024.90**

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

21. OTHER INCOME

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Interest income on		
- Bank deposits	29.17	14.77
- Security deposits	312.92	317.73
- Others	164.28	117.33
Gain on sale of investments	714.51	76.43
Fair value gain/(loss) on investments measured at FVTPL	(248.67)	84.34
Reversal of net liability on termination of lease	618.27	1,527.54
Covid - 19 related rent concessions [refer note 2.2(p) & 30]	-	73.14
Miscellaneous income*	264.54	779.46
	1,855.02	**2,990.74**
* includes provision / liabilities no longer required written back.		

22. COST OF RAW MATERIALS CONSUMED

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Inventories at the beginning of the year	57.51	48.11
Purchases during the year	564.83	730.05
	622.34	778.16
Less: Inventories at the end of the year	46.77	57.51
	575.57	**720.65**

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Inventories at the beginning of the year	22,522.20	22,473.09
Less: Inventories at the end of the year	21,947.23	22,522.20
	574.97	**(49.11)**

24. EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Salaries, wages and bonus *	14,458.02	14,754.90
Gratuity defined benefit plan [refer note 35]	121.82	117.59
Contribution to provident and other funds	1,009.38	993.27
Staff welfare expenses	515.37	566.69
	16,104.59	**16,432.45**

* Net of ₹ Nil (March 31, 2023 : ₹ 108.00 lakhs) claimed as subsidy under National Apprenticeship Promotion Scheme (NAPS).

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

25. OTHER EXPENSES

	For the year ended March 31, 2024 ₹ in lakhs		For the year ended March 31, 2023 ₹ in lakhs	
Power and fuel		4,278.19		4,544.51
Freight		160.24		163.01
Rent [refer note 2.2(p) & 30]		2,683.10		2,700.58
Repairs and maintenance				
- Buildings		597.56		429.71
- Others		3,107.58		3,120.01
Insurance		42.68		48.82
Rates and taxes		723.05		497.14
Advertisement and selling expenses		3,227.90		3,134.08
Packing materials consumed		967.74		797.31
Travelling and conveyance		505.64		496.96
Payment to auditors				
As auditor				
- Audit fees	60.94		86.54	
- Tax audit fees	4.00		10.75	
- Limited Review	60.00		20.10	
- Reimbursement of expenses	6.57	131.51	4.15	121.54
Communication expenses		342.67		227.54
Printing and stationery		249.98		282.05
Legal and consultancy expenses		492.39		728.54
Commission on sales		2,143.15		2,051.39
Housekeeping expenses		2,292.41		2,461.53
Security expenses		1,561.28		1,738.61
Provision for doubtful store lease deposits		9.56		46.72
Loss on sale of property, plant and equipment (net)		231.27		80.99
Provision for bad & doubtful debts (net)				
- Bad debts written off	19.09		2,516.83	
- (Reversal of Provision)/Provision for bad & doubtful debts	(27.27)	(8.18)	(2,510.26)	6.57
Miscellaneous expenses		692.41		838.04
		24,432.13		**24,515.65**

26. DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Depreciation of property, plant and equipment (refer note 3)	2,328.08	2,557.16
Depreciation on right-of-use assets (refer note 30)	6,763.24	6,943.83
Amortisation of intangible assets (refer note 4)	165.64	186.33
	9,256.96	**9,687.32**

27. FINANCE COSTS

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Interest expense on		
- Borrowings	5,485.65	3,151.22
- Lease liabilities (refer note 30)	5,767.11	5,304.10
- Non-cumulative non-convertible redeemable preference shares	13.17	11.42
- Decommissioning liability	22.85	24.95
- Others	5.44	41.48
Other costs	639.99	536.99
	11,934.21	**9,070.16**

28. 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, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Loss for the year (A) (₹ in lakhs)	(21,182.09)	(15,323.47)
Weighted average number of equity shares (B)	9,01,32,009	9,01,32,009
Earnings per share – basic and diluted (face value per equity share of ₹ 5 each) (C = A/B) (₹)	(23.50)	(17.00)

29. COMMITMENTS AND CONTINGENCIES

(a) Contingent liabilities

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ 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*	307.06	36.91
(ii) Claims against the Company not acknowledged as debt	5,180.78	4,738.01

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

* The Company has ongoing disputes with GST department relating to GST demand on excess reversal of of ITC under Rule 42/43 of CGST Rule and other issues. Based on evaluation, the Company believes that it has strong merits and accordingly, no provision is considered necessary.

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

29. COMMITMENTS AND CONTINGENCIES (continued)

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.

The Company has furnished a Comfort letter in respect of a term loan obtained from a financial institution / bank by its wholly owned subsidiary "Natures Basket Limited" for a total sanction amount of ₹ 9,000.00 lakhs (March 31, 2023 : ₹ 9,000.00 lakhs). The outstanding amount as at year end in the books of subsidiary is ₹ 4,829.11 lakhs (March 31, 2023 : ₹ 4,629.78 lakhs).

(b) Commitments

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	124.45	288.73
(ii) For Investments - Others	52.50	67.50

30. IND AS - 116 LEASES

The movement in right-of-use ("ROU") assets and lease liabilities are as below:

Right-of-use Assets : -

Particulars	Buildings As at March 31, 2024 ₹ in lakhs	Buildings As at March 31, 2023 ₹ in lakhs
Opening Balance	50,385.73	43,733.16
Additions [refer note (i) below]	15,631.11	14,727.90
Deletions [refer note (ii) below]	(2,946.33)	(1,131.50)
Depreciation (refer note 26)	(6,763.24)	(6,943.83)
Closing balance	**56,307.27**	**50,385.73**

(i) Includes ₹ 483.00 lakhs (March 31, 2023: ₹ 562.85 lakhs) on account of prepaid expenses on fair valuation of security deposits.

(ii) Includes ₹ 166.38 lakhs (March 31, 2023: ₹ 64.47 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, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Opening Balance	64,809.87	58,528.53
Additions	15,148.11	14,165.05
Interest expenses incurred for the year (refer note 27)	5,767.11	5,304.10
Deletions	(3,398.22)	(2,594.57)
Covid - 19 related rent concessions [refer note (iii) below]	-	(73.14)
Payment of lease liabilities [refer note (iv) below]	(11,312.86)	(10,520.10)
Closing balance	**71,014.01**	**64,809.87**

(iii) The Ministry of Corporate Affairs vide notification dated July 24, 2020 and June 18, 2021, 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, 2023 in respect of lease agreements where negotiations have been completed and accounted the unconditional rent concessions of ₹ Nil (March 31, 2023 : ₹ 73.14 lakhs) in "Other income" (refer note 21).

(iv) Includes ₹ 5,767.11 lakhs (March 31, 2023: ₹ 5,304.10 lakhs) on account of interest expenses.

(v) The following is the break-up of current and non-current lease liabilities

30. IND AS - 116 LEASES (continued)

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Current lease liabilities	5,296.69	7,793.89
Non-current lease liabilities	65,717.32	57,015.98
Total	**71,014.01**	**64,809.87**

(vi) The table below provides details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Less than one year	11,372.06	13,176.95
One to five years	40,589.19	35,246.19
More than five years	71,296.15	62,528.58
Total	**1,23,257.40**	**1,10,951.72**

(vii) The effective discount rate for lease liabilities is 9.30% p.a with maturity between 2025-2048.

(viii) The table below provides details of amount recognised in Statement of profit and loss:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Depreciation on Right-of-use assets (refer note 26)	6,763.24	6,943.83
Interest expenses on lease liabilities (refer note 27)	5,767.11	5,304.10
Rental expenses (excluding taxes) recorded for short term leases (refer note 25)	84.63	128.41
Rental expenses (excluding taxes) recorded for variable leases (refer note 25)	2,045.57	2,083.45
Total	**14,660.55**	**14,459.79**

(ix) The Company had total cash outflows for leases of ₹ 13,443.06 lakhs for the year ended March 31, 2024 (March 31, 2023 - ₹ 12,731.96 lakhs).

31. INFORMATION RELATING TO MICRO AND SMALL ENTERPRISES (MSMES):

Particulars		As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i)	The principal amount and interest due there on remaining unpaid to suppliers under Micro and Small Enterprises Development Act, 2006 as at the end of each accounting year		
	Principal	57.90	9.18
	Interest	3.32	3.32
(ii)	The amount of interest paid by the buyer in terms of section 16 of Micro and Small 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 and Small Enterprises Development Act, 2006		
	Principal	53.51	140.56
	Interest	2.11	5.68
(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.	45.60	36.59
(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 and Small Enterprises Development Act, 2006.	51.03	45.60

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

32. CONTRACT BALANCES UNDER IND AS 115

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Trade receivables	2,424.68	1,906.91
Contract liabilities	1,648.57	1,162.47

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.

33. DEFERRED TAX ASSETS/(LIABILITIES) (NET)

		As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(a)	**Deferred tax relating to assets and liabilities:**		
	- Deferred tax liabilities		
	Unamortised Borrowing Cost	(196.03)	(58.08)
	Fair value gain on investment	(1,482.42)	(2,100.63)
	Right-of-use assets	(19,676.01)	(17,606.79)
	Property, plant and equipment and other intangible assets	(26.36)	-
	Total	**(21,380.83)**	**(19,765.50)**
	- Deferred tax assets		
	Property, plant and equipment and other intangible assets	-	3.21
	Carry forward business losses / unabsorbed depreciation	43,058.09	39,347.25
	Disallowance under Tax Laws	534.38	588.39
	Lease Liabilities	24,815.14	22,647.16
	MAT (Minimum Alternative Tax) credit entitlement	141.34	141.34
	Others	575.87	628.52
	Total	**69,124.81**	**63,355.87**
	- Deferred tax assets (net)	**47,743.98**	**43,590.37**
	- Unrecognised Deferred tax assets (net)*	**47,743.98**	**43,590.37**
	- Deferred tax asset as per balance sheet	**-**	**-**

*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, hence reconciliation between effective tax rate and statutory rate of tax is not disclosed.

(c) The Company has tax losses of ₹ 57,065.84 lakhs (March 31, 2023 : ₹ 49,244.00 lakhs) and unabsorbed depreciation of ₹ 66,154.42 lakhs (March 31, 2023 : ₹ 63,354.67 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 10 years (March 31, 2023: 11 years).

34. SEGMENT INFORMATION

The Company has a single operating segment i.e. organised retail. 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.

35. 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 liability in respect thereof is determined by actuarial valuation at the year end based on the Projected Unit Credit Method and is recognized as a charge on accrual basis.

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, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
(a)	**Reconciliation of present value of defined benefit obligations**		
	Balance at the beginning of the year	1,021.74	858.13
	Current service cost	121.82	117.59
	Interest cost	60.16	45.41
	Benefits paid	(317.23)	(150.33)
	Actuarial (gain) / loss on defined benefit obligations	(11.96)	150.94
	Balance at the end of the year	**874.53**	**1,021.74**
(b)	**Reconciliation of fair value of plan assets**		
	Balance at the beginning of the year	196.49	230.83
	Interest income	10.25	12.95
	Contributions by employer	224.44	150.00
	Benefits paid	(317.23)	(150.33)
	Actuarial gains / (losses)	67.42	(46.96)
	Balance at the end of the year	**181.37**	**196.49**
(c)	**Net defined benefit liabilities / (assets)**		
	Present value of defined benefit obligations	874.53	1,021.74
	Fair value of plan assets	(181.37)	(196.49)
	Net defined benefit liabilities [refer note 19]	**693.16**	**825.25**
(d)	**Expense recognised in the statement of Profit or Loss**		
	Current service cost	121.82	117.59
	Interest cost	60.16	45.41
	Interest income	(10.25)	(12.95)
		171.73	**150.05**
(e)	**Remeasurement recognised in Other Comprehensive Income**		
	Actuarial (gain) /loss on defined benefit obligations	(11.96)	150.94
	Actuarial (gain) / loss on plan assets	(67.42)	46.96
		(79.38)	**197.90**
(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	6.90%	7.00%
	Expected rate of return on assets	6.90%	7.00%
	Future compensation growth	6.00%	6.00%
	Average expected future service	27 years	27 years
	Employee turnover	Ranging grade wise from 10% to 86%	Ranging grade wise from 10% to 86%

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality ((2006-08 - (modified) 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 Company expects to contribute ₹ 272.16 lakhs (March 31, 2023: ₹ 133.08 lakhs) to gratuity fund in the next year.

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

35. 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, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
(i) Discount rate (0.5% movement)	(12.41)	12.85	(15.22)	15.80
(ii) Future salary (0.5% movement)	12.95	(12.63)	15.95	(15.49)
(iii) Mortality (10% movement)*	0.00*	(0.00)*	0.00*	(0.00)*
(iv) Attrition rate (0.5% movement)	(1.02)	0.45	(1.37)	0.47

*Amount is below rounding off norms followed by the Company

(k) Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below

(i) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(ii) Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

(iii) Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee

(l) Estimated future payments of undiscounted gratuity is as follows:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Within 12 months	272.16	333.25
Between 1 to 5 years	514.37	769.65
Between 6 to 10 years	206.60	607.46
Beyond 10 years	107.78	557.11
Total	**1,100.91**	**2,267.47**

35.1 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 ₹ 832.74 lakhs (March 31, 2023: ₹ 819.66 lakhs) in the Statement of Profit and Loss.

36. RELATED PARTY DISCLOSURE

(i)	**Subsidiaries / Other entity controlled by the Company**	1) Omnipresent Retail India Private Limited
		2) Natures Basket Limited
		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) CESC Limited	11) ATK - Mohan Bagan Private Limited
	2) Guiltfree Industries Limited	12) Herbolab India Private Limited
	3) Open Media Network Private Limited	13) Noida Power Company Limited
	4) Integrated Coal Mining Limited	14) Woodland Multispeciality Hospitals Private Limited
	5) PCBL Limited	15) PCBL (TN) Limited
	6) Quest Properties India Limited	16) Duncan Brothers & Co. Limited

36. RELATED PARTY DISCLOSURE (continued)

	7) RPSG Resource Private Limited		17) Great Wholesale Club Limited - Gratuity Trust
	8) Saregama India Limited		18) International Management Institute
	9) RPSG Sports Private Limited		19) RP Goenka International School
	10) Haldia Energy Limited		20) RPG Power Trading Company Limited
(iv)	**Key Managerial Personnel**		
	1) Sanjiv Goenka - Non-Executive Director and Chairman (upto May 22, 2023)		8) Rahul Nayak - Whole-time Director (upto May 18, 2024)
	2) Shashwat Goenka - Chairman (w.e.f May 23, 2023) and Non-Executive Director		9) Rama Kant - Company Secretary (upto October 10, 2022)
	3) Utsav Parekh - Independent Director		10) Neelesh Bothra - Chief Financial Officer (upto January 20, 2024)
	4) Pratip Chadhuri - Independent Director		11) Vikash Kumar Agarwal - Company Secretary (w.e.f. February 14, 2023)
	5) Rekha Sethi - Independent Director		12) Anuj Singh - Chief Executive Officer & Managing Director (w.e.f. March 22, 2023)
	6) Debanjan Mandal - Independent Director		13) Sandeep Kumar Banka - Chief Financial Officer (w.e.f. April 18, 2024)
	7) Devendra Chawla - Chief Executive Officer & Managing Director (upto January 20, 2023)		

(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, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Transactions :								
Investment in subsidiaries	6,810.00	1,380.00	-	-	-	-	-	-
Sale of goods	117.37	226.76	796.55	642.59	-	-	-	-
Purchases of stock-in-trade	200.26	93.38	304.92	214.21	-	-	-	-
Rendering of services	-	-	1,059.62	1,131.62	-	-	-	-
Contribution for Gratuity fund	-	-	181.09	158.98	-	-	-	-
Commission paid	2,680.28	2,282.31	-	-	-	-	-	-
Receiving of services	1.70	-	8.18	48.17	-	-	-	-
Remittances	19.23	4.22	80.61	92.63	-	-	-	-
License fees	-	-	64.90	59.40	-	-	-	-
Loan Taken	-	-	2,500.00	-	-	-	-	-
Loan Repaid	-	-	2,500.00	-	-	-	-	-
Interest Paid	-	-	39.97	-	-	-	-	-
Electricity expenses		-	346.88	312.29	-	-	-	-
Recovery of expenses incurred	550.19	434.34	-	-	-	-	-	-
Rent income	67.75	82.59	-	-	-	-	-	-
Rent expenses	52.77	36.67	1,755.76	1,055.83	-	-	-	-
Security deposits paid	31.20	-	3.52	-	-	-	-	-
Security deposits Received	-	-	0.76	-	-	-	-	-
Short term employee benefits	-	-	-	-	672.52	1,154.28	-	-
Retirement benefits	-	-	-	-	55.98	42.89	-	-
Reimbursement of expenses	-	-	3.47	16.38	27.79	49.18	-	-
Sitting fees to directors	-	-	-	-	39.00	50.00	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

36. RELATED PARTY DISCLOSURE (continued)

₹ 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, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Balances outstanding :								
Receivable against sale of goods	-	92.51	498.27	22.15	-	-	-	-
Payable for purchases of stock-in-trade	68.14	-	115.45	44.63	-	-	-	-
Payable for commission expenses	633.96	518.61	-	-	-	-	-	-
Advance for goods and services	-	-	48.10	-	-	-	-	-
Payable for services received	-	-	7.74	1.28	-	-	-	-
Payable for remittances	-	-	-	117.78	-	-	-	-
Receivable for services rendered	-	-	2.62	-	-	-	-	-
Security deposit receivable	-	-	141.86	145.95	-	-	-	-
Receivable from ESOP Trust	102.00	102.00	-	-	-	-	-	-
Investments	46,633.42	39,823.42	-	-	-	-	-	-

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 ₹ Nil (March 31, 2023 : ₹ 6.80 lakhs) 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 37).

(iv) RPG Power Trading Company Limited (company under common control) has furnished a Comfort letter in respect of a term loan obtained from financial institution by the Company for a total sanction amount of ₹ 5,000.00 lakhs (March 31, 2023: ₹ Nil). The outstanding amount as at year end in the books is ₹ 4,875.00 lakhs (March 31, 2023 : ₹ Nil).

(v) Refer note 29 for comfort letter furnished to its wholly owned subsidiary.

37. 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 Company had created an Spencer's Employee Benefit Trust (ESOP Trust). The Company had purchased equity shares from the open market under the ESOP Trust. Such equity shares are held by the ESOP Trust.

37. SHARE BASED PAYMENTS (continued)

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, 2024	As at March 31, 2023
Weighted average fair value of Option at Grant Date* (₹)	39.96	39.96
Share Price at Grant Date (₹)	88.20	88.20
Exercise Price (₹)	83.57	83.57
Expected Volatility (%)	40.69% - 40.71%	40.69% - 40.71%
Expected life (years)	3.5 years - 6.5 years	3.5 years - 6.5 years
Expected dividends (₹)	-	-
Risk-free Interest Rate (based on Government Bonds) (%)	4.64% - 5.72%	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	Exercise Price per Option (₹)	Number of Options
Outstanding as on April 1, 2023	83.57	1,20,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding as on March 31, 2024	83.57	1,20,000
Exercisable as on March 31, 2024	-	-
Vested as on March 31, 2024	-	-
Outstanding as on April 1, 2022	83.57	1,20,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding as on March 31, 2023	83.57	1,20,000
Exercisable as on March 31, 2023	-	-
Vested as on March 31, 2023	83.57	60,000

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

37. SHARE BASED PAYMENTS (continued)

D. Expenses arising from equity settled share based payments transactions :

Particulars	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Amount recognised in statement of profit and loss	-	6.80

38. 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, 2024				As at March 31, 2023			
	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total
Financial assets								
Investments								
- Equity shares (unquoted)	-	-	46,634.42	**46,634.42**	-	-	39,824.42	**39,824.42**
- Alternative Investment Fund	-	5,546.06	-	**5,546.06**	-	7,335.42	-	**7,335.42**
- Mutual fund	-	-	-	**-**	-	2,021.05	-	**2,021.05**
Trade receivables	2,424.68	-	-	**2,424.68**	1,906.91	-	-	**1,906.91**
Cash and cash equivalents	2,894.87	-	-	**2,894.87**	1,166.84	-	-	**1,166.84**
Bank balances other than cash and cash equivalents	484.03	-	-	**484.03**	443.00	-	-	**443.00**
Other financial assets	3,536.54	-	-	**3,536.54**	3,805.69	-	-	**3,805.69**
Total financial assets	**9,340.12**	**5,546.06**	**46,634.42**	**61,520.60**	**7,322.44**	**9,356.47**	**39,824.42**	**56,503.33**
Financial liabilities								
Preference shares	138.85	-	-	**138.85**	125.68	-	-	**125.68**
Borrowings	63,147.57	-	-	**63,147.57**	43,969.27	-	-	**43,969.27**
Lease Liability	71,014.01	-	-	**71,014.01**	64,809.87	-	-	**64,809.87**
Trade payables	34,023.98	-	-	**34,023.98**	29,856.23	-	-	**29,856.23**
Other financial liabilities	2,869.58	-	-	**2,869.58**	2,193.46	-	-	**2,193.46**
Total financial liabilities	**1,71,193.99**	**-**	**-**	**1,71,193.99**	**1,40,954.51**	**-**	**-**	**1,40,954.51**

(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

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

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.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers 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 mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(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 security deposits (classified as other financial 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, 2024				As at March 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
- Equity shares (unquoted)	-	-	46,634.42	**46,634.42**	-	-	39,824.42	**39,824.42**
- Alternative Investment Fund	-	-	5,546.06	**5,546.06**	-	-	7,335.42	**7,335.42**
- Mutual fund	-	-	-	**-**	2,021.05	-	-	**2,021.05**
	-	**-**	**52,180.48**	**52,180.48**	**2,021.05**	**-**	**47,159.84**	**49,180.89**

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.

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

There have been no transfers of investments between Level 1 and Level 2 fair value measurements during the year ended March 31, 2024 and March 31, 2023, respectively.

(d) Reconciliation of fair value measurement of investments (categorised as level 3 above) classified as FVTPL/FVTOCI asset:

₹ in lakhs

Particulars	FVTOCI	FVTPL
	Equity shares (unquoted)	Alternative Investment Fund
As at March 31, 2022	**38,444.42**	**7,261.62**
Invested during the year	1,380.00	30.00
Gain on sale of investments	-	(18.74)
Fair Value gain recognised in Statement of profit and loss	-	62.54
As at March 31, 2023	**39,824.42**	**7,335.42**
Invested during the year (refer note 6)	6,810.00	15.00
Gain on sale of investments	-	429.34
Proceeds during the year	-	(1,985.03)
Fair Value gain recognised in Statement of profit and loss	-	(248.67)
As at March 31, 2024	**46,634.42**	**5,546.06**

(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, security deposits, 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, minimise 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 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 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.

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

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 optimise 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, 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.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flows amounts are gross and undiscounted:

₹ in lakhs

Financial liabilities	Contractual cash flows				
	Carrying Value	Within 1 year	1 to 5 years	More than 5 years	Total
As at March 31, 2024					
Preference shares	138.85	-	-	500.00	500.00
Borrowings	63,147.57	38,284.52	25,424.05	-	63,708.57
Trade payables	34,023.98	34,023.98	-	-	34,023.98
Lease liabilities (Refer note 30)	71,014.01	11,372.06	40,589.19	71,296.15	1,23,257.40
Other financial liabilities	2,869.58	2,869.58	-	-	2,869.58
	1,71,193.99	**86,550.14**	**66,013.24**	**71,796.15**	**2,24,359.53**
As at March 31, 2023					
Preference shares	125.68	-	-	500.00	500.00
Borrowings	43,969.27	29,801.53	14,100.70	233.24	44,135.47
Trade payables	29,856.23	29,856.23	-	-	29,856.23
Lease liabilities (Refer note 30)	64,809.87	13,176.95	35,246.19	62,528.58	1,10,951.72
Other financial liabilities	2,193.46	2,193.46	-	-	2,193.46
	1,40,954.51	**75,028.17**	**49,346.89**	**63,261.82**	**1,87,636.88**

(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 primarily to company's borrowing with floating interest rates.

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

Exposure to interest rate risk

₹ in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings bearing variable rate of interest	63,147.57	43,969.27

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, 2024	As at March 31, 2023
50 bp increase- decrease in profits	(315.74)	(219.85)
50 bp decrease- increase in profits	315.74	219.85

39. 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.

40. The Company has incurred a loss after tax of ₹ 21,182.09 lakhs for the year ended March 31, 2024 and its current liabilities, including current borrowings, exceeds current assets by ₹ 52,438.42 lakhs as at March 31, 2024. The Company has access to unutilised credit lines with its bankers and also additional capital from its promoters, if and when required. The Company also has other investments which can be monetised, if and when required. Further, the Company has been expanding its operations, expanding private brand, building growth towards the non-food segments (including own branded apparel) and improvement of margins through dis-continuance of loss making/ low margin stores, etc. 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.

41. RATIO

	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.37	0.43	(14%)	
Debt- Equity Ratio	Total Debt = Non current borrowings + Current Borrowings	Total equity	NA#	4.32	NA#	
Debt Service Coverage ratio	Earnings before interest expenses, tax, depreciation and amortisation	Debt service = Interest & Lease Payments + Principal Repayments	0.00 *	0.21	(100%)	Decrease in EBITDA during the year.
Return on Equity ratio	Loss after tax	Total equity	NA#	(150.48%)	NA#	
Inventory Turnover ratio (in days)	Average Inventory	Revenue from operations	40.18	38.31	5%	
Trade Receivable Turnover Ratio (in days)	Average Trade receivables	Revenue from operations	3.86	3.79	2%	
Trade Payable Turnover Ratio (in days)	Average Trade payables	Purchase of goods	70.38	61.00	15%	Increase in Payables in Current Year
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – Current liabilities	(3.91)	(5.31)	(26%)	Decrease in Revenue in Current Year
Net Loss ratio	Net Loss	Revenue from operations	(10.34%)	(7.03%)	47%	Increase in loss in current year.
Return on Capital Employed	Earnings before interest expenses and tax	Capital Employed = Total equity - Other intangible assets + Total Debt	(21.41%)	(13.89%)	54%	Increase in loss in current year
Return on Investment - Alternative Investment fund	Fair Value Gain - (Realised + Unrealised)	Average Investment in Alternative Investment Fund	2.81%	0.60%	368%	Increase in unrealised gain in current year
Return on Investment - Mutual Fund	Gain on sale of invesment	Monthly Average Mutual Fund Investment	8.61%	4.69%	84%	Increase in return and average holding in mutual fund.

* Amount is below rounding off norms followed by the Company.

The ratio has not been calculated during the year ended March 31, 2024 as the total equity is negative for the year ended March 31, 2024.

42. OTHER STATUTORY INFORMATION

(i) The Company does not have any transactions with companies struck off.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

42. OTHER STATUTORY INFORMATION (continued)

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(vii) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(ix) The Company is maintaining its books of accounts in electronic mode and these books of accounts are accessible in India at all times and the back-up of the books of accounts has been kept in servers physically located in India on a daily basis

(x) The quarterly returns/ statements filed by the company with such banks are in agreement with the books of accounts of the Company. Further, the Company do not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions, during the year on the basis of security of current assets of the Company.

(xi) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(xii) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. The Group has 4 Core Investment Companies as a part of the Group.

43. The Company have used accounting software for maintaining its books of account which has a feature of recording of audit trail (edit log) facility and the same has operated throughout the year for all relevant transcations recorded in the software except that audit trail feature is not enabled at the database level in so far it relates to the SAP and Point Of Sales (POS) accounting software. Further, no instance of audit trail feature being tampered with in respect of the accounting software was noted.

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm registration number - 301003E/E300005

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

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"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2024, 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 material 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 report of other auditor on separate financial statements and on the other financial information of the subsidiary, 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, 2024, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. 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, 2024. 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 an understanding from the management, assessed and tested the design and operating effectiveness of the Group's key controls over the impairment assessment of such investments. • 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 discussed with the management the methodology and assumptions used in the valuation including discount rates, expected growth rates and terminal growth rates. In performing these procedures, we have involved valuation specialists. • We assessed management's sensitivity analysis around the key assumptions. • We obtained suitable management representations on projections of future cash flows and the various assumptions used in the valuation. • We tested the arithmetical accuracy of the financial projections. • 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 information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional 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.

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, 2024 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, whose financial statements include total assets of Rs 1,115.80 lakhs as at March 31, 2024, and total revenues of Rs 2,157.52 lakhs and net cash outflows of Rs 1.37 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 auditor.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of entity controlled by the Holding Company, whose financial statements and other financial information reflect total assets of Rs 102.00 lakhs as at March 31, 2024, and total revenues of Rs Nil and net cash outflows of Rs Nil for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion on the consolidated financial statements, 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements..

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 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, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

(h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company and its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 29 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;

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, 2024.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the note 42 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the note 42 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries companies, incorporated in India.

vi) Based on our examination which included test checks and that performed by the respective auditor of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 43 to the consolidated financial statements, the Holding Company and subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered in respect of accounting software.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 24056102BKFVIN4704

Place of Signature: Kolkata
Date: May 10, 2024

Annexure 1 to the Independent Auditor's Report of even Date on the Consolidated 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")

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, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, 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 one subsidiary Company, which is a Company, incorporated in India, is based on the corresponding report of the auditor of such subsidiary incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 24056102BKFVIN4704

Place of Signature: Kolkata
Date: May 10, 2024

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

Particulars	Note No.	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	15,163.05	15,664.30
Capital work in progress	3	94.59	205.17
Right-of-use assets	30	72,299.05	63,813.27
Goodwill	4	13,127.00	13,127.00
Other intangible assets	4	20,515.61	20,581.27
Financial assets			
(i) Investments	6	5,589.40	7,375.70
(ii) Other financial assets	10	4,515.45	4,956.97
Tax assets (net)		646.39	646.35
Other assets	11	276.91	168.95
Total non-current assets (A)		**1,32,227.45**	**1,26,538.98**
Current assets			
Inventories	5	26,593.00	26,451.38
Financial assets			
(i) Investments	6	-	2,021.05
(ii) Trade receivables	7	2,529.11	1,976.03
(iii) Cash and cash equivalents	8	3,145.82	1,316.77
(iv) Bank balances other than cash and cash equivalents	9	485.27	445.54
(v) Other financial assets	10	428.75	185.41
Other assets	11	4,182.64	4,000.57
Total current assets (B)		**37,364.59**	**36,396.75**
TOTAL ASSETS (A+B)		**1,69,592.04**	**1,62,935.73**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	4,506.60	4,506.60
Other equity	13	(46,090.43)	(19,553.47)
Total equity (C)		**(41,583.83)**	**(15,046.87)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	28,200.46	18,086.94
(ii) Lease liabilities	30	81,714.28	70,258.77
(iii) Other financial liabilities	15	138.85	125.68
Deferred tax liabilities (net)	33	2,010.68	2,046.13
Provisions	19	1,577.52	1,613.07
Total non-current liabilities (D)		**1,13,641.79**	**92,130.59**
Current liabilities			
Contract liabilities	16	1,916.67	1,499.09
Financial liabilities			
(i) Borrowings	14	45,103.73	36,063.49
(ii) Lease liabilities	30	7,145.52	9,649.44
(iii) Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		716.35	657.07
- Total outstanding dues of creditors other than micro enterprises and small enterprises		37,745.56	33,701.16
(iv) Other financial liabilities	15	3,269.39	2,569.03
Other current liabilities	18	775.93	764.01
Provisions	19	860.93	948.72
Total current liabilities (E)		**97,534.08**	**85,852.01**
TOTAL EQUITY AND LIABILITIES (C+D+E)		**1,69,592.04**	**1,62,935.73**

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

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Notes No.	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
INCOME			
Revenue from operations	20	2,34,502.51	2,45,258.17
Other income	21	2,560.20	3,257.98
Total Income (I)		**2,37,062.71**	**2,48,516.15**
EXPENSES			
Cost of raw materials consumed	22	575.57	720.65
Purchases of stock-in-trade		1,86,845.70	1,95,739.25
Changes in inventories of finished goods and stock-in-trade	23	(180.80)	(493.95)
Employee benefits expense	24	20,110.26	19,859.95
Other expenses	25	28,316.42	29,074.76
Total Expenses (II)		**2,35,667.15**	**2,44,900.66**
Earnings before interest expense, tax, depreciation and amortisation (EBITDA) [(I)-(II)]		**1,395.56**	**3,615.49**
Depreciation and amortisation expense	26	13,246.91	13,172.84
Finance costs	27	14,799.20	11,521.46
Loss before tax (III)		**(26,650.55)**	**(21,078.81)**
Tax expense	33		
Current tax		-	-
Deferred tax charge/credit		(35.45)	(39.13)
Loss for the year (IV)		**(26,615.10)**	**(21,039.68)**
Other comprehensive income			
Items that will not be reclassified subsequently to statement of Profit and Loss			
Remeasurement of defined benefit plans	35	78.14	(199.67)
Income tax relating to items that will not be reclassified to Profit and Loss		-	-
Other Comprehensive income for the year (V)		**78.14**	**(199.67)**
Total Comprehensive income for the year [(IV)+(V)]		**(26,536.96)**	**(21,239.35)**
Loss for the year attributable to:			
Equity holders of the parent company		(26,615.10)	(21,039.68)
Non-controlling interest		-	-
		(26,615.10)	**(21,039.68)**
Other comprehensive income for the year attributable to:			
Equity holders of the parent company		78.14	(199.67)
Non-controlling interest		-	-
		78.14	**(199.67)**
Total comprehensive income for the year attributable to:			
Equity holders of the parent company		(26,536.96)	(21,239.35)
Non-controlling interest		-	-
		(26,536.96)	**(21,239.35)**
Earnings per share (₹)	28		
Basic		**(29.53)**	**(23.34)**
Diluted		**(29.57)**	**(23.37)**

[Nominal value per equity share ₹ 5 (March 31, 2023: ₹ 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

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

A. EQUITY SHARE CAPITAL

	March 31, 2024		March 31, 2023	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Balance at the beginning of the year	9,01,32,009	4,506.60	9,01,32,009	4,506.60
Balance at the end of the year	**9,01,32,009**	**4,506.60**	**9,01,32,009**	**4,506.60**

B. OTHER EQUITY

	Reserves and Surplus					Total
	Securities Premium	Capital reserve	Retained earnings	Share based payment reserve	Treasury Shares	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Balance as at April 01, 2023	**7,196.57**	**56,133.85**	**(82,823.98)**	**40.37**	**(100.28)**	**(19,553.47)**
Loss for the year	-	-	(26,615.10)	-	-	(26,615.10)
Remeasurement of defined benefit plans	-	-	78.14	-	-	78.14
Balance as at March 31, 2024	**7,196.57**	**56,133.85**	**(1,09,360.94)**	**40.37**	**(100.28)**	**(46,090.43)**

	Reserves and Surplus					Total
	Securities Premium	Capital reserve	Retained earnings	Share based payment reserve	Treasury Shares	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Balance as at April 01, 2022	**7,196.57**	**56,133.85**	**(61,584.63)**	**33.57**	**(100.28)**	**1,679.08**
Loss for the year	-	-	(21,039.68)	-	-	(21,039.68)
Remeasurement of defined benefit plans	-	-	(199.67)	-	-	(199.67)
Addition on account of Spencer's Employee Stock Option Plan 2019 (ESOP 2019) (refer note 37)	-	-	-	6.80	-	6.80
Balance as at March 31, 2023	**7,196.57**	**56,133.85**	**(82,823.98)**	**40.37**	**(100.28)**	**(19,553.47)**

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

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED MARCH 31, 2024

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
		₹ in lakhs	₹ in lakhs
Operating Activities			
Loss before tax		**(26,650.55)**	**(21,078.81)**
Adjustments :			
Depreciation and amortisation expense	26	13,246.91	13,172.84
(Reversal of Provision)/Provision for bad & doubtful debts / bad debts (net)	25	(23.88)	60.34
Provision for doubtful store lease deposits	25	9.56	41.08
Reversal of provision for obsolete inventory		(178.15)	(398.53)
Finance costs	27	14,799.20	11,521.46
Fair value loss/(gain) on investments measured at FVTPL	21	248.67	(84.34)
Gain on sale of investments	21	(714.51)	(76.43)
Interest income	21	(634.05)	(576.52)
Loss on sale of property, plant and equipment (net)	25	247.72	87.14
Reversal of net liability on termination of lease	21	(1,251.71)	(1,575.73)
Covid - 19 related rent concessions	21	-	(75.18)
Cash generated from/(used in) operations before working capital changes		**(900.79)**	**1,017.32**
Working capital changes:			
Decrease/(Increase) in inventories		36.53	(11.51)
(Increase)/Decrease in trade receivables		(529.20)	626.59
Decrease in other financial assets		95.34	10.04
Increase in other assets		(193.08)	(677.65)
Increase in trade payables		4,103.68	1,021.36
Increase/(Decrease) in financial liabilities		363.76	(531.68)
Increase/(Decrease) in other current liabilities		11.92	(293.16)
Increase in contract liabilities		419.62	16.35
(Decrease)/Increase in provisions		(68.05)	25.10
Cash flow generated from operating activities		**3,339.73**	**1,202.76**
Income taxes refund (net)		168.58	1,471.29
Net cash generated from operating activities (A)		**3,508.31**	**2,674.05**
Investing Activities			
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances		(3,563.07)	(2,614.50)
Proceeds from sale of property, plant and equipment		367.20	89.62
Purchases of Investment		(3.06)	-
Investment in alternative investment fund		(15.00)	(30.00)
Proceeds from alternative investment fund		1,985.03	6.23
Purchase of mutual fund units		(34,272.11)	(4,501.20)
Proceeds from sale of mutual fund units		36,578.33	4,668.57
Investment in bank deposits		(0.50)	(362.50)
Redemption / maturity of bank deposits		20.00	166.64
Interest received		28.64	16.12
Net cash generated from/(used in) investing activities (B)		**1,125.46**	**(2,561.02)**
Financing Activities			
Payment of lease liabilities (principal)		(7,255.13)	(7,035.18)
Proceeds from non-current borrowings		18,991.00	11,453.02
Repayment of non-current borrowings		(6,532.29)	(3,850.44)
Net movement in current borrowings		6,695.05	10,458.05
Interest paid		(14,703.35)	(11,506.85)
Net cash used in financing activities (C)		**(2,804.72)**	**(481.40)**
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)		**1,829.05**	**(368.37)**
Cash and cash equivalents at the beginning of the year		1,316.77	1,685.14
Cash and cash equivalents at the end of the year		**3,145.82**	**1,316.77**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2024 (Contd.)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
		₹ in lakhs	₹ in lakhs
Components of cash and cash equivalents :			
Balance with banks			
- In current accounts	8	1,888.56	574.08
Balance with credit card, e-wallet companies and others	8	652.41	462.46
Cash on hand	8	604.85	280.23
Total cash and cash equivalents		**3,145.82**	**1,316.77**

Changes in liabilities arising from financing activities :

Particulars	As at April 01, 2023	Cash flows Inflow/(outflow)	Non-cash changes	As at March 31, 2024
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Other financial liabilities - Preference shares (refer note 15)	125.68	-	13.17	138.85
Non current borrowings (includes current maturities of long term borrowings)	24,009.89	12,458.71		36,468.60
Current borrowings (excludes current maturities of long term borrowings)	30,140.54	6,695.05	-	36,835.59
Lease Liabilities [refer note 30]	79,908.21	(7,255.13)	16,206.72	88,859.80

Particulars	As at April 01, 2022	Cash flows Inflow/(outflow)	Non-cash changes	As at March 31, 2023
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Other financial liabilities - Preference shares (refer note 15)	114.26	-	11.42	125.68
Non current borrowings (includes current maturities of long term borrowings)	16,407.30	7,602.59		24,009.89
Current borrowings (excludes current maturities of long term borrowings)	19,682.49	10,458.05	-	30,140.54
Lease Liabilities [refer note 30]	70,759.47	(7,035.18)	16,183.92	79,908.21

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

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

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, 2024. 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 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 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).

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, 2024, 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, 2024 were approved for issuance in accordance with the resolution passed by the Board of Directors on May 10, 2024.

(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, 2024	Equity Interest March 31, 2023
Omnipresent Retails India Private Limited	E-Commerce	India	100%	100%
Natures Basket Limited	Organised retail stores	India	100%	100%
Spencer's Employee Benefit Trust	Trust established for implementing Spencer's Employee Stock Option Plan, 2019	India	100%	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) Determining the fair values of investments - Note 2.2(g) & 6

(iii) Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources - Note 2.2 (j), 2.2 (k), 19 & 29 (a)

(iv) Measurement of defined benefit obligations: key actuarial assumptions - Note 2.2(i) & 35

(v) Impairment of financial assets: key assumptions used in estimating recoverable cash flows - Note 2.2 (g) & 38

(vi) Non recognition of deferred tax assets - Note 2.2 (q) & 33

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(vii) Discounting rate and lease term for accounting of Right-of-use assets and lease liabilities under Ind AS 116 - Note 2.2(p) & 30

2.2 Material accounting policies information

(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 comprises 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 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 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.

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 37. 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 expected to vest and recognises 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. Any unappropriated shares which are not backed by grants, and acquired through secondary acquisition by the trust, are appropriated within a reasonable period of time.

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 recognise 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 towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. Amounts disclosed as revenue are 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 recognises 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 recognises 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.

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, 2021.

MCA issued an amendment to Ind AS 116 Covid-19 related Rent Concessions beyond June 30, 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before June 30, 2022 from June 30, 2021. The Group has applied this amendment to annual reporting periods beginning on or after April 01, 2021 in respect of lease agreements where negotiations have been completed and accounted the unconditional rent concessions as per Note 30.

(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 realise 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.

(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) Standard issued but not effective

There are no standards issued but not effective up to the date of issuance of the Group's financial statements.

(z) New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

(aa) Climate – related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

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, 2022	**16,444.00**	**7,224.08**	**2,891.73**	**20.24**	**10,174.24**	**323.54**	**37,077.83**
Additions during the year	1,375.73	409.47	272.75	-	611.65	88.08	2,757.68
Disposals during the year	212.43	221.35	98.97	-	438.68	27.46	998.89
As at March 31, 2023	**17,607.30**	**7,412.20**	**3,065.51**	**20.24**	**10,347.21**	**384.16**	**38,836.62**
Additions during the year	1,736.65	599.91	358.32	-	694.81	223.41	3,613.10
Disposals during the year	5,400.61	1,899.00	845.63	-	2,188.98	48.50	10,382.72
As at March 31, 2024	**13,943.34**	**6,113.11**	**2,578.20**	**20.24**	**8,853.04**	**559.07**	**32,067.00**
Accumulated depreciation							
As at April 01, 2022	**8,600.66**	**3,768.13**	**2,278.20**	**19.48**	**5,773.18**	**173.56**	**20,613.21**
Depreciation for the year (refer note 26)	1,402.18	768.74	239.27	0.09	932.81	38.19	3,381.28
Disposals for the year	175.10	163.72	94.05	-	363.81	25.49	822.17
As at March 31, 2023	**9,827.74**	**4,373.15**	**2,423.42**	**19.57**	**6,342.18**	**186.26**	**23,172.32**
Depreciation for the year (refer note 26)	1,680.89	623.17	251.29	0.04	892.05	55.49	3,502.93
Disposals for the year	5,301.20	1,648.17	822.01	-	1,953.74	46.18	9,771.30
As at March 31, 2024	**6,207.43**	**3,348.15**	**1,852.70**	**19.61**	**5,280.49**	**195.57**	**16,903.95**
Net carrying amount							
As at March 31, 2024	**7,735.91**	**2,764.96**	**725.50**	**0.63**	**3,572.55**	**363.50**	**15,163.05**
As at March 31, 2023	**7,779.56**	**3,039.05**	**642.09**	**0.67**	**4,005.03**	**197.90**	**15,664.30**

Note :

1. Refer note 14 for hypothecation of Property, plant and equipment.
2. Refer note 29 for disclosure of contractual commitments for acquistion of Property, plant and equipment.

Capital work in progress (CWIP)

₹ in lakhs

As at April 01, 2022	**797.48**
Addition during the year	215.80
Less : Capitalised to Property, plant and equipment and intangible assets during the year	808.11
As at March 31, 2023	**205.17**
Addition during the year	352.78
Less : Capitalised to Property, plant and equipment and intangible assets during the year	463.36
As at March 31, 2024	**94.59**

CWIP Ageing Schedule

₹ in lakhs

	0-1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024					
Upcoming stores	64.19	30.24	0.16	-	94.59
	64.19	**30.24**	**0.16**	**-**	**94.59**
As at March 31, 2023					
Upcoming stores	177.11	15.63	4.71	7.71	205.17
	177.11	**15.63**	**4.71**	**7.71**	**205.17**

Note :

1. There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the year ended March 31, 2024 and March 31, 2023.
2. There are no project that has been temporarily suspended during the year ended March 31, 2024 and March 31, 2023.

4. OTHER INTANGIBLE ASSETS & GOODWILL

₹ in lakhs

	Computer softwares	Know-how and licenses	Designs	Brands	Goodwill	Total
Gross carrying amount						
As at April 01, 2022	**1,783.67**	**257.82**	**523.86**	**19,799.00**	**13,127.00**	**35,491.35**
Additions during the year	339.66	-	63.80	-	-	403.46
Disposals during the year	-	-	-	-	-	-
As at March 31, 2023	**2,123.33**	**257.82**	**587.66**	**19,799.00**	**13,127.00**	**35,894.81**
Additions during the year	164.56	-	67.14	-	-	231.70
Disposals during the year	33.09	-	-	-	-	33.09
As at March 31, 2024	**2,254.80**	**257.82**	**654.80**	**19,799.00**	**13,127.00**	**36,093.42**
Accumulated amortisation						
As at April 01, 2022	**1,292.82**	**226.78**	**374.62**	**-**	**-**	**1,894.22**
Amortisation for the year (refer note 26)	173.19	-	119.13	-	-	292.32
Disposals for the year	-	-	-	-	-	-
As at March 31, 2023	**1,466.01**	**226.78**	**493.75**	**-**	**-**	**2,186.54**
Amortisation for the year (refer note 26)	212.79	-	81.07	-	-	293.86
Disposals for the year	29.59	-	-	-	-	29.59
As at March 31, 2024	**1,649.21**	**226.78**	**574.82**	**-**	**-**	**2,450.81**
Net carrying amount						
As at March 31, 2024	**605.59**	**31.04**	**79.98**	**19,799.00**	**13,127.00**	**33,642.61**
As at March 31, 2023	**657.32**	**31.04**	**93.91**	**19,799.00**	**13,127.00**	**33,708.27**

Net Book Value	As at March 31, 2024 ₹ in lakhs	**As at March 31, 2023 ₹ in lakhs**
Goodwill	13,127.00	13,127.00
Other Intangible Assets	20,515.61	20,692.41
	33,642.61	**33,819.41**

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 in earlier years.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 years. 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

5. INVENTORIES

(at lower of cost and net realisable value)

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Raw materials	46.78	57.51
Finished goods	28.57	46.17
Stock-in-trade	26,260.65	26,062.25
Packing materials	257.00	285.45
	26,593.00	**26,451.38**

6. INVESTMENTS

		As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i)	**Non-current**		
	Unquoted		
	Investments in equity instruments (At FVTOCI)*		
	Retailer's Association of India: 10,000 equity shares (March 31, 2023: 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, 2023: 2,500 equity shares) of ₹ 10 each, fully paid up	7.36	7.36
	Investment in government securities (At amortised cost)		
	National savings certificates	34.98	31.92
	Investment in Alternative Investment Fund (At FVTPL)		
	Fireside Ventures Investment Fund I : 1,303.79 units (March 31, 2023: 1,335.26 units) of face value ₹ 1,00,000 each	5,546.06	7,335.42
		5,589.40	**7,375.70**
(ii)	**Current**		
	Quoted		
	Investment in mutual fund (at FVTPL)		
	ICICI Prudential Liquid Fund - Direct Plan - Growth: Nil (March 31, 2023 : 6,06,585.05 Units of ₹ 333.19 each)	-	2,021.05
		-	**2,021.05**

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Aggregate market value of quoted investments	-	2,021.05
Aggregate value of unquoted investments	5,589.40	7,375.70

Refer note 38 for information about fair value measurements and credit and market risk on investments.

Refer note 29 for disclosure of contractual commitments.

* These investments in equity instruments are not held for trading. Upon application of Ind AS 109, the Group has chosen to designate these investments in equity instruments at FVTOCI as the management belives that this provides a more meaningful presentation for long term investments than refelecting changes in fair value immediately in statement of profit and loss. Based on the aforesaid election, fair value changes are accumulated within Equity under "Fair Value Changes through Other Comprehensive Income - Equity Instruments." The Group transfers amount from this reserve to retained earnings when relevant equity shares are derecognised. The fair value of such unquoted investments has been carried out by applying applicable valuation methodologies, which has been performed by independent valuation experts.

7. TRADE RECEIVABLES

(Unsecured)

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Considered good	2,529.11	1,976.03
Significant increase in credit risk	245.33	313.99
	2,774.44	2,290.02
Impairment allowance:		
Significant increase in credit risk	(245.33)	(313.99)
	2,529.11	**1,976.03**

Trade receivables Ageing Schedule

As at March 31, 2024

₹ in lakhs

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	762.93	1,453.11	-	-	-	313.07	2,529.11
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	50.85	27.52	25.52	141.44	245.33
	762.93	**1,453.11**	**50.85**	**27.52**	**25.52**	**454.51**	**2,774.44**

As at March 31, 2023

₹ in lakhs

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	881.06	777.00	0.26	0.17	317.54	0.00*	1,976.03
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	97.72	62.76	28.64	124.87	313.99
	881.06	**777.00**	**97.98**	**62.93**	**346.18**	**124.87**	**2,290.02**

1. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
2. There are no disputed trade receivables as at March 31, 2024 and March 31, 2023. "
3. Refer note 36 for receivables from related parties.
4. Refer note 38 for fair value measurement.

* Amount is below rounding off norms followed by the Group.

8. CASH AND CASH EQUIVALENTS

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Balance with banks		
- In current accounts	1,888.56	574.08
Balance with credit card, e-wallet companies and others	652.41	462.46
Cash on hand	604.85	280.23
	3,145.82	**1,316.77**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

9. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
	₹ in lakhs	₹ in lakhs
Deposits with original maturity of more than 3 months and less than 12 months*	485.27	445.54
	485.27	**445.54**

* marked as lien with Banks and various authorities for working capital facilities, licenses etc.

10. OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
	₹ in lakhs	₹ in lakhs
(i) Non-current		
Security Deposits		
- Considered good	4,448.24	4,820.53
- Significant increase in credit risk	53.76	53.76
- Credit impaired	249.17	249.17
	4,751.17	5,123.46
Impairment allowance:		
- Significant increase in credit risk	(53.76)	(53.76)
- Credit impaired	(249.17)	(249.17)
	(302.93)	(302.93)
	4,448.24	4,820.53
Bank deposits with original maturity of more than 12 months	43.41	39.52
National savings certificates pledged with government authorities#	15.26	15.26
Margin money deposit*	7.75	70.26
Interest accrued on bank deposits	0.79	11.40
	4,515.45	**4,956.97**
(ii) Current		
Security Deposits		
- Considered good	176.21	3.00
- Credit impaired	61.49	61.49
	237.70	64.49
Impairment allowance:		
- Credit impaired	(61.49)	(61.49)
	176.21	**3.00**
Employee loans and advances		
- Considered good	62.95	34.17
- Credit impaired	78.00	78.00
	140.95	112.17
Impairment allowance:		
- Credit impaired	(78.00)	(78.00)
	62.95	**34.17**
Interest accrued on bank deposits	27.89	16.19
Advances to employees	20.76	26.81
Other receivables	140.94	105.24
	428.75	**185.41**

Pledged with excise department.

* Margin money deposit are encumbered with banks against bank guarantees.

11. OTHER ASSETS

(Unsecured and considered good)

		As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i)	**Non-current**		
	Capital advances	266.48	159.97
	Prepaid expenses	0.19	0.23
	Deposits for claims and tax disputes	10.24	8.75
		276.91	**168.95**
(ii)	**Current**		
	Advances for goods and services	642.04	1,173.29
	Prepaid expenses	724.93	621.58
	Balance with Statutory / Government authorities	2,815.67	2,205.70
		4,182.64	**4,000.57**

12. EQUITY SHARE CAPITAL

	As at March 31, 2024		As at March 31, 2023	
	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	9,01,32,009	4,506.60
	9,01,32,009	**4,506.60**	**9,01,32,009**	**4,506.60**

* 0.01% non-cumulative non-convertible redeemable preference shares of ₹ 100 each issued are classified as financial liability [refer note 15(i)].

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year:

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Equity shares				
At the beginning of the year	9,01,32,009	4,506.60	9,01,32,009	4,506.60
At the end of the year	**9,01,32,009**	**4,506.60**	**9,01,32,009**	**4,506.60**

(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, 2024		As at March 31, 2023	
	No. of shares	%	No. of shares	%
Rainbow Investments Limited	3,96,04,042	43.94%	3,96,04,042	43.94%

(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, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Equity shares of ₹ 5 each allotted as fully paid-up pursuant to the Scheme [(refer note 13(a) & 2.2(r)(ii)]	7,95,34,226	7,95,34,226	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 13(a) & 2.2(r)(ii)]	5,00,000	5,00,000	5,00,000	5,00,000	5,00,000

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

12. EQUITY SHARE CAPITAL (continued)

(e) Details of shares held by promoters and promoter group

Sl No	Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
As at March 31, 2024						
1	Rainbow Investments Limited	3,96,04,042	-	3,96,04,042	43.94%	-
2	Stel Holdings Limited	43,96,082	-	43,96,082	4.88%	-
3	Castor Investments Limited	23,90,661	-	23,90,661	2.65%	-
4	Quest Capital Markets Limited	17,41,508	-	17,41,508	1.93%	-
5	PCBL Limited	11,46,613	-	11,46,613	1.27%	-
6	Digidrive Distributors Limited	-	10,50,590	10,50,590	1.17%	100.00%
7	Integrated Coal Mining Limited	24,56,247	-	24,56,247	2.73%	-
8	Dotex Merchandise Private Limited	28,107	-	28,107	0.03%	-
9	Lebnitze Real Estates Private Limited	1,399	-	1,399	0.00%	-
10	Sanjiv Goenka (HUF)	8,360	-	8,360	0.01%	-
11	Sanjiv Goenka	91,659	-	91,659	0.10%	-
12	Shashwat Goenka	75,756	-	75,756	0.08%	-
13	Preeti Goenka	17,150	-	17,150	0.02%	-
14	Avarna Jain	340	-	340	0.00%	-
		5,19,57,924	**10,50,590**	**5,30,08,514**	**58.81%**	**2.02%**
As at March 31, 2023						
1	Rainbow Investments Limited	3,96,04,042	-	3,96,04,042	43.94%	-
2	Stel Holdings Limited	43,96,082	-	43,96,082	4.88%	-
3	Castor Investments Limited	23,90,661	-	23,90,661	2.65%	-
4	Quest Capital Markets Limited	17,41,508	-	17,41,508	1.93%	-
5	PCBL Limited	11,46,613	-	11,46,613	1.27%	-
6	Saregama India Limited	10,50,590	-	10,50,590	1.17%	-
7	Integrated Coal Mining Limited	24,56,247	-	24,56,247	2.73%	-
8	Dotex Merchandise Private Limited	28,107	-	28,107	0.03%	-
9	Lebnitze Real Estates Private Limited	1,399	-	1,399	0.00%	-
10	Sanjiv Goenka (HUF)	8,360	-	8,360	0.01%	-
11	Sanjiv Goenka	91,659	-	91,659	0.10%	-
12	Shashwat Goenka	75,756	-	75,756	0.08%	-
13	Preeti Goenka	17,150	-	17,150	0.02%	-
14	Avarna Jain	340	-	340	0.00%	-
		5,30,08,514	**-**	**5,30,08,514**	**58.81%**	**0.00%**

(f) None of the shares were issued as bonus or bought back since incorporation by the Parent Company.

* Post Scheme of arrangement duly sanctioned by the National Company Law Tribunal (NCLT),Kolkata Bench vide Order dated June 22, 2023, with effect from the Appointed Date i.e., April 1, 2022 between Saregama India Limited and Digidrive Distributors Limited, equity shares of the Company has been transferred from Saregama India Limited to Digidrive Distributors Limited.

13. OTHER EQUITY

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ 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		
Balance as at beginning of the year	7,196.57	7,196.57
Balance as at end of the year (b)	**7,196.57**	**7,196.57**

13. OTHER EQUITY (continued)

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Share based payment reserve		
Balance as at beginning of the year	40.37	33.57
Addition on account of ESOP 2019 (refer note 37)	-	6.80
Balance as at end of the year (c)	**40.37**	**40.37**
Treasury Shares		
Balance as at beginning of the year	(100.28)	(100.28)
Balance as at end of the year (d)	**(100.28)**	**(100.28)**
Retained earnings		
Balance as at beginning of the year	(82,823.98)	(61,584.63)
Loss for the year	(26,615.10)	(21,039.68)
Remeasurement of defined benefit plans (net of tax)	78.14	(199.67)
Balance as at end of the year (e)	**(1,09,360.94)**	**(82,823.98)**
Total Other Equity (a) + (b) + (c) + (d) + (e)	**(46,090.43)**	**(19,553.47)**

Note:

(a) The Capital Reserve had arisen pursuant to the composite Scheme of Arrangement amongst the erstwhile Parent Company, CESC Limited and eight other companies and their respective shareholders, 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 37).

(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 37).

(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 has positive balance represents net earnings till date.

14. BORROWINGS

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i) Non- Current Borrowings		
(Secured)		
Term Loan from Banks	35,475.70	21,708.94
Less : current maturities of long term borrowings	(7,351.47)	(5,006.28)
Less : Unamortised Borrowing Cost	(596.22)	(196.39)
	27,528.01	**16,506.27**
Term Loan from Financial Institutions	1,604.16	2,520.83
Less : current maturities of long term borrowings	(916.67)	(916.67)
Less : Unamortised Borrowing Cost	(15.04)	(23.49)
	672.45	**1,580.67**
	28,200.46	**18,086.94**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

14. BORROWINGS (continued)

1. Security & other terms

Out of the term loan from banks:

a) ₹ 333.34 lakhs (March 31, 2023 : ₹ 1,000.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 first disbursement in 18 equal quarterly installments of ₹ 166.67 lakhs each.

₹ 3,600.00 lakhs (March 31, 2023 : ₹ 4,800.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 first disbursement in 20 equal quarterly installments.

₹ 3,500.00 lakhs (March 31, 2023 : ₹ 4,500.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 12 months from the date of first disbursement in 20 equal quarterly installments.

₹ 3,947.36 lakhs (March 31, 2023 : ₹ 5,000.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 6 months from the date of first disbursement in 19 equal quarterly installments.

₹ 2,894.82 lakhs (March 31, 2023 : ₹ 1,400.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 first disbursement in first 10 quarterly installments of 1.67% of disbursement & next 10 qaurterly installments of 8.33% of disbursement.

₹ 1,600.00 lakhs (March 31, 2023 : ₹ 2,000.00 lakhs) is secured by first Pari Passu charge by way of hypothecation 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 9 months from the date of first disbursement in first 4 quarterly installments of 5.00% of disbursement & next 8 qaurterly installments of 10.00% of disbursement.

₹ 1,000.00 lakhs (March 31, 2023 : ₹ Nil) is secured by first Pari Passu charge by way of hypothecation over moveable fixed assets and immovable fixed assets of the Parent Company, both present and future and second Pari Passu charge on the entire current assets of the Parent Company. The said loan is payable after 18 months from the date of first disbursement in 14 equal quarterly installments of ₹ 71.43 lakhs each.

₹ 4,875.00 lakhs (March 31, 2023 : ₹ Nil) is secured by first Pari Passu charge by way of hypothecation over moveable fixed assets of the Parent Company, both present and future, second Pari Passu charge on the entire current assets of the Parent Company and a letter of comfort from RPG Power Trading Company Limited (company under common control). The said loan is payable after 3 months from the date of first disbursement in 12 structured quarterly installments.

₹ 10,000.00 lakhs (March 31, 2023 : ₹ Nil) is secured by first Pari Passu charge by way of hypothecation over moveable fixed assets of the Parent Company, both present and future, second Pari Passu charge on the entire current assets of the Parent Company and first charge on all assets and cash flows of RPG Power Trading Company Limited (company under common control). The said loan is payable after 6 months from the date of first disbursement in 19 structured quarterly installments divided into first 3 quarterly installments of 2.50% of disbursement & next 4 to 11th quarterly installments of 5.00% of disbursement & next 8 quarterly installments of 6.56%.

b) ₹ 500.00 lakhs (March 31, 2023 : ₹ 900 lakhs) pertaining to a subsidiary is secured by exclusive first charge over the moveable fixed assts of the subsidiary financed out of this term loan. The said loan is payable after 24 months from the date of first disbursement in 60 equal monthly installments of ₹ 33.33 lakhs each.

₹ 1,950.18 lakhs (March 31, 2023 : ₹ 609 lakhs) pertaining to a subsidiary is secured by exclusive first charge over the moveable fixed assts of the subsidiary financed out of this term loan. The said loan is payable after 15 months from the date of first disbursement in 20 quarterly installments with first 10 installments of 1.67% of total disbursement and next 10 installments of 8.33% of total disbursement.

₹ 1,275.00 lakhs (March 31, 2023 : ₹ 1,500 lakhs) pertaining to a subsidiary is secured by exclusive first charge over the moveable fixed assts of the subsidiary financed out of this term loan. The said loan is payable after 9 months from the date of first disbursement in 12 quarterly installments with first 4 installments of 5.00% of total disbursement and next 8 installments of 10.00% of total disbursement.

14. BORROWINGS (continued)

Term Loan from Financial Institutions

c) Term loan from financial institution pertaining to a subsidiary with balance of ₹ 1,604.16 lakhs (March 31, 2023 : ₹ 2,520.83 lakhs) is secured by first charge by way of hypothecation over the entire current assets and moveable fixed assets of the subsidiary financed out of this term loan. The said loan is repayable after 12 months from the date of first disbursement in 72 equal monthly installments of ₹ 76.38 lakhs each.

Interest rate on loans from banks and financial institution varies from 8.76% p.a. to 11.20% p.a.

2. Maturity profile of non current borrowings outstanding as at year end

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Payable within 1 year	8,268.14	5,922.94
Payable between 1 to 3 years	19,950.34	11,915.69
Payable between 3 to 5 years	8,861.38	6,051.33
Payable beyond 5 years	-	339.80

3. Term loans were applied for the purpose for which the loans were obtained except for idle funds amounting to ₹ Nil (March 31, 2023 : 259.13 lakhs) which were not required for immediate utilisation and which have been gainfully invested in highly liquid investments.

4. The Group's bank loan agreements contain compliance with certain financial ratios which are not met as at and for the year ended March 31, 2024 and March 31, 2023. On the basis of its past track record of timely interest and principal repayment, the Group, as at year ended March 31, 2024, and March 31, 2023 had written to its concerned lenders for condonation of the non-compliance with such ratio and has obtained confirmation from banks that the banks do not plan to take any action for such non-compliance. Accordingly, basis confirmation from banks, no adjustment has been made in the financial statements as regards to classification of such loans and they continue to get classified as current / non-current as per the original terms of the loan agreements.

(ii) Current Borrowings

		As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
a.	Secured		
	Working Capital Loan from bank [refer note (a) below]	12,566.81	12,296.47
	Invoice financing facility from bank [refer note (b) below]	14,893.75	8,230.38
	Current maturities of long term borrowings	8,268.14	5,922.95
	Overdraft facility from bank [refer note (c) below]	4,877.54	4,705.07
b.	Unsecured		
	Invoice financing facility from bank [refer note (d) below]	4,497.49	4,908.62
		45,103.73	**36,063.49**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

14. BORROWINGS (continued)

1. Security & other terms

a) ₹ 8,024.81 lakhs (March 31, 2023 : 7,688.25 lakhs) Working Capital loan 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 is payable on demand.

4,500.00 lakhs (March 31, 2023 : 4,608.22 lakhs) Working Capital loan 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 is payable on demand.

42.00 lakhs (March 31, 2023 : Nil) Working Capital loan 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 is payable on demand.

b) ₹ 9,461.38 lakhs (March 31, 2023 : 8,230.38 lakhs) 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. Loan is payable in maximum period of 90 days.

2,964.20 lakhs (March 31, 2023 : Nil) 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. Loan is payable in maximum period of 120 days.

2,468.17 lakhs (March 31, 2023 : Nil) 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. Loan is payable in maximum period of 120 days.

c) ₹ 1,912.63 lakhs (March 31, 2023 : 1,810.10 lakhs) Overdraft facility pertaining to a subsidiary is secured by extension of exclusive charge over the movable fixed assets of the subsidiary financed out of term loan issued by the same bank.

2,964.91 lakhs (March 31, 2023 : 2,894.97 lakhs) Overdraft facility pertainig to a subsidiary is secured by first Pari Passu charge by way of hypothecation over entire current assets of the subsidiary. It is payable on demand.

d) ₹ 4,497.49 lakhs (March 31, 2023 : 4,908.62 lakhs) Invoice financing facility by Parent Company from Bank is unsecured. Loan is payable in maximum period of 120 days.

e) Interest rate on loans from banks varies from 9.80% p.a. to 11.70% p.a.

15. OTHER FINANCIAL LIABILITIES

(i) Non Current

	As at March 31, 2024	As at March 31, 2023
	₹ in lakhs	₹ in lakhs
Non-cumulative non-convertible redeemable preference shares		
0.01% non-cumulative non-convertible redeemable preference shares of ₹ 100 each: 5,00,000 shares (March 31, 2023: 5,00,000 shares) issued pursuant to the Scheme [(refer note 13(a)]	138.85	125.68
	138.85	**125.68**

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.

15. OTHER FINANCIAL LIABILITIES (continued)

(ii) Current

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Interest accrued but not due on borrowings	269.85	210.91
Sundry deposits	265.95	257.88
Liability for capital goods	581.02	303.36
Payable to employees	2,133.12	1,731.66
Others	19.45	65.22
	3,269.39	**2,569.03**

16. CONTRACT LIABILITIES

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Advances from customers	1,832.35	1,426.45
Customer Loyalty Program Liabilities	84.32	72.64
	1,916.67	**1,499.09**

17. TRADE PAYABLES

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Total outstanding dues of micro enterprises and small enterprises (refer note 31)	716.35	657.07
Total outstanding dues of creditors other than micro enterprises and small enterprises	37,745.56	33,701.16
	38,461.91	**34,358.23**

1. Refer note 36 for dues to related parties.
2. Refer note 38 for fair value measurement.
3. Micro and small enterprises as defined under the Micro and Small Enterprises Development Act, 2006 have been identified by the Group on the basis of the information available with them and the auditors have relied on the same.

Trade payable Ageing Schedule

As at March 31, 2024

₹ in lakhs

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	666.92	9.82	8.47	31.14	716.35
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,460.87	4,435.05	1,118.92	1,730.72	37,745.56
	31,127.79	**4,444.87**	**1,127.39**	**1,761.86**	**38,461.91**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

17. TRADE PAYABLES (continued)

As at March 31, 2023

₹ in lakhs

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	617.46	8.47	15.03	16.11	657.07
Total outstanding dues of creditors other than micro enterprises and small enterprises	29,280.68	1,942.54	973.54	1,504.40	33,701.16
	29,898.14	**1,951.01**	**988.57**	**1,520.51**	**34,358.23**

18. OTHER CURRENT LIABILITIES

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Statutory dues	755.00	743.12
Others	20.93	20.89
	775.93	**764.01**

19. PROVISIONS

(i) Non-current

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Provisions for employee benefits :		
Provision for gratuity (refer note 35)	700.96	761.84
Provision for compensated absences	468.83	433.57
	1,169.79	**1,195.41**
Other provisions :		
Provision for decommissioning liability [refer note (a) below]	407.73	417.66
	1,577.52	**1,613.07**

(ii) Current

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Provisions for employee benefits :		
Provision for gratuity (refer note 35)	122.71	156.37
Provision for compensated absences	241.90	296.03
	364.61	**452.40**
Other provisions :		
Provision for tax disputes [refer note (b) below]	36.21	36.21
Provision for claims on leased properties [net of amount deposited - refer note (c) below]	460.11	460.11
	496.32	**496.32**
	860.93	**948.72**

19. 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, 2024	For the year ended March 31, 2023
	₹ in lakhs	₹ in lakhs
Opening balance	**417.66**	**404.95**
Provision (reversed / utilised) / created during the year	(32.78)	(12.24)
Interest expense during the year	22.85	24.95
Closing balance	**407.73**	**417.66**

(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 Group in due course.

	For the year ended March 31, 2024	For the year ended March 31, 2023
	₹ in lakhs	₹ in lakhs
Opening balance	**36.21**	**57.81**
Provision (reversed / utilised) / created during the year	1.49	(21.60)
Paid during the year	(1.49)	-
Closing balance *	**36.21**	**36.21**

* Net of deposits as at March 31, 2024 ₹ 25.75 lakhs (March 31, 2023: ₹ 24.26 lakhs) made under appeal.

(c) Retailers Association of India (RAI) of which the Group is a member, had 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 had 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%. Accordingly the Group had already deposited ₹ 460.00 lakhs and furnished a surety for ₹ 460.00 lakhs towards the balance service tax liability.

During the year ended March 2022, the Group has settled the said case under Sabka Vishwas – (Legacy Dispute Resolution) Scheme, 2019 and obtained a Discharge Certificate for full and final settlement of tax dues upto the period under dispute and accordingly, the Group had reversed the excess liability in the books.

The Group has also been making provision for service tax on commercial rent on immovable property from October 2011 till FY 2018-19, the balance whereof as on March 31, 2024 is ₹ 460.11 lakhs (March 31, 2023: ₹ 460.11 lakhs).

	For the year ended March 31, 2024	For the year ended March 31, 2023
	₹ in lakhs	₹ in lakhs
Balance at the start of the year	460.11	460.11
Closing balance	**460.11**	**460.11**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

20. REVENUE FROM OPERATIONS

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Revenue from contract with customers		
Sale of goods	2,43,433.94	2,55,697.44
Sale of concessionaire products	3,154.09	3,516.56
Total	**2,46,588.03**	**2,59,214.00**
Less: Goods & Services Tax	(20,466.01)	(22,369.36)
Less: Cost of goods sold for concessionaire products	(2,464.46)	(2,768.61)
	2,23,657.56	**2,34,076.03**
Other operating revenue		
- Display Income	6,498.88	6,749.07
- Others	4,346.07	4,433.07
Total revenue from contract with customers	**2,34,502.51**	**2,45,258.17**

21. OTHER INCOME

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Interest income on		
- Bank deposits	32.38	18.69
- Security deposits	433.05	432.05
- Others	168.62	125.78
Gain on sale of investments	714.51	76.43
Fair value gain on investments measured at FVTPL	(248.67)	84.34
Reversal of net liability on termination of lease	1,251.71	1,575.73
Covid - 19 related rent concessions [refer note 2.2(p) & 30]	-	75.18
Miscellaneous income *	208.60	869.78
	2,560.20	**3,257.98**

* includes provision / liabilities no longer required written back.

22. COST OF RAW MATERIALS CONSUMED

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Inventories at the beginning of the year	57.51	48.11
Purchases during the year	564.84	730.05
	622.35	778.16
Less: Inventories at the end of the year	46.78	57.51
	575.57	**720.65**

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Inventories at the beginning of the year	26,108.42	25,614.47
Less: Inventories at the end of the year	26,289.22	26,108.42
	(180.80)	**(493.95)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

24. EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Salaries, wages and bonus *	18,026.84	17,804.51
Gratuity defined benefit plan [refer note 35]	158.11	148.29
Contribution to provident and other funds	1,306.42	1,240.83
Staff welfare expenses	618.89	666.32
	20,110.26	**19,859.95**

* Net of ₹ Nil (March 31, 2023 : ₹ 108.00 lakhs) claimed as subsidy under National Apprenticeship Promotion Scheme (NAPS).

25. OTHER EXPENSES

	For the year ended March 31, 2024 ₹ in lakhs		For the year ended March 31, 2023 ₹ in lakhs	
Power and fuel		5,604.99		5,834.47
Freight		533.97		725.87
Rent [refer note 2.2(p) & 30]		3,304.65		3,222.17
Repairs and maintenance				
- Buildings		597.56		429.71
- Others		3,957.01		3,902.41
Insurance		110.31		182.60
Rates and taxes		794.16		595.59
Advertisement and selling expenses		3,990.38		4,305.40
Packing materials consumed		998.02		823.70
Travelling and conveyance		600.64		591.76
Communication expenses		619.69		542.14
Printing and stationery		305.82		361.18
Legal and consultancy expenses		681.58		990.40
Housekeeping expenses		2,517.20		2,635.40
Security expenses		1,819.37		1,972.78
Provision for doubtful store lease deposit		9.56		46.72
Provision for bad & doubtful debts (net)				
- Bad debts written off	37.71		2,516.83	
- (Reversal of Provision)/Provision for bad & doubtful debts	(61.59)	(23.88)	(2,456.49)	60.34
Loss on sale of property, plant and equipment (net)		247.72		87.14
Miscellaneous expenses		1,647.67		1,764.98
		28,316.42		**29,074.76**

26. DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Depreciation of property, plant and equipment (refer note 3)	3,502.93	3,381.28
Depreciation on right-of-use assets (refer note 30)	9,450.12	9,499.24
Amortisation of other intangible assets (refer note 4)	293.86	292.32
	13,246.91	**13,172.84**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

27. FINANCE COSTS

	For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Interest expense on		
- Borrowings	6,613.54	3,948.11
- Lease liabilities (refer note 30)	7,274.92	6,687.11
- Non-cumulative non-convertible redeemable preference shares	13.17	11.42
- Decommissioning liability	22.85	24.95
- Others	5.43	41.48
Other costs	869.29	808.39
	14,799.20	**11,521.46**

28. 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, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
Loss for the year (A) (₹ in lakhs)		(26,615.10)	(21,039.68)
Weighted average number of equity shares for Basic EPS (B)		9,01,32,009	9,01,32,009
Effect of dilution :			
Weighted average number of treasury shares held through ESOP trust (refer note (i) below)		1,20,000	1,20,000
Weighted average number of equity shares adjusted for the effect of dilution (C)		9,00,12,009	9,00,12,009
Earnings per share (face value per equity share of ₹ 5 each) (₹)			
- Basic	(A) / (B)	(29.53)	(23.34)
- Diluted	(A) / (C)	(29.57)	(23.37)

(i) For details regarding treasury shares held through ESOP trust (refer note 13(d) and 37).

29. COMMITMENTS AND CONTINGENCIES

(a) Contingent liabilities

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ 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*	307.06	36.91
(ii) Claims against the Group not acknowledged as debt	5,180.78	4,738.01

The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

* The Group has ongoing disputes with GST department relating to GST demand on excess reversal of of ITC under Rule 42/43 of CGST Rule and other issues. Based on evaluation, the Company believes that it has strong merits and accordingly, no provision is considered necessary.

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, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	247.45	336.85
(ii) for Investments - Others	52.50	67.50

30. IND AS - 116 LEASES

The movement in right-of-use ("ROU") assets and lease liabilities is as below:

Right-of-use Assets:

Particulars	Buildings As at March 31, 2024 ₹ in lakhs	Buildings As at March 31, 2023 ₹ in lakhs
Opening Balance	63,813.27	54,819.29
Additions [refer note (i) below]	23,621.17	20,164.79
Deletions [refer note (ii) below]	(5,685.27)	(1,671.57)
Depreciation (refer note 26)	(9,450.12)	(9,499.24)
Closing Balance	**72,299.05**	**63,813.27**

(i) Includes ₹ 771.91 lakhs (March 31, 2023 : ₹ 735.57 lakhs) on account of prepaid expenses on fair valuation of security deposits.

(ii) Includes ₹ 296.39 lakhs (March 31, 2023: ₹ 79.47 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, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Opening Balance	79,908.21	70,771.02
Additions	22,849.26	19,415.36
Interest expenses incurred for the year (refer note 27)	7,274.92	6,687.11
Deletions	(6,640.59)	(3,167.83)
Covid - 19 related rent concessions [refer note (iii) below]	-	(75.17)
Payment of lease liabilities [refer note (iv) below]	(14,532.00)	(13,722.28)
Closing Balance	**88,859.80**	**79,908.21**

(iii) The Ministry of Corporate Affairs vide notification dated July 24, 2020 and June 18, 2021, 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 in respect of lease agreements where negotiations have been completed and accounted the unconditional rent concessions of ₹ Nil (March 31, 2023 : ₹ 75.18 lakhs) in "Other income" (refer note 21).

The Group has further adjusted rent concessions amounting to ₹ Nil (March 31, 2023 : ₹ 2.92 lakhs) during the year ended March 31, 2023, for stores with variable lease payments in "Other expenses" (refer note 25) in the Statement of Profit and Loss.

(iv) Includes ₹ 7,274.92 lakhs (March 31, 2023 : ₹ 6,687.11 lakhs) on account of interest expenses.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

30. IND AS - 116 LEASES (continued)

(v) The following is the break-up of current and non-current lease liabilities.

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Current lease liabilities	7,145.52	9,649.44
Non-current lease liabilities	81,714.28	70,258.77
Total	**88,859.80**	**79,908.21**

(vi) The table below provides details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Less than one year	14,991.89	16,524.96
One to five years	52,367.76	46,253.66
More than five years	83,051.03	69,532.63
Total	**1,50,410.68**	**1,32,311.25**

(vii) The effective discount rate for lease liabilities is 9.30% p.a. - 10.00% p.a with maturity between 2025-2048.

(viii) The table below provides details of amount recognised in Statement of profit and loss :

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Depreciation on Right-of-use assets (refer note 26)	9,450.12	9,499.24
Interest expenses on lease liabilities (refer note 27)	7,274.92	6,687.11
Rental expenses (excluding taxes) recorded for short term leases (refer note 25)	402.82	393.63
Rental expenses (excluding taxes) recorded for variable leases (refer note 25)	2,170.42	2,118.34
Total	**19,298.27**	**18,698.32**

(ix) The Group had total cash outflows for leases of ₹ 17,105.23 lakhs for the year ended March 31, 2024 (March 31, 2023 - ₹ 16,234.25 lakhs).

31. INFORMATION RELATING TO MICRO AND SMALL ENTERPRISES (MSMES):

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(i) The principal amount and interest due there on remaining unpaid to suppliers under Micro and Small Enterprises Development Act, 2006 as at the end of each accounting year		
Principal	643.14	602.08
Interest	16.11	12.72
(ii) The amount of interest paid by the buyer in terms of section 16 of Micro and Small 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 and Small Enterprises Development Act, 2006		
Principal	53.51	140.56
Interest	2.11	5.68
(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.	54.99	39.22
(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 and Small Enterprises Development Act, 2006	73.21	54.99

32. CONTRACT BALANCES UNDER IND AS 115

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Trade receivables	2,529.11	1,976.03
Contract liabilities	1,916.67	1,499.09

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.

33. DEFERRED TAX ASSETS/(LIABILITIES) (NET)

		As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
(a)	**Deferred tax relating to assets and liabilities:**		
	- Deferred tax liabilities		
	Property, plant & equipment and other intangible assets	(1,766.76)	(1,884.38)
	Unamortised borrowings costs	(210.67)	(65.87)
	Fair value gain on investment	(1,482.42)	(2,100.63)
	Right-of-use assets	(24,361.27)	(21,552.28)
	Total	**(27,821.12)**	**(25,603.16)**
	- Deferred tax assets		
	Carry forward business losses / unabsorbed depreciation	58,390.25	54,914.44
	Disallowance under Tax Laws	668.70	661.33
	Lease Liabilities	29,906.05	26,939.11
	MAT (Minimum Alternative Tax) credit entitlement	141.34	141.34
	Others	1,353.89	1,467.62
	Total	**90,460.23**	**84,123.84**
	- Deferred tax assets (net)	**62,639.11**	**58,520.68**
	- Unrecognised Deferred tax assets (net)*	**64,649.79**	**60,566.81**
	- Recognised Deferred tax asset/ (liability) as per consolidated balance sheet**	**(2,010.68)**	**(2,046.13)**

* 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, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
As at the beginning of the year	**(2,046.13)**	**(2,085.26)**
(Charged)/credited:		
- to Consolidated Statement of Profit & Loss	35.45	39.13
As at the end of the year	**(2,010.68)**	**(2,046.13)**

(b) Tax expenses recognised in the Consolidated Statement of Profit & Loss

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Current Tax:		
Current Tax on taxable income for the year	-	-
Deferred tax	35.45	39.13
Total income tax expense	**35.45**	**39.13**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

33. DEFERRED TAX ASSETS/(LIABILITIES) (NET) (continued)

(c) Reconciliation of tax expense and the accounting profit

	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Loss before tax	(26,650.55)	(21,078.81)
Tax rate applicable to the Group	34.94%	34.94%
Tax amount computed using applicable tax rate	(9,312.77)	(7,365.78)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expenses Disallowed under Income Tax Laws	94.00	65.98
Difference in tax rate for certain entities of the group	315.73	335.44
Deferred Tax assets not recognised	8,867.59	6,925.23
Total income tax expense	**(35.45)**	**(39.13)**
Effective Tax rate	**0.13%**	**0.19%**

(d) The Group has tax losses of ₹ 99,111.84 lakhs (March 31, 2023: ₹ 93,001.41 lakhs) and unabsorbed depreciation of ₹ 76,760.09 lakhs (March 31, 2023: ₹ 73,056.00 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 10 years (March 31, 2023: 11 years).

34. SEGMENT INFORMATION

The Group has a single operating segment i.e. organised retail. 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.

35. 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 liability in respect thereof is determined by actuarial valuation at the year end based on the Projected Unit Credit Method and is recognized as a charge on accrual basis.

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, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
(a) Reconciliation of present value of defined benefit obligations		
Balance at the beginning of the year	**1,169.76**	**988.97**
Current service cost	150.55	146.96
Interest cost	71.11	54.64
Benefits paid	(343.84)	(171.69)
Actuarial loss on defined benefit obligations	(11.06)	150.88
Balance at the end of the year	**1,036.52**	**1,169.76**
(b) Reconciliation of fair value of plan assets		
Balance at the beginning of the year	**251.56**	**301.17**
Interest income	13.35	17.32
Contributions by employer	224.70	153.56
Benefits paid	(343.84)	(171.69)
Actuarial gain / (loss)	67.08	(48.80)
Balance at the end of the year	**212.85**	**251.56**

35. ASSETS AND LIABILITIES RELATING TO EMPLOYEE DEFINED BENEFITS (continued)

		For the year ended March 31, 2024 ₹ in lakhs	For the year ended March 31, 2023 ₹ in lakhs
(c)	**Net defined benefit liabilities**		
	Present value of defined benefit obligations	1,036.52	1,350.55
	Fair value of plan assets	(212.85)	(201.95)
	Net defined benefit liabilities [refer note 19]	**823.67**	**1,148.60**
(d)	**Expense recognised in Statement of Profit or Loss**		
	Current service cost	150.55	146.96
	Interest cost	71.11	54.64
	Interest income	(13.35)	(17.32)
		208.31	**184.28**
(e)	**Remeasurement recognised in Other Comprehensive Income**		
	Actuarial loss on defined benefit obligations	(11.06)	150.88
	Actuarial (gain) / loss on plan assets	(67.08)	48.80
		(78.14)	**199.68**
(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	6.90% to 7.20%	7.00% to 7.40%
	Expected rate of return on assets	6.90% to 7.20%	7.00% to 7.40%
	Future compensation growth	5.00% to 6.00%	5.00% to 6.00%
	Average expected future service	27 to 29 years	27 to 29 years
	Employee turnover	Ranging grade wise from 10% to 86%	Ranging grade wise from 10% to 86%

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality ((2006-08) (modified) - 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 ₹ 319.43 lakhs (March 31, 2023 : ₹ 156.37 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, 2024		As at March 31, 2023	
	Increase ₹ in lakhs	Decrease ₹ in lakhs	Increase ₹ in lakhs	Decrease ₹ in lakhs
(i) Discount rate (0.5% movement)	(14.61)	15.25	(18.21)	19.11
(ii) Future salary (0.5% movement)	15.37	(14.86)	19.65	(18.89)
(iii) Mortality (10% movement)	(0.20)	0.31	(0.10)	0.24
(iv) Attrition rate (0.5% movement)	(0.97)	1.02	(1.45)	0.45

(k) Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

(i) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(ii) Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

(iii) Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

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35. ASSETS AND LIABILITIES RELATING TO EMPLOYEE DEFINED BENEFITS (continued)

(l) Estimated future payments of undiscounted gratuity is as follows:

Particulars	As at March 31, 2024 ₹ in lakhs	As at March 31, 2023 ₹ in lakhs
Within 12 months	313.01	356.54
Between 1 to 5 years	515.30	770.43
Between 6 to 10 years	212.23	612.79
Beyond 10 years	222.35	675.75
	1262.89	**2415.50**

35.1 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 ₹ 1,077.35 lakhs (March 31, 2023 : ₹ 1,022.38 lakhs) in the Consolidated Statement of Profit and Loss.

36. 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 year / balances outstanding) :**			
	1)	CESC Limited	11)	ATK - Mohan Bagan Private Limited
	2)	Guiltfree Industries Limited	12)	Herbolab India Private Limited
	3)	Open Media Network Private Limited	13)	Noida Power Company Limited
	4)	Integrated Coal Mining Limited	14)	Woodland Multispeciality Hospitals Private Limited
	5)	PCBL Limited	15)	PCBL (TN) Limited
	6)	Quest Properties India Limited	16)	Duncan Brothers & Co. Limited
	7)	RPSG Resource Private Limited	17)	Great Wholesale Club Limited - Gratuity Trust
	8)	Saregama India Limited	18)	International Management Institute
	9)	RPSG Sports Private Limited	19)	RP Goenka International School
	10)	Haldia Energy Limited	20)	RPSG Ventures Limited
			21)	RPG Power Trading Company Limited
(iii)	**Key Managerial Personnel**			
	1)	Sanjiv Goenka - Non-Executive Director and Chairman (upto May 22, 2023)	8)	Rahul Nayak - Whole-time Director (upto May 18, 2024)
	2)	Shashwat Goenka - Chairman (w.e.f May 23, 2023) and Non-Executive Director	9)	Rama Kant - Company Secretary (upto October 10, 2022)
	3)	Utsav Parekh - Independent Director	10)	Neelesh Bothra - Chief Financial Officer (upto January 20, 2024)
	4)	Pratip Chadhuri - Independent Director	11)	Vikash Kumar Agarwal - Company Secretary (w.e.f. February 14, 2023)
	5)	Rekha Sethi - Independent Director	12)	Anuj Singh - Chief Executive Officer & Managing Director (w.e.f. March 22, 2023)
	6)	Debanjan Mandal - Independent Director	13)	Sandeep Kumar Banka - Chief Financial Officer (w.e.f. April 18, 2024)
	7)	Devendra Chawla - Chief Executive Officer & Managing Director (upto January 20, 2023)		

36. 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, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Transactions :						
Sale of goods	949.75	765.31	-	-	-	-
Purchases of stock-in-trade	331.38	216.90	-	-	-	-
Rendering of services	1,059.62	1,131.62	-	-	-	-
Contribution for Gratuity fund	181.09	158.98	-	-	-	-
Receiving of services	11.94	48.18	-	-	-	-
Remittance	80.61	92.63	-	-	-	-
Electricity expenses	401.21	367.97	-	-	-	-
License fees	64.90	59.40	-	-	-	-
Rent expenses	1,755.76	1,055.83	-	-	-	-
Loan Taken	2,500.00		-	-	-	-
Loan Repaid	2,500.00		-	-	-	-
Interest Paid	39.97		-	-	-	-
Security deposits paid	3.52					
Security deposits Received	0.76					
Short term employee benefits	-	-	672.52	1,265.85	-	-
Retirement benefits	-	-	55.98	50.34	-	-
Reimbursement of expenses	4.10	16.38	27.79	58.18	-	-
Sitting fees to directors	-	-	39.00	50.00	-	-
Balances outstanding :						
Receivable against sale of goods	502.09	22.17	-	-	-	-
Payable for purchases of stock-in-trade	129.59	45.01	-	-	-	-
Receivable for services rendered	2.62	-	-	-	-	-
Payable for services received	7.74	1.28	-	-	-	-
Advance for goods and services	48.10	-	-	-	-	-
Payable for Remittances	-	117.78	-	-	-	-
Security deposit receivable	146.45	150.53	-	-	-	-

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 ₹ Nil (March 31, 2023 : ₹ 6.80 lakhs) 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 37).

(iv) RPG Power Trading Company Limited (company under common control) has furnished a Comfort letter in respect of a term loan obtained from financial institution by the Company for a total sanction amount of ₹ 5,000.00 lakhs (March 31, 2023: ₹ Nil). The outstanding amount as at year end in the books is ₹ 4,875.00 lakhs (March 31, 2023 : ₹ Nil).

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37. 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 Parent 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 had created an Spencer's Employee Benefit Trust (ESOP Trust). The Parent Company had purchased 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, 2024	As at March 31, 2023
Weighted average fair value of Option at Grant Date* (₹)	39.96	39.96
Share Price at Grant Date (₹)	88.20	88.20
Exercise Price (₹)	83.57	83.57
Expected Volatility (%)	40.69% - 40.71%	40.69% - 40.71%
Expected life (Years)	3.5 years - 6.5 years	3.5 years - 6.5 years
Expected dividends (₹)	-	-
Risk-free Interest Rate (based on Government Bonds) (%)	4.64% - 5.72%	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	Exercise Price per Option (₹)	Number of Options
Outstanding as on April 01, 2023	83.57	1,20,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding as on March 31, 2024	**83.57**	**1,20,000**
Exercisable as on March 31, 2024	-	-
Vested as on March 31, 2024	-	-

37. SHARE BASED PAYMENTS (continued)

Particulars	Exercise Price per Option (₹)	Number of Options
Outstanding as on April 01, 2022	83.57	1,20,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding as on March 31, 2023	83.57	1,20,000
Exercisable as on March 31, 2023	-	-
Vested as on March 31, 2023	83.57	60,000.0

D. Expenses arising from equity settled share based payments transactions:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	₹ in lakhs	₹ in lakhs
Amount recognised in statement of profit and loss	-	6.80

38. 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, 2024				As at March 31, 2023			
	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	-	5,546.06	-	**5,546.06**	-	7,335.42	-	**7,335.42**
- Government Securities	34.98	-	-	**34.98**	31.92	-	-	**31.92**
- Mutual Fund	-	-	-	**-**		2,021.05	-	**2,021.05**
Trade receivables	2,529.11	-	-	**2,529.11**	1,976.03	-	-	**1,976.03**
Cash and cash equivalents	3,145.82	-	-	**3,145.82**	1,316.77	-	-	**1,316.77**
Bank balances other than cash and cash equivalents	485.27	-	-	**485.27**	445.54	-	-	**445.54**
Other financial assets	4,944.20	-	-	**4,944.20**	5,142.38	-	-	**5,142.38**
Total financial assets	**11,139.38**	**5,553.42**	**1.00**	**16,693.80**	**8,912.64**	**9,363.83**	**1.00**	**18,277.47**
Financial liabilities								
Preference shares	138.85	-	-	**138.85**	125.68	-	-	**125.68**
Borrowings	73,304.19	-	-	**73,304.19**	54,150.43	-	-	**54,150.43**
Lease liabilities	88,859.80	-	-	**88,859.80**	79,908.21	-	-	**79,908.21**
Trade payables	38,461.91	-	-	**38,461.91**	34,358.23	-	-	**34,358.23**
Other financial liabilities	3,269.39	-	-	**3,269.39**	2,569.03	-	-	**2,569.03**
Total financial liabilities	**2,04,034.14**	**-**	**-**	**2,04,034.14**	**1,71,111.58**	**-**	**-**	**1,71,111.58**

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38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

(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.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers 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 mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(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 security deposits (classified as other financial 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, 2024				As at March 31, 2023			
	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	-	-	5,546.06	**5,546.06**	-	-	7,335.42	**7,335.42**
- Mutual Fund	-	-	-	**-**	2,021.05	-	-	**2,021.05**
	-	**-**	**5,554.42**	**5,554.42**	**2,021.05**	**-**	**7,343.78**	**9,364.83**

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.

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

(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.

There have been no transfers of investments between Level 1 and Level 2 fair value measurements during the year ended March 31, 2024 and March 31, 2023, respectively.

(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, 2022	**1.00**	**7.36**	**7,261.62**
Invested during the year	-	-	30.00
Gain on sale of investments	-	-	(18.74)
Fair Value gain recognised in Statement of profit and loss	-	-	62.54
As at March 31, 2023	**1.00**	**7.36**	**7,335.42**
Invested during the year	-	-	15.00
Gain on sale of investments	-	-	429.34
Proceeds during the year	-	-	(1,985.03)
Fair Value gain recognised in Statement of profit and loss	-	-	(248.67)
As at March 31, 2024	**1.00**	**7.36**	**5,546.06**

(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, security deposits, 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 co-ordinated efforts to monitor, minimise 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 mangement 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 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.

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38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

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 optimise 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, 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.

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	Contractual cash flows				
	Carrying Value	Within 1 year	1 to 5 years	More than 5 years	Total
As at March 31, 2024					
Preference shares	138.85	-	-	500.00	500.00
Borrowings	73,304.19	45,103.74	28,811.72	-	73,915.46
Trade payables	38,461.91	38,461.91	-	-	38,461.91
Lease liabilities (Refer note 30)	88,859.80	14,991.89	52,367.76	83,051.03	1,50,410.68
Other financial liabilities	3,269.39	3,269.39	-	-	3,269.39
	2,04,034.14	**1,01,826.93**	**81,179.48**	**83,551.03**	**2,66,557.44**
As at March 31, 2023					
Preference shares	125.68	-	-	500.00	500.00
Borrowings	54,150.43	36,063.49	17,967.02	339.80	54,370.31
Trade payables	34,358.23	34,358.23	-	-	34,358.23
Lease liabilities (Refer note 30)	79,908.21	16,524.96	46,253.66	69,532.63	1,32,311.25
Other financial liabilities	2,569.03	2,569.03	-	-	2,569.03
	1,71,111.58	**89,515.71**	**64,220.68**	**70,372.43**	**2,24,108.82**

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

(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.

(iv) 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 primarily to Group's borrowing with floating interest rates.

Exposure to interest rate risk

₹ in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings bearing variable rate of interest	73,304.19	54,150.43

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, 2024	As at March 31, 2023
50 bp increase- decrease in profits	(366.52)	(270.75)
50 bp decrease- increase in profits	366.52	270.75

39. 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

40. The Group has incurred a loss after tax of ₹ 26,615.10 lakhs for the year ended March 31, 2024 and its current liabilities, including current borrowings, exceeds current assets by ₹ 60,169.49 lakhs as at March 31, 2024. The Group has access to unutilised credit lines with its bankers and additional capital from its promoters, if and when required. The Group also has other investments which can be monetised, if and when required. Further, the Group has been expanding its operations, expanding private brand, building growth towards the non-food segments (including own branded apparel) and improvement of margins through dis-continuance of loss making/ low margin stores etc. 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.

41. ADDITIONAL INFORMATION IN RESPECT OF NET ASSETS AND PROFIT / (LOSS) OF EACH ENTITY WITHIN THE GROUP AND THEIR PROPORTIONATE SHARE :

		As at March 31, 2024		For the year ended March 31, 2024		For the year ended March 31, 2024		For the year ended March 31, 2024	
		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	26%	(10,919.82)	80%	(21,182.09)	101%	79.38	80%	(21,102.71)
	Subsidiaries :								
1	Omnipresent Retail India Private Limited	(2%)	806.63	1%	(243.85)	3%	2.23	1%	(241.62)
2	Natures Basket Limited	14%	(6,315.24)	19%	(5,177.38)	(4%)	(3.47)	19%	(5,180.85)
	Consolidation adjustment	60%	(25,155.40)	0%	(11.78)	0%	-	0%	(11.78)
	Total	100%	(41,583.83)	100%	(26,615.10)	100%	78.14	100%	(26,536.96)

42. OTHER STATUTORY INFORMATION

i) The Group does not have any transactions with companies struck off.

ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vi) The Group has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

vii) There are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

42. OTHER STATUTORY INFORMATION (continued)

viii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

ix) The Group is maintaining its books of accounts in electronic mode and these books of accounts are accessible in India at all times and the back-up of the books of accounts has been kept in servers physically located in India on a daily basis.

x) The quarterly returns/ statements filed by the company with such banks are in agreement with the books of accounts of the Group. Further, the Group do not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions, during the year on the basis of security of current assets of the Group.

xi) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

xii) The Group has 4 Core Investment Companies as a part of the Group.

43. The Group have used accounting software for maintaining its books of account which has a feature of recording of audit trail (edit log) facility and the same has operated throughout the year for all relevant transcations recorded in the software except that audit trail feature is not enabled at the database level in so far it relates to the SAP and Point Of Sales (POS) accounting software. Further, no instance of audit trail feature being tampered with in respect of the accounting software was noted.

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm registration number - 301003E/E300005

Navin Agrawal
Partner
Membership number - 056102

Place : Kolkata
Date : May 10, 2024

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata
Date : May 10, 2024

Sandeep Kumar Banka
Chief Financial Officer
Place : Kolkata

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 04, 2019
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April to March, same as Holding Company	April to March, 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	8,609.66	64,128.00
5	Reserves and Surplus	(7,803.03)	(70,443.25)
6	Total Assets	1,115.82	27,843.25
7	Total Liabilities	1,115.82	27,843.25
8	Investments	-	42.34
9	Turnover	2,157.52	29,578.32
10	Loss before Taxation	(243.85)	(5,177.38)
11	Provision for Taxation	-	-
12	Profit after Taxation	(243.85)	(5,177.38)
13	Proposed Dividend	-	-
14	% of Shareholding	100%	100%

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place: Kolkata

Shashwat Goenka
Chairman
DIN: 03486121
Place: Kolkata

Vikash Kumar Agarwal
Company Secretary
Place: Kolkata

Sandeep Kumar Banka
Chief Financial Officer
Place: Kolkata

Date: May 10, 2024

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Modern Trade Partnership Award 2023

Best Brand and Marketing Campaign Award

Direct Marketing Campaign of the Year

spencers

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