SRL:SEC:SE:2023-24/32

July 12, 2023

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 Sixth Annual General Meeting and Annual Report of the Company for the Financial Year 2022-23

Further to our letter no. SRL:SEC:SE:2023-24/30 dated July 6, 2023 and pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith, copy of the Notice convening the Sixth Annual General Meeting (AGM) of the Company alongwith the Annual Report for the Financial Year 2022-23 for your records.

The AGM notice and Annual Report are being sent to the shareholders through electronic mode and are also being uploaded on the website of the Company at www.spencersretail.com/investor.

We request you to kindly take the above information on record and oblige.

Thanking you.

Yours faithfully,
For Spencer's Retail Limited
VIKASH KUMAR AGARWAL
Digitally signed by VIKASH KUMAR AGARWAL
Date: 2023.07.12 17:22:54 +05'30'
Vikash Kumar Agarwal
Company Secretary & Compliance Officer

RP - Sanjiv Goenka Group

spencers

Nature's Basket

Spencer's Retail Limited

Integrated Annual Report 2022-23

Corporate Overview

Statutory Reports

Financial Statements

STANDALONE FINANCIAL STATEMENT

CONSOLIDATED FINANCIAL STATEMENT

INVESTOR INFORMATION

CIN	: L74999WB2017PLC219355
BSE Code	: 542337
NSE Symbol	: SPENCERS
AGM Date	: Friday, August 4, 2023
AGM Venue	: Through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM')

For more investor-related information, please visit
http://www.spencersretail.com/investor

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

About the Report

Spencer's is happy to present the Integrated Annual Report (<IR>) for 2022-23. This report is a comprehensive outlay of the Company's business model, operating environment, strategies, material issues, risks, opportunities, engagement with stakeholders, and approach to long-term sustainability, in addition to the Company's integrated value creation - financially and non-financially - across six capitals.

Reporting Framework

This <IR> has been developed in adherence to the principles set by the International Integrated Reporting Council (IIRC), ensuring greater transparency along the way for the stakeholders. The Company complies with the regulations prescribed by BSE Limited, National Stock Exchange of India Limited, and Securities and Exchange Board of India (SEBI) guidelines.

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

Scope and Boundary of Report

This <IR> covers the Company's operational performances for the financial year 2022-23. Besides the financial information, it includes non-financial information like strategic objectives, market opportunities, operational risks, and outcomes relating to the key stakeholders. The Company's business model is centred around its long-term stakeholder relationships, in line with its strategic approach of being a value retailer focussed on FMCG and various merchandise for home and daily household needs. The Company follows comprehensive social, ethical, and environmental policies and practices to effectively manage its broader business impact by using various capitals under the value creation process. The Company will continue adding components to its existing transparency and broaden its horizon with valuable stakeholders.

Reporting Period

The reporting period for this <IR> pertains to April 1, 2022 to March 31, 2023 (unless otherwise stated). The 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 the Company's top management, overseen by the Company's Chairman and CEO and Managing Director. The Company's Board of Directors has also provided the required governance oversight.


GIFTING RANGE
For The Wedding Bell
For Clients & Partners


2021


ORIENTAL
ORIENTAL


CASH DESK
CASH DESK

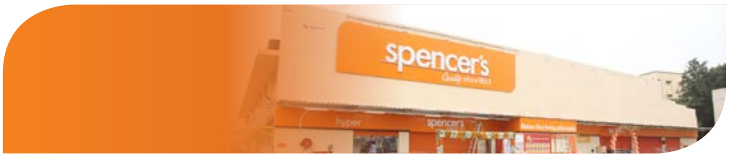
Dynamic Value-Creation Process

Creating Value. Delivering Experience.

By carefully applying expert-driven business strategies, based on a strong business model, Spencer's creates value for its shareholders. The efficient management of the six capitals — financial, manufactured, intellectual, human, social & relationship and natural — are key enablers of this process.

GUIDED BY ROBUST GOVERNANCE FRAMEWORK

1 About Spencer's Retail Limited



VISION

- The Company's identity, foundation, vision, and core values with an infographic approach.
- To be a dynamic conglomerate driven by sustainable growth, efficiency and innovation.

CORE VALUES

- Customer First
- Execution Excellence
- Credibility
- Agility
- Risk-taking
- Humaneness
- Sustainability

Read More on Pages **8-9**

2 Growth Strategies

The Company's strategies accelerates its growth momentum.

Key Enablers

- Over Two Decades Of Industry Experience
- Customer-Centric Approach
- OMNI-Channel Presence

Adaptive Growth Strategies

- Fortifying Digital Presence
- Rolling Out Of The New Value Store Format
- Strengthening Supply Chain And Store Efficiency
- Expanding Into Existing Geographies Organically

Read More on Pages **26-27**

3 Our Integrated Business Model

The Company's progress is achieved through six capitals.

Key Enablers

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social & Relationship Capital
- Natural Capital

Read More on Pages **20-21**

Other significant factors influencing effective value creation involve the business' operating environment, stakeholder engagement and material or materiality matters, and key risks & opportunities identified under the Company's governance framework.

4 Stakeholder Engagement

The Company's engagement programmes toward its stakeholders.

Key Enablers

- Employees
- Customers
- Investors
- Communities
- Government/Regulators
- Suppliers/Vendors

Read More on Pages **22-23**

5 Materiality Assessment

The Company's strategies to identify and assess the material issues i.e., various factors having the potential to affect the business.

- External Factors
- Internal Factors

Read More on Pages **24-25**

6 Strategic Risk Management

The Company's approach towards risk identification and response towards the same.

- Types of Risk
- Definition of Risks
- Mitigation Strategy

Read More on Pages **50-51**

7 Financial Performance

The Company's financial capital management includes figures testifying to its progressive performance for the year under review.

- Consolidated Performance

Read More on Pages **28-29**

8 Operational Credibility

The Company's manufacturing and intellectual prowess, including fortifying its digital presence and rolling out a new value store format.

- Manufacturing Capital
- Intellectual Capital

Read More on Pages **32-41**

SUPPORTED BY THE IIRC PRINCIPLES

2022-23 Highlights

Highlights

Financial

₹ 2,485 Crores
Revenue

₹ 36 Crores
EBITDA

₹ (59) Crores
Working Capital

(9)
Working Capital Days on Turnover

Customers

2 Million+
Consumers served monthly

0.9 Million
Monthly customers attracted through online medium

65-70%
Repeated customers

2.5 Million+
Average footfall per month (Including Natures Basket)

49 Million+
Reach on social media

Operational

6.6%
Growth in revenue

5.6%
Trading area growth during the year

09
New stores opened

10
Value market stores having trading Area of 1.4 Lakhs sq. ft

Environmental

44.6 MT
Usage of cloth shopping bags

55.1 MT
Usage of biodegradable shopping bags

100 kW
Existing capacity of renewal energy

Social

90,000+ Meals
Served to orphanage and old age homes

1,25,000 Manhours
Training provided to employees (1,15,817 manhours in Spencer's & 9,183 manhours in Natures Basket)

'Great Place to Work'
Awarded for the 4th time in a row

Food Safety Training
For hygiene and sanitary practice

Governance

08
Board members

100%
Board members with over five years of experience

04
Independent directors

05
Committees

01
Woman director

About Spencer's Retail Limited

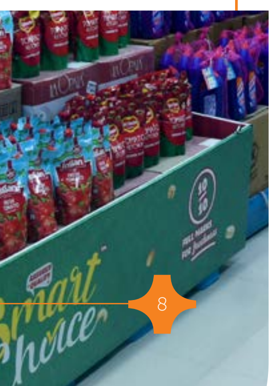
Over Two-Decades Strong

Spencer's Retail Limited (herein, 'Spencer's' or 'the Company') is a part of RP Sanjiv Goenka Group. A multi-format OMNI-Channel retailer, Spencer's provides consumers a wide range of quality products across categories such as food, personal care, fashion, home essentials, electrical and electronics. The Company has been a consumer-centric brand since its inception.

Spencer's is among the pioneering brands that introduced the concept of organised retailing to Indian consumers. The Company efficiently manages its operations in the organised retail sector primarily with an aim to enhance its brand positioning. This vision encompasses the philosophy of delighting shoppers by offering them high-quality products and services at affordable prices, all within a pleasant retail environment.

VISION

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



CORE VALUES

CUSTOMER FIRST
Keep customers at the core of every action

EXECUTION EXCELLENCE
Strive to be the best in everything we do

CREDIBILITY
Instil trust, confidence and accountability with our actions

AGILITY
Move ahead of time quickly

RISK-TAKING
Dare to go beyond

HUMANENESS
Be fair, respectful, transparent and sensitive

SUSTAINABILITY
Be equally responsible for people, the planet & profits

OMNI-Channel

Mode of operation for seamless service delivery

79

Large stores

186

Stores in operation

107

Small stores

14.43 **Lakhs sq. ft**

Retail space

5,224+

Employee count (consolidated)

44

No. of cities of operation within country

Building Brand. Amplifying Identity.

Natures Basket

Natures Basket is a premium gourmet retailer present in Mumbai, Pune, Delhi and Kolkata. With a goal to establish itself as grocery shopping destination, Natures Basket provides consumers with a diverse selection of food products and grocery items, along with the convenience of home delivery. Serving as a comprehensive 'One-stop' shopping destination, it specialises in gourmet offerings, international cuisine, and exotic items. Natures Basket also offers imported ingredients, healthy options, and organic products. As a result, it has become the preferred choice of retailer in India for international food and multi-cuisine products, emphasising its commitment to delivering the freshest and finest culinary experience.

35
Stores across India

1.08 Lakhs sq. ft.
Retail space

6+
Cities served

719
Employees

Natures Basket Distinct Private Brands

	Cognitive	Experiential	Routine
Nature's Basket	Healthy Alternatives	L'Exclusif Selection	Nature's

The Gift Studio

The Gift Studio (TGS) delivers a unique gifting experience that offers customers the ease of purchasing customised gifts and choosing from a wide choice of flowers, gourmet food and gadgets. From purchasing the gift item to selecting the sleeves on it, TGS covers it all for the customers and provides a complete gift-shopping experience.

TGS endeavours to create a distinct brand image in the gifting space all over the country. The OMNI-Channel presence and pan-India coverage are driven by attractive offers and hampers designed by fashion and art luminaries, including celebrities like Sonam Kapoor Ahuja, artists like Bose Krishnamachari and Paresh Maity, and fashion designer Anamika Khanna, to name a few.

Diverse Portfolio

Offering Seamless Experience. Providing Premium Services.

Spencer's brands cover a lot of articles in the food space, including rice, pulses, whole spices, dry fruits and nuts, sauces, instant noodles, breakfast cereals, honey, bread, beverage, wafers, pickles, jams and cookies, including fruit pickles which are customised to regional flavours. Its personal care range includes items such as face wipes, tissues, baby needs, and hand wash, while its home care range includes detergents, dishwashing soaps, toilet cleaners and floor cleaners.

Spencer's private labels offer a wide range of products ranging from food, personal care and fashion, to home utility items and more. Spencer's Smart Choice, Tasty Wonders, and Clean Home are some of its brands which offer a varied choice when it comes to catering to modern household needs.

Kitch brand provides premium home care solutions starting from cooking to serving, your kitchen partner. Its assortment includes premium storage and kitchen utensils, beautifully designed melamine ware, and foil wraps.

In the fashion and apparel space, Spencer's offers contemporary and classic looks through its brands, catering to casualwear, loungewear, leisurewear, formalwear, and accessories such as leather items, casual jewellery and footwear. Some of the popular private-label brands along with the Company's strategic SOR brands are Island Monks, Mark Nicolas, Scorez, Island Monks Kids and many more. All the products are conveniently priced and promise great quality.

Spencer's Private Brands

Apparel

2Bme

General Merchandise

HANDS ON

INSCAPES

KITCH

Staples & FMCG

Smart Choice

doubletick

Electric & Electronic

BESSER The better life

Natures Basket Private Brands

Cognitive

Healthy Alternatives

Experiential

L'Exclusif™ Selection

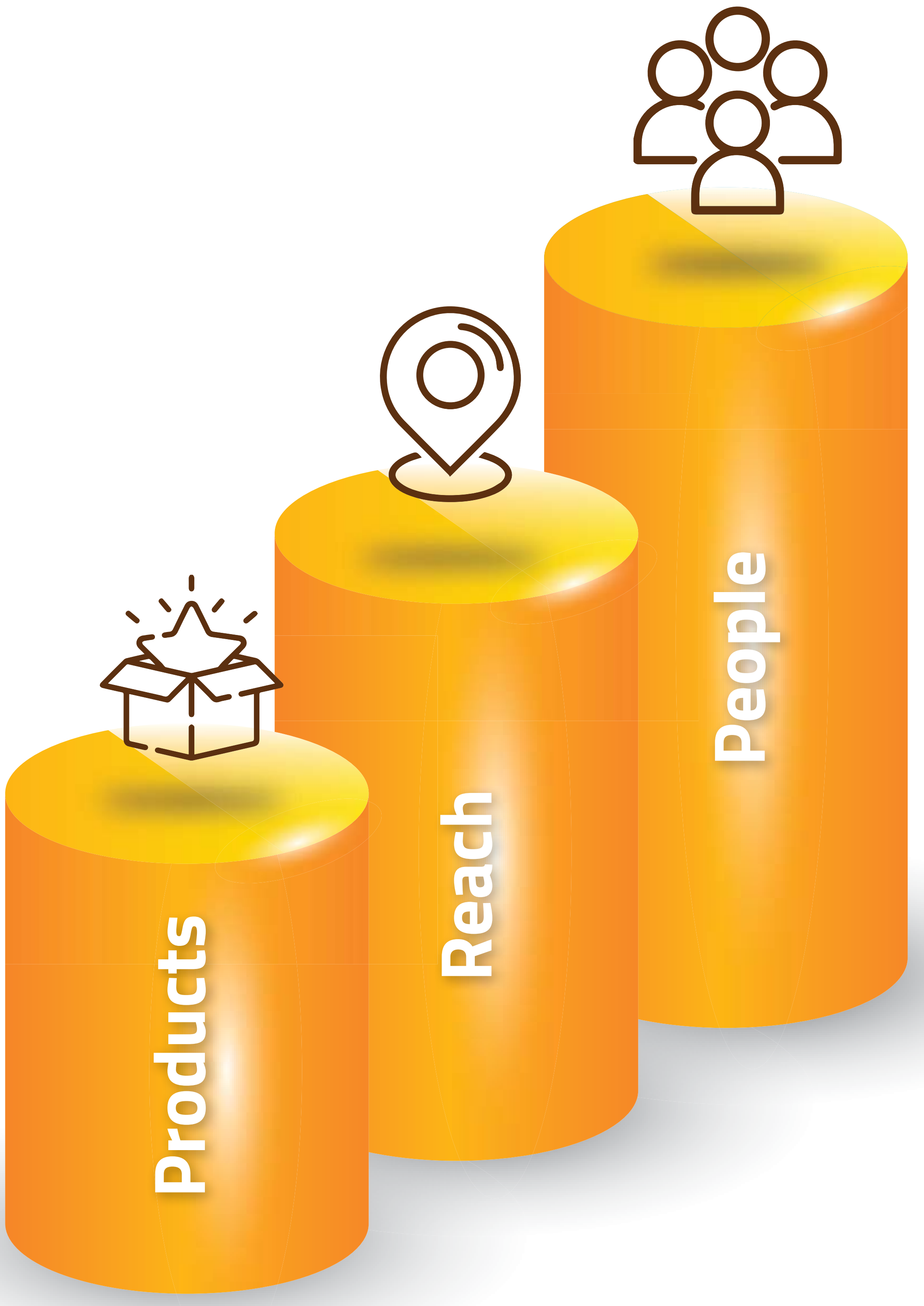
Routine

Nature's

Pillars of Growth

Growing Consistently.

The Company's key competency includes serving its customers by offering and providing them seamless shopping experience. Spencer's has always endeavoured to provide a superior shopping experience to become a preferred one-stop destination. Thereon, the Company's core competencies as a leading retail brand can be bifurcated into three primary categories viz. Product, Reach, and People. The sub-categories further, enable the Company to penetrate the market deeper and gauge a stronger share.



Products

Presence across Numerous Segments in the Organised Retail Space

Spencer's wide presence in the segments of organised retails makes it a convenient one-stop destination for customers to cater their needs

Spencer's Retail Limited enjoys presence across

72%

Segment share of organised retail

Differentiated Product Portfolio

Spencer's provides its customers with a huge selection of products, making it the Company's speciality. Its private brands, including 2Bme, Smart Choice, Healthy Alternatives, Hands-on, and Inscapes, curate a wide range of differentiated products and testifies the Company's commitments towards its customers.

21

No. of private brands under Spencer's

Wide Range of Products

The Company offers a diversified base of products spread through its supermarket basket.

Commitment towards Freshness

Spencer's commitment towards delivering fresh foods i.e., seafood, meat, as well as fruits and vegetables, to the customers is a compelling reason for its customers to visit the stores repeatedly.

Reach

Pan-India Reach

Spencer's and Natures Basket operate a total of 186 stores across the country, strategically distributed in various regions. Andhra Pradesh, Delhi, Haryana, Jharkhand, Karnataka, Kerala, Maharashtra, Tamil Nadu, Telangana, Uttarakhand, Uttar Pradesh and West Bengal are among the states that the Company covers.

Experience Centres

Spencer's believes in offering its customers a seamless shopping experience. And so, the Company has created experience zones where its customers can stroll in and try out various items easily and conveniently.

Out-Of-Store Model

Spencer's successfully implemented an exceptional 'Omni-Channel' model. Moreover, the Company's 'Out-Of-Store' channels, which encompass phone and WhatsApp-based ordering and delivery services, have effectively tapped into a vast customer base. This has significantly streamlined how Spencer's interacts and connects with its valued customers.

People

Efficient Distribution Network

Spencer's has ensured an efficient distribution network that enables the Company to cater to its wide and thick customer base nationwide. This distribution network comprises small, medium and large vendors along with various leading MNCs.

Customer Centricity

The Company prioritises customer-centricity over everything and therefore, sources products that cater to their varied needs and preferences.

From the Management's Desk

An Interview with The Chairman

The year 2022-23 marked a year of optimism as the growth momentum is expected to be on a continuous run. With pent-up consumption both from the Government and private sector and calibrated macroeconomic policies to anchor the inflationary pressure, India continues to dominate its position as one of the fastest-growing economies in the world. Businesses across industries are getting benefits from higher consumption, resulting in steady economic activities across the country.

To transform and thrive in the industry, Spencer's continues to foster business growth through the OMNI-Channel transition and entering into a new 'Value Market' proposition. Omnipresent Retail India Private Limited (ORIPL) has registered its first-ever positive EBITDA at Gross Merchandise Value (GMV) of ₹ 302 Crores in 2022-23.

What is your take on the overall macro-environment?

In the global canvas, India has successfully retained its front-runner position as one of the fastest-growing economies. In 2022-23, the country reported a growth of 7.2%, further highlighting its economic prudence.

From the industry perspective, the retail industry is considered to be one of the most dynamic and fast-paced industries in the country and is expected to reach US$ 1.5 Trillion by 2030. The industry contributes to 10% of the country's GDP and 8% of employment. In the aftermath of COVID-19 pandemic, there has been an inevitable transformation in the industry in the form of online retailing. With customers accepting online platforms more than ever, the retail industry is transitioning in the same direction. It is expected to reach a valuation of US$ 120-140 Billion by 2025-26 with a 25-30% annual increment. Brands across the sector are also investing more intensively towards enhancing the customer-centricity of their online platforms. Other catalysing factors such as changing demographic profiles, increasing disposable incomes, urbanisation, and changing consumer tastes and preferences are also aiding sectoral growth and transformation.

What strategic imperative Spencer's adhered to during the period?

Our strategies are mainly focussed on our OMNI-Channel growth along with our new value market proposition. During 2021-22, we strategised to drive our efficiency through the 'Out-Of-Store' business that is our OMNI-Channel approach and prioritised the expansion of our high-margin categories including non-food sales mix through better assortments and increasing Sales or Return (SOR) brands in general merchandise and apparel. From our perspective, the Indian grocery market caters to three broad consumer classes. These include the premium/ gourmet segment that Natures Basket fits into, the aspirational consumption met through the Spencer's proposition, and the value-conscious segment that we are currently piloting in select geographies. This will ensure our complete coverage across the consumer segments and enable us to grow exponentially in the market.

In this direction, we have launched the first set of our value market stores. And we are also planning to open 10-15 new stores, including Spencer's and Natures Basket, having a trading area addition of ~10% on our base. "ORIPL" delivered the first ever positive EBITDA for the year 22-23 with a GMV of ₹ 302 crores.

How would you define Spencer's approach towards sustainability?

Sustainability is one of our Core Values and we are cognisant of our social and environmental responsibilities. To reduce our carbon imprint, we have employed renewable energy as part of our energy mix and installed solar panels and other energy-saving technology for lighting our premises. We have reduced paper consumption and are providing e-invoices to our consumers. We have also cut down the usage of plastic carry bags by using alternate eco-friendly biodegradable packaging material. Thereby, taking small steps towards becoming a greener company.

How does Spencer's nurture its human resources?

We have prioritised the interests of the people associated with us. This value recognition is reflected in our ever-engaging people proposition. Driven by the core value of 'Humanness', our people-centric culture is an integral part of organisational success. We always strive to identify the areas of opportunities and drive positive cultural change through inclusive policies and practices.

We continue to nurture our human resources to foster their growth and development by organising various training programmes such as Umang, Utsav, Utthaan, Customer First Training and Campaign, and Leaders of Tomorrow, among others. We have been certified as a 'Great Place to Work' for four years in a row. At the end of the financial year, strength of our employees stood at 5,224, which included people in stores, distribution centres and at the corporate office.

How does Spencer's adhere to a robust governance structure?

50% of our Board Members are independent and our Company is overseen and managed by an experienced and professional Board of Directors. We have established a code of conduct, policies, procedures, and Board committees to oversee our operations. We benchmark our governance practices every year and further strengthened them by updating our policies along with our Legal compliance management tool and Insider Trading compliance management tool.

What is the way ahead for Spencer's?

The structural shift to online e-commerce is expected to bring more financial leverage to our Company along with the value market model, we are endeavouring recently. During 2022-23, we invested ₹ 27 Crores across our infrastructure and technology to further boost the long-term growth prospects of our Company. We are witnessing traction in both footfalls and digital platforms. With the retail industry poised to grow with a robust momentum, along with macroeconomic stability back on track in almost every aspect, the way ahead for Spencer's looks highly promising.

Regards,

Dr. Sanjiv Goenka
Chairman

From the Management's Desk

CEO and Managing Director Communique...

The year 2022-23 proved to be a progressive year for the country and also for us at Spencer's. As the nation was navigating multiple challenges, at Spencer's we continued to showcase resilience, while forging ahead with optimism.

Dear Shareholders,

As the incoming CEO and MD of Spencer's Retail Limited, I feel humbled and honoured to present our Company's performance for 2022-23. The business' strong market standing and repute are indeed a result of the Management's prudence, employee's efforts and the strong & relentless support of all stakeholders. For this, I would like to thank all our stakeholders and look forward to their continued faith in us.

Looking at the sectoral prospect, the organised retail sector in India continues to expand, primarily driven by the growth of modern trade and e-commerce, stimulated by supermarkets, hypermarkets and convenience formats. However, the traditional 'Kirana' or Neighbourhood stores will continue to be a significant part of the retail landscape, particularly in semi-urban and rural areas.

India, a country of 1.4 Billion people, has always been a land of diverse tastes, flavours, traditions and habits. As a result, the food and grocery retail sector in India offers opportunity to curate assortment and propositions, tailored to the nuanced palate of the Indian consumer. To succeed, it is imperative for businesses to understand the diverse yet evolving consumer needs, leverage data and technology, offer value and a consistent, delightful shopping experience. Our Company's focus has always been to meet and exceed our customer's expectations by providing an unrivalled assortment of quality products at competitive prices, in a shopping environment that is not just transactional, but experiential. We understand that shopping for groceries is not just a chore but a journey that needs to be enjoyable.

On the financial front, Spencer's witnessed 9% growth in 2022-23 with a turnover of ₹ 2,180 Crores and sustained Gross margin at 19% on a standalone basis. We witnessed a drop in the EBITDA and PBT from the previous year due to the reinstatement of multiple variable cost lines and also a one-time gain from investment income last year. Total Costs as a percentage of Total Sales are under control and at similar levels. EBITDA stood at ₹ 34 Crores, and PAT stood at ₹ (-)153 Crores in 2022-23. The performance of Natures Basket, our Gourmet, food-focussed format was relatively soft with a dip of 9% in revenues at ₹ 274 Crores, with an EBITDA and PBT of ₹ 0.6 Crores and ₹ (-) 56 Crores, respectively.

During the year, we forayed into a new format 'Value Market' for value-conscious consumers. So far, the response has been encouraging and we shall be evaluating the performance of these stores and shall take the necessary steps way forward. We continue to focus on our existing building blocks for the year which includes providing our consumers a seamless shopping experience with wide assortments, expanding in existing clusters at locations where we are confident of winning since inception, and focussing on driving growth from our OMNI-Channel business, which has created significant impact in the minds of the consumers and accounts for a heathy double-digit sales mix.

We are also taking necessary measures to control our operating costs, including negotiating our contracts with the partners and also making investments in warehouse management technologies to improve the effectiveness of our supply chain. This will help us even more to increase the effectiveness of our working capital and we continue to operate with negative working capital on a consolidated basis during the year.

Additionally, we have carefully evaluated our stores during the period under review and have closed nine of our loss-making stores, having a trading area of 77,000 sqft, while opening nine, having a trading area of 82,000 sq.ft. We are also looking to expand our trading area by 1 Lakh sq.ft. in the upcoming year in our existing clusters.

Our Company realises the resilient and skilled nature of our employees and appreciates their efforts in driving quality work on a daily basis and business results delivery. Therefore, Spencer's mission towards nurturing employees is guided by a directional approach that includes cultivating the right talent, providing employees with proper training & development, rewarding and recognising employees for their contribution, and providing a safe working environment for all.

In conclusion, I would like to take this opportunity to express my gratitude to all our stakeholders, Board colleagues, customers, supplier partners and team members for their continued support. Your confidence in us has allowed us to emerge as a more resilient and agile organisation and we can assure you that we shall strive to drive the organisation towards delivering stronger, profit-optimised and inclusive growth in the years to come.

With Best Regards,

Anuj Singh
CEO and Managing Director

Our Integrated Business Model

Harnessing Resources. Building Possibilities...

Inputs Our Resources and Relationships	**KPIs** for 2022-23
FINANCIAL CAPITAL The financial resources deployed by the Company Read More on Pages 28-31	• **Total Asset:** ₹ 1,629 Crores • **Total Debt:** ₹ 542 Crores • **Capital Employed:** ₹ 771 Crores
MANUFACTURING CAPITAL The physical infrastructure used in selling the merchandise Read More on Pages 32-37	• **Stores (including Natures Basket):** 186 • **Distributions Centres (including Natures Basket)**: 18 (4 NBL) • **Cities Covered**: 44 • **Total Trading Area**: 14.43 Lakh sq. ft. (All figures are consolidated)
INTELLECTUAL CAPITAL The intangibles that constitute the brand, its products and service offerings, providing a competitive advantage Read More on Pages 38-41	• **Investment in Technology Development and Upgradation**: ₹ 27 Crores • **Mobile Application and Website**: Delivering Seamless Customer Ordering • Online Payment System
HUMAN CAPITAL The skill and experience vested in the Company's associates which enable it to deliver its products and services and implement strategy, creating value for all stakeholders Read More on Pages 42-45	• **Total Employees**: 5,224 (4,505 in Spencer's & 719 in Natures Basket) • **Women Employees**: 1,171 (990 in Spencer's & 181 in Natures Basket) • **Training Conducted**: 1,25,000 manhours (1,15,817 manhours in Spencer's & 9,183 manhours in Natures Basket)
SOCIAL AND RELATIONSHIP CAPITAL The key and long-term relationships the Company has cultivated with customers, suppliers, associates, shareholders, government and community Read More on Pages 46-47	• Providing Employment to Local Communities • Engaging with National Skill Development Institutions in Sourcing Retail Apprentice • Partnering Farmers to Source Vegetables for Local Farmers • Organising Customer Events and Festivals • Providing Robust Customer Support Infrastructure • **Offering a Large Distribution Network Contribution to Ex-chequer**: ₹ 281 Crores
NATURAL CAPITAL The judicious consumption of environmental resources and efforts by the Company to minimise its impact through sustainable business activities Read More on Pages 48-49	• **Facilities with E-billing Facility**: 186 stores • Stopping the Usage of Single-use Plastic as per Government Norms • Promoting Usage of Cloth Bags, 100% Biodegradable and 100% Compostable Plastic

Spencer's Activities

Output Capital-wise
Performances

SDG
Linkages

Business Structure

Retail Store Business

E-Commerce Business

Spencer's Strengths

- One of the Leading Organised Retailers
- Pan-India Reach
- Loyal Customer Base

VALUE CREATED FOR STAKEHOLDERS

Transforming Operations to Cater Dynamic Demand

- Fortifying the Digital Presence
- Launching 'Value Market' format Business Architecture
- Enhancing Supply Chain Management and In-Store Efficiency
- Expansion in Existing Clusters

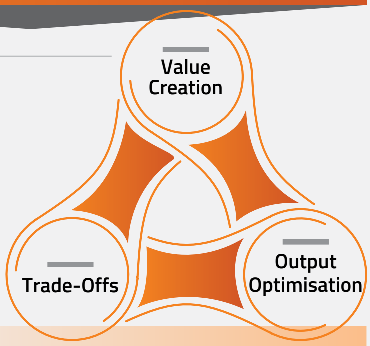
CATERING TO THE NEW HORIZONS OF RETAIL SPACE

Strategies for Constant Value Creation and Delivering Top-Notch Services to the Customers

- Effective Sourcing of Products
- Cost-Effective Measures to Drive Best-in-Class Customer Offers
- Building a High-Performance Team
- Customer-Centric Business Transformation
- Constant Community Investments to Drive Inclusive Growth

FOCUSSING TOWARDS LONG-TERM DEVELOPMENTAL ASPECTS

Sustainable Value-Creation Methodology



Trade-Offs

Decision-making is guided by the Company's strategic pillars enabling it to focus on what matters most to its business. By doing so, the Company optimises the trade-offs between the capitals, that ultimately arise as an outcome of its business activities.

Output Optimisation

The constant endeavour of Spencer's remains delivering value to the customers through its business output, generated by utilising the capital inputs in the business activities. The Company actively seeks to maximise its output without affecting the resources. Thus, conscientiously reducing its impact on the communities and environment in which it operates

FINANCIAL CAPITAL

- Revenue: ₹ 2,485 Crores
- Net Cash Generated from Operating Activity: ₹ 2,674 Crores
- Negative Working Capital: ₹ 59 Crores

PHYSICAL CAPITAL

- Total Customer Footfall: 2 Lakhs+ per month
- Stores Added During the Year: 9 (7 in Spencer's & 2 in Natures Basket)
- Number of Bills (NOB) in 2022-23: 20 Lakhs+ per month

INTELLECTUAL CAPITAL

- Enhanced Customer Experience
- Online Shopping Website And App Enhancements
- SRL Sales Contribution from Private Labels: 11%
- Reach on Social Media: 49 Million+
- GMV Value: ₹ 302 Crores

HUMAN CAPITAL

- Talent Hired During The Year: 2,379
- Awarded 'Great Place to Work' 4 Years in a Row
- Employees Working Over 5 Years: 852 (701 in Spencer's and 151 Natures Basket)

SOCIAL AND RELATIONSHIP CAPITAL

- Proactive Stakeholder Engagement Programme, Including Seminars, Conferences, And Meetings
- No. of Customers Served: 6.73 Lakhs
- Revenue % from Repeat Customers: 65-70%
- Employee Productivity (Sales Per Employee): ₹ 48.40 Lakhs
- Majority of Employee Recruited From Local Communities

NATURAL CAPITAL

- Renewable Capacity: 100 KW
- Reduction In Paper Usage Through E-Billing At All Our 186 Stores
- 44.6 MT Usage Of Clothes Bags
- 55.1 MT Usage Of Biodegradable Shopping Bags

- 3 GOOD HEALTH AND WELL-BEING
- 5 GENDER EQUALITY
- 7 AFFORDABLE AND CLEAN ENERGY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 10 REDUCED INEQUALITIES
- 11 SUSTAINABLE CITIES AND COMMUNITIES
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION
- 17 PARTNERSHIPS FOR THE GOALS

Stakeholder Engagement

Understanding Needs. Focussing Growth...

The success of a Company relies on building and fostering positive relationships with individuals, communities, stakeholders and organisations that have a vested interest in its business and may be affected by its choices. At Spencer's, the Company identifies critical stakeholders through strategic planning method aims at delivering sustainable long-term value. Stakeholder engagement and analysis is therefore, a key element as a part of the Company's growth-seeking endeavours. The Company engages with these important groups in a variety of ways, from direct discussions to surveys and participation in community, industry and government forums. This provides valuable insights that aid in the Board's deliberations and lead to informed decision-making. Spencer's puts its stakeholders at the heart of its operations and strategic framework that set out the business's purpose, values and culture.

Financial Capital	Manufactured Capital	Intellectual Capital
Human Capital	Social and Relationship Capital	Natural Capital

Stakeholder Group	Capitals Linked	Importance for Spencer's	Stakeholder Priorities	Engagement Mode and Frequency
Customers	Intellectual Capital, Manufactured Capital, Social and Relationship Capital	Ultimate consumers of products and services	▸ More convenience ▸ Great service ▸ Affordable prices, good value ▸ Product quality and food safety ▸ Consistent availability ▸ Rewards for loyalty ▸ Community involvement	▸ Daily engagements in our stores ▸ RWA strategy ▸ Out-Of-Store model ▸ Customer-support helpline ▸ Regular customer surveys, consumer forums and online customer panels ▸ Various social media platforms
Investors	Financial Capital	Key providers of debt capital	▸ 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	▸ Investor presentations ▸ Annual General Meeting ▸ Investor grievance channels ▸ Annual Report

Stakeholder Group	Capitals Linked	Importance for Spencer's	Stakeholder Priorities	Engagement Mode and Frequency
Employees		Key enablers of business credibility as a leading organised retailer	▶ Training, career development and wellness programmes ▶ Performance evaluation and recognition ▶ Competitive rewards and remuneration ▶ Diverse, open, non-discriminatory, and safe working environment	▶ Weekly/monthly/ quarterly reviews ▶ Training and development workshops ▶ Engagement initiatives, HR forum, town halls ▶ Performance assessment
Communities		Providers of the socio-economic context in operating environment	▶ Social upliftment ▶ Community welfare initiatives	▶ RWA programmes ▶ Employee volunteering
Government/ Regulators		Providers of the socio-economic context in operating environment	▶ Compliance with rules and regulations ▶ Licenses ▶ Timely reporting through various compliance-based forms	▶ Mandatory regulatory filings ▶ Periodical submission of business performance ▶ Written communication ▶ Meetings in industry forums
Suppliers/ Vendors		Help develop a robust business environment and create shared value	▶ Fair and ethical procurement & engagement practices ▶ Pricing and favourable terms of payment ▶ Timely clearance	▶ Sustainable supply chain initiative ▶ Supplier meets ▶ Vendor council ▶ Audits

Materiality Assessment

Enhancing Preparedness. Scaling Performance...

Amid a rapidly changing business environment, assessing the key concerns that can potentially impact the business becomes crucial. This requires identifying the concerns and planning for effective strategies to develop an even stronger, more adaptive business model.

Evolution and transformations are part and parcel of the external environment. A lot of these changes are unforeseeable and uncontrollable. This is due to a number of factors, including shifts in the economic, ecological, and social paradigm, shifting consumer demands and trends, and improvements in operating systems and technology, among others. In order to decide the most sustainable course of action, Spencer's has defined a few material subjects to help figure out the stakeholders concerns in line with the Company's business priorities. Thus, striving to create sustainable value for stakeholders over the short, medium and long term.

To ensure a broad and inclusive approach, the Company's material assessment includes reviewing the following facts:

- Macroeconomic trends industry trends, and sustainability trends
- Corporate risk framework
- Issues identified through the Company's existing policies and commitments
- Sustainability impact footprint – estimating Spencer's impact across key impact areas such as employment, health and greenhouse gas (GHG) emissions
- Non-governmental organisation (NGO), competitor, regulatory and trade association concerns

The Company's material assessment process is based on quantitative and qualitative inputs from various external and internal sources. The consecutive steps thereon include:

Identifying the Issues

Identifying topics of importance to the business, stakeholders and society and environment.

Gathering Internal Stakeholder Inputs

Gathering inputs from internal stakeholders viz. both from central and divisional business units.

Understanding External Stakeholder Inputs

Understanding the concerns of external stakeholders.

Aggregating and Analysing Material Issues

Analysis of the internal and external context in which Spencer's operates, combined with all stakeholder inputs, resulting in the prioritisation of Spencer's material issues.

List of Material Topics with SDG Linkages

- 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
- Environment Conservation

Adapting Changes. Responding Needs...

Fortifying Digital Presence

Over the past few years, there has been a tremendous surge in the demand for online shopping. To meet this demand, Spencer's has successfully established a strong OMNI-Channel presence in the market. The Company's OMNI-Channel model is primarily attributed to its integrated shopping platform comprising physical stores and its 'Out-Of-Store' model. Herein, the Out-Of-Store strategy includes WhatsApp, Phone delivery, Social Media, E-commerce websites, Mobile app and Resident Welfare Associations (RWAs), that use Spencer's physical stores as hubs. Additionally, Omnipresent Retail India Private Limited (ORIPL), the Company's e-commerce subsidiary, serves as a platform through which Spencer's engages with its customers. Thus, taking a significant stride towards establishing a robust OMNI-Channel presence.

7.6x

Growth registered by ORIPL, compared to pre-COVID-19 levels

₹302 Crores

GMV in 2022-23

30+

Cities served through OMNI-Channel mode

Strategic Enablers

The Company serves its customers through an OMNI-Channel model while offering a superior shopping experience underpinned by:

The 'Value Market' Proposition

The retail industry is experiencing significant changes due to widespread and rapid urbanisation as well as demographic changes. The rise in demand from tier III and tier IV cities is reshaping the organised retail sector. Acknowledging this transition, Spencer's initiated a strategic shift in its business starting from the fiscal year 2022-23. The Company has ventured into a new format with its 'Value Market' concept. This new business model primarily focusses on catering to value-conscious customers residing in tier III and tier IV cities.

The Indian grocery sector mainly caters to three broad consumer groups viz

- **Premium/Gourmet**
- **Aspirational**
- **Value Conscious**

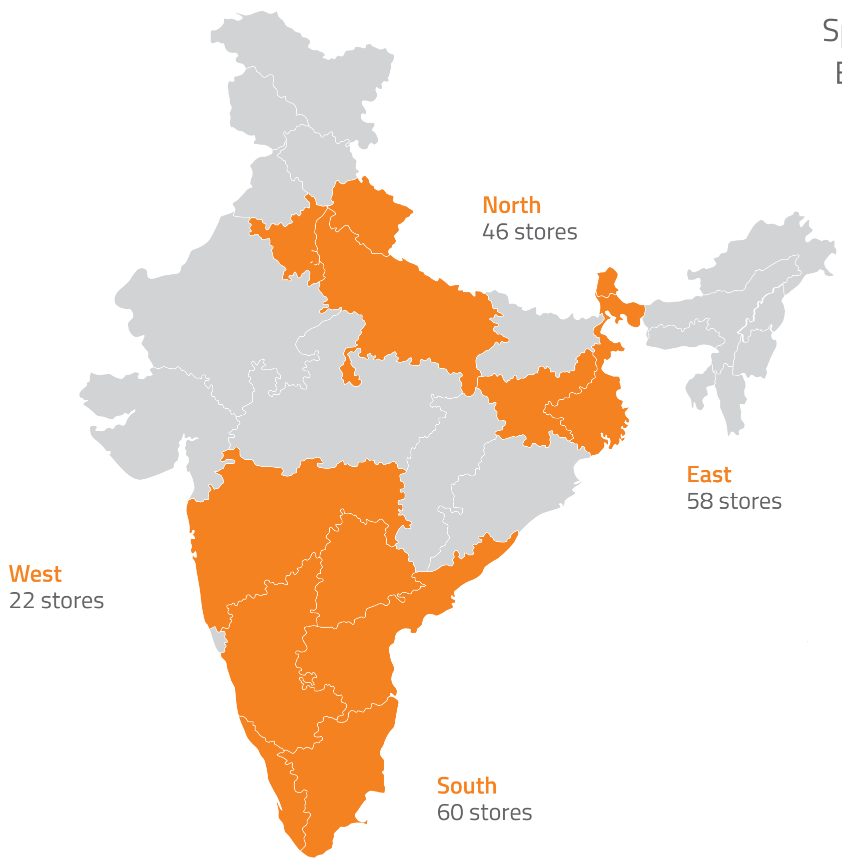
The Company began to cater for the premium retail segment with Natures Basket. With the introduction of the 'Value Market', the Company has also become eligible to cater for the value-conscious divisions. This has enabled Spencer's to deliver its services to a wider customer base, while seizing a greater market share in the organised retail section.

10

Value Market stores opened in 2022-23

Expanding into Existing Geographies Organically

Spencer's + Natures Basket's Presence



FINANCIAL CAPITAL

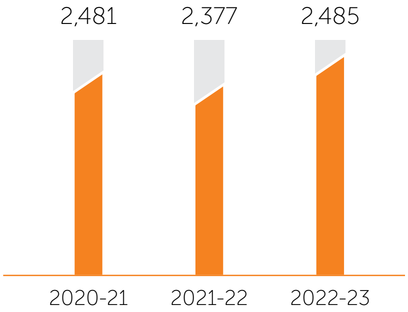
Capitalising Opportunities. Solidifying Progress...

With a strong focus on transformation and capitalising on opportunities in the external landscape, the Company strives to achieve even better financial outcomes. The operational transformation that occurred in the previous year had a clear impact on the Company's financials. But successful implementation of various plans and capable strategies led to record positive returns despite challenges.

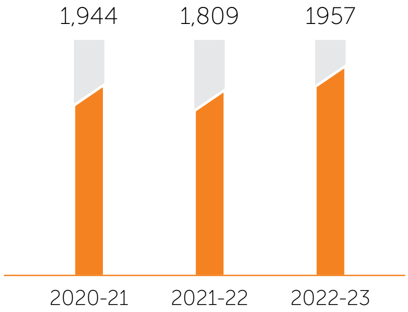
Post-COVID-19 pandemic, the boom in e-commerce is well underway and gaining momentum constantly. Increased footfall during the previous year and greater traction from the online retail space propelled the Company's performance for the year under review. E-retail is a crucial factor of transformation which is fast driving change in the industry. There has been a significant shift and acceptance in non-food categories, while the grocery sector is expected to experiment with hyperlocal models. With its financial strategies, Spencer's is confident about capitalising on these prospects to boost its revenue and profitability.

Spencer's witnessed a turnover growth of 6.6% with ₹ 2,485 Crores revenue in 2022-23 compared to ₹ 2377 Crores in 2021-22.

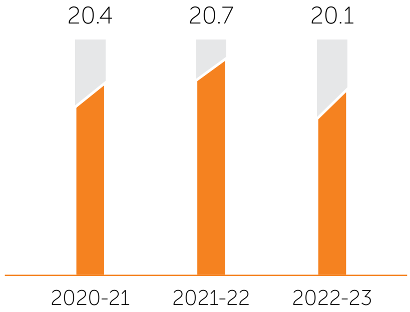
Total Revenue (₹ in Crores)



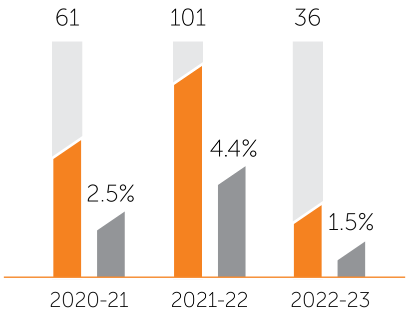
Purchases (₹ in Crores)



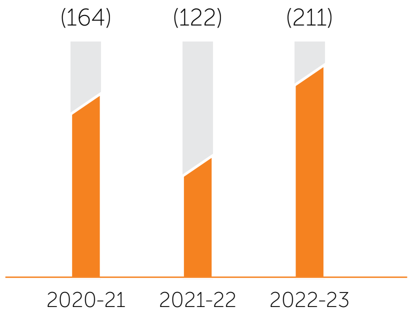
Gross Margin (in %)



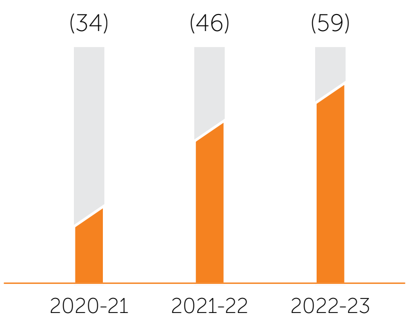
EBITDA* (₹ in Crores)



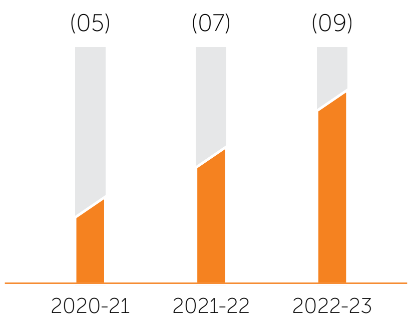
PBT** (₹ in Crores)



Working Capital## (₹ in Crores)



Working Capital Days on Turnover



* Earnings Before Interest, Tax, Depreciation & Amortization
** Profit Before Tax
\# Earnings Per Share
\## Working Capital = Inventory + Trade Receivables - Trade Payables

Ensuring Efficiency across Processes

Emphasising Quality. Enhancing Credibility...

The shift in consumer preference is propelling a massive transformation in the retail space. Customers are more attracted towards online retailing today and at the same time, there is greater demand arising from under-penetrated geographies. Rapid and widespread urbanisation and demographical shifts are the primary factors of this change. Companies across the nation are extensively investing in strengthening their brand position in the digital space to cater for the unserved population and capture greater market share.

Spencer's is propelled by the Company's emphasis on customers. The Company delivers a top-notch customer shopping experience through its multi-modal shopping platforms. Spencer's has been strengthening its physical and intellectual capabilities to keep this performance consistent. One of its recent strategic propositions is mainly focussed towards enhancing the Company's credibility as an organised retailer in the country and maintaining the establishment as a trusted retail entity.


At Your Service
• Customer Service • Baggage Drop • Exchange Policy
Reach Us To Give Feedback
• Missed call 08061914334
• Call 1800 103 0134
• Email customercare@spencers.in


spencer's
PRICES YOU CAN TRUST
SINCE 1863

MANUFACTURING CAPITAL

Strengthening Capabilities. Catering Demand...

The Company's physical capabilities primarily includes value-store formats across India, offering a diverse shopping experience to a broad customer base. Its main objective is to meet the dynamic demands of customers while also aiming to expand its presence. Post-COVID-19 pandemic, the physical set-up of stores started traction due to increased footfall that compelled the Company to raise its store count. The recent undertaking of the Company's Value Market proposition's response is also encouraging which reinforces our confidence in the format. Thus, strengthening the brand's positioning as an organised retailer.

Store Highlights

186
Total Stores

14.43 Lakhs sq. ft.
Retail Space

44
Presence in Cities

Over 25 Lakhs+
Average Footfall Per Month

9 (7 in Spencer's & 2 in Natures Basket)
New Stores Opened during 2022-23

18 (14 in Spencer's & 4 in Natures Basket)
Distribution Centres

Physical Store Business Model

Spencer's store models are categorised mainly into three divisions that cater to the three major classes of retail consumers. The Company used to operate in the premium and regular segments of consumers. But the recent addition of the value market proposition is expected to add the value-conscious segment as one of the Company's key focus areas, simultaneously bringing in more consumers.

Large-Format Stores

Small-Format Stores

Value-Market Stores

Large-Format Stores

The Large-Format Store business model was built to gauge consumers and complement the Company's overall business performance. These Stores offer all categories of food and non-food products, including electronics and apparel.

79
Large-Format Stores

35
Presence in Cities

14,800 sq. ft.
Average Store Size

77%
Revenue Share

Small-Format Stores

The Small-Format Stores of the Company offer a range of groceries, with a targeted range of apparel, general merchandise and other value-added services. These Stores aremore convenient and strategically located near residential spaces, offering ease of accessibility to the public.

Highlights

107
Small-Format Stores

23
Presence in Cities

2,500 sq. ft.
Average Store Size

22%
Revenue Share

Value Market Stores

Through its Value Market Stores, Spencer's intend to cater to the segment of consumers who are value conscious and price sensitive. These stores offer attractive prices on every product. The wide range of assortment along with competitive price is expected to deliver high volumes.

Highlights

10
Value Market Stores*

10
Presence in Cities

13,856 sq. ft.
Average Store Size

1%
Revenue Share

* Subset of large and small format stores

Operating Models

Spencer's operates in multiple business models: Spencer's Retail, Natures Basket, and Value Market, each catering to different customer categories.

Spencer's Retail

Catering to the customers belonging to **Aspirational Segment**

1,000-25,000 sq. ft.
Store Size

3-5 Years
Payback Period

₹ 1,500-2,500 sq. ft.
Capex Cost per Sq. ft.

1,000-2,000
Revenue Sq. ft. per month

Natures Basket

Catering to the customers belonging to
Premium / Gourmet Segment

1,100-6,000 sq. ft.
Store Size

3-5 Years
Payback Period

₹ 2,500-3,000
Revenue Sq. ft. per month

₹ 4,000-7,500
Capex Cost per Sq. ft.

In-store Management

The Company places significant emphasis on effective management within its stores, which is achieved through the following strategies:

- Low waiting time for customers and opening new checkout counters if the queue is more
- Defining store work plans and layout to standardise stores
- Ensuring processes in place to benchmark prices and enable price competitiveness

Value-Market

Catering to the customers belonging to
Value-Conscious Segment

4,500-22,000 sq. ft.
Store Size

10 Stores
With Trading Area of 1.4 Lakh sq. ft. Across 3 Existing Clusters

₹ 1,500-2,000
Capex Cost per Sq. ft.

- Positioning different categories strategically
- Deploying energy-saving devices
- Ensuring availability for top-selling SKUs across stores
- Implementing a scientific store layout to boost cross-selling

INTELLECTUAL CAPITAL

Leveraging Technology. Fast-tracking Digital Readiness...

The COVID-19 pandemic increased the demand for technological solutions to address current challenges, including customer attraction and retention. Both businesses and consumers and supply chain management now recognise the value of digital and contactless payments as a response to industry shifts. Spencer's actively makes technological investments to enhance both its customer service and business processes. Digital platforms, social media presence and cutting-edge customer support provided by a messaging chatbot are just a few mediums through which the Company's utilises technology to offer convenience to its customers.

Spencer's provide customers with personalised basket options using a digital platform and CRM tools. Toll-free numbers, e-mail and WhatsApp are all available for call centres and customer service. Using both online and physical businesses, WhatsApp and phone delivery, the Company aims to create an OMNI-Channel business. Spencer's online store takes the store to customers' homes and offers slot-based delivery, numerous payment options, paperless bills and product recommendations. The Company's virtual store was well-received and its AI-powered WhatsApp bot efficiently manages customer orders and issues. However, the Company prioritises customer satisfaction the most and is hence constantly working to improve this area.

Robust Technology Infrastructure

Spencers delivered ₹ 302 Crores of GMV in previous year, which instilled confidence in the Company to develop a strong and technologically advanced backend infrastructure. This enabled the Company to reach and generate fresh leads effectively. With the help of its extremely scalable and reliable backend infrastructure, the Company can now track its inventory and consumption in real-time, facilitating progress with a technology driven perspective.

The Company invested in sales forecasting tools to analyse consumer purchasing patterns. By gaining insights into customer behaviour, these solutions help the Company to meet its demands more efficiently. Additionally, automatic reminders have also been implemented to streamline processes and advise stores of capacity constraints.

Enterprise Resource Planning

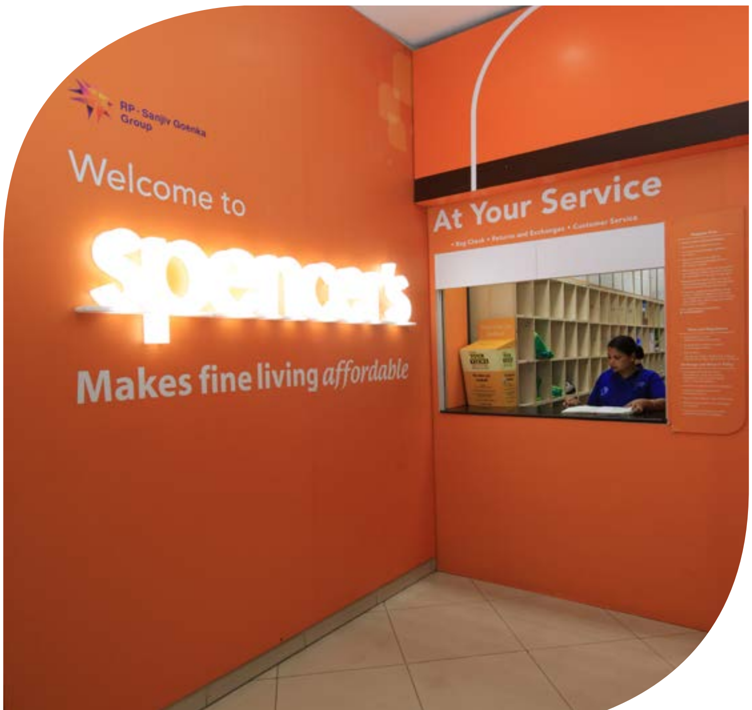
The Company implemented ERP systems to forecast product demand. This enables the Company to track consumption in real-time and effectively manage its resources. Moreover, the Company's innovative replenishment system has led to drastically decreased store inventory levels.

Revolutionising Supply with Cutting-Edge Technology

Spencer's uses technology to optimise and streamline its supply chain. By using centralised controls, the Company can achieve a reduced cost structure and increased efficiency. The Company's backend systems, run by SAP, enable it to employ technology to effectively manage its sourcing — from regional to farm-fresh items — minimising inventory cover. Further, the Company is implementing a Warehouse Management System (WMS) and leveraging machine learning to manage complicated data and estimate sales and inventory levels to enhance process optimisation.

Customer Care and Communication

The Company has established a multilingual customer service centre to effectively communicate with its customers and address their concerns. To address the same the Company has toll-free number, emails, social media platforms and the website in place along with the 'Your Views Matter' (YVM) and 'Net Promoter Score' (NPS) initiatives.



Innovative Strategies to Revolutionise Our Business Model

Data Emphasis

The Company aims to leverage data in order to gain deeper insights into consumers' purchasing behaviour, recognising the significant role data plays in shaping the future. Consequently, it focuses on collecting relevant data which shall help us in to make informed decisions and improve our offerings to customers.

App Enhancements

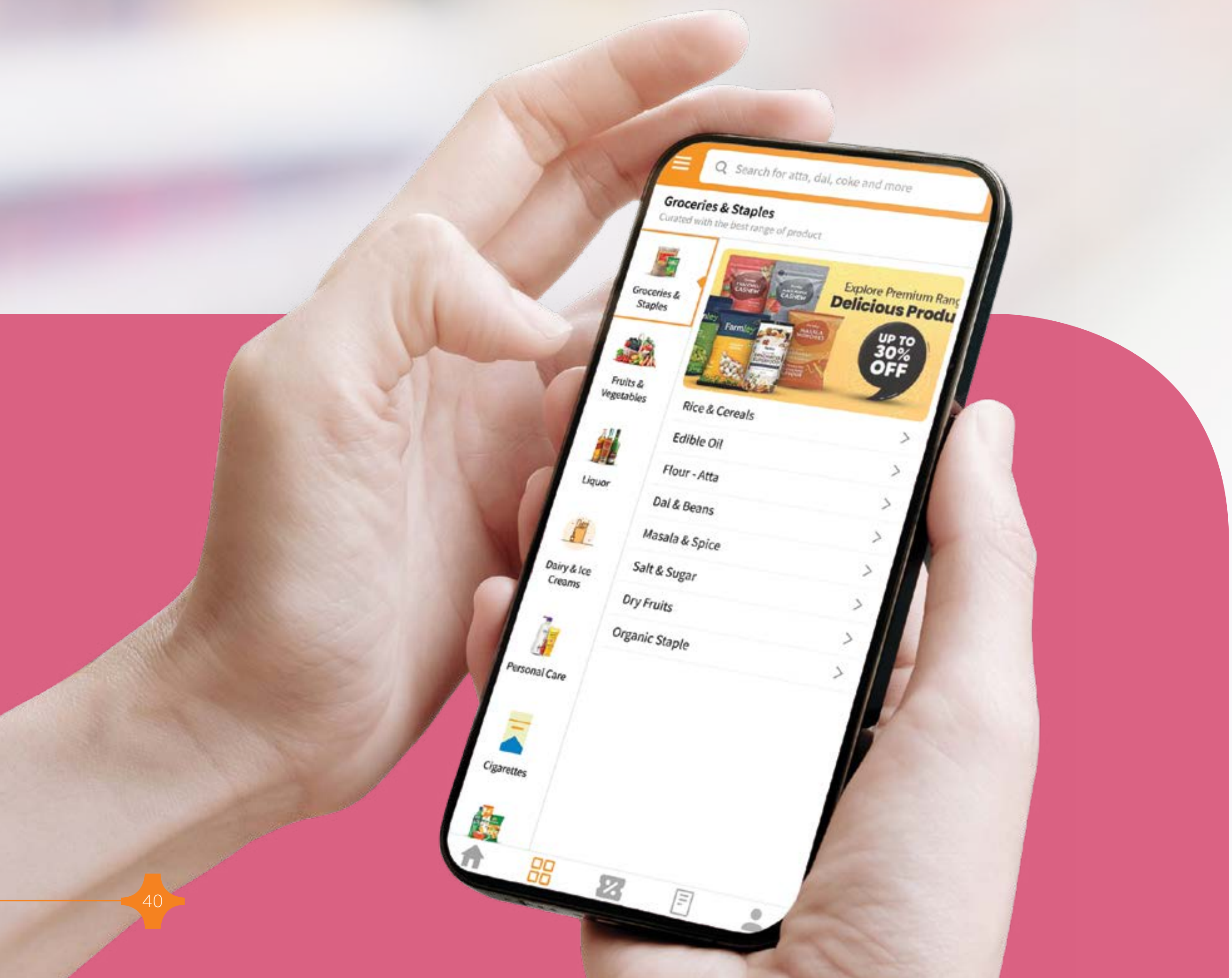
Spencer's intends to expand the functionality of its mobile application to serve its clients better and collect insightful data. The Company's sales strategy relies on phone-based deliveries and is committed to further strengthening and improving this aspect.

IT-Marketing Collaboration

The Company's marketing team works together with the IT team to allocate resources and put cutting-edge digital solutions into practice. Adopting digital technologies improves Spencer's capacity to service clients while lowering costs and facilitating more efficient resource management.

Human Capital Management

In order to efficiently manage its staff, the Company intends to upgrade and enhance its ERP system.



Holistic Growth

Balancing Growth. Nurturing Inclusivity...

Spencer's is committed to fostering holistic growth within its organisation and the communities it serves. As a value-driven organisation, the Company strives to create value for its stakeholders and places this as a top priority.

The Company's commitment to social responsibility extends to nurturing and supporting the individuals who contribute to its success. Additionally, the Company acknowledges and appreciates the invaluable support of its customers, vendors, stakeholders, suppliers and local communities, who play a vital role in sustaining its business operations. Through value-driven engagement initiatives, the Company fosters a positive and inclusive social culture, ensuring the well-being and growth of all stakeholders involved.

HUMAN CAPITAL

Unlocking Potential. Prioritising People...

The Company recognises the indispensable role of its human resources in driving its operations and achievements, considering them as crucial pillars of the organisation. Spencer's, therefore, prioritises its human resources, encouraging them to achieve their personal goals as they contribute to collective organisational goals. The Company actively engages with its employees, valuing their input and understanding their roles and needs. Thereby helping them unlock their full potential.

Spencer's recognises the resilient, perseverant and skilled nature of its employees and the role they play in driving quality work towards new milestones every day. One of the key factors behind the success of Spencer's is the eagerness, keenness, and willingness of each employee to learn and use their technical expertise within the corporate backend and retail shelves. They consistently strive to put their best foot forward, aligning every action with the Company's vision and goals.

Spencer's nurtures a human resource culture guided by five directional approaches to maintain overall growth. The Company envisions a holistic roadmap – one led by training & development and reward and recognition to enhance the productivity of its team while appreciating their efforts.

- Hiring Right Talent
- Diversity and Inclusion
- Training and Development
- Conducive Ecosystem
- Health and Hygiene
- Reward Recognition

Hiring Right Talent

For any business' long-term success, inclusion is one of the key aspects to consider. At Spencer's, the Company is cognisant of the critical role inclusion plays in attracting, maintaining and retaining diverse pool of talent. The Company engages in targeted employer branding activities and implements competence-based recruitment practices to ensure cultural fit and diversity. This approach includes utilising a structured interview guide that focusses on assessing behaviours over everything else.

2,379

No. of New Talent Hired during 2022-23

Diversity and Inclusion

Creating a strong, resilient, and collaborative workforce begins by embracing the concept of social equity within the operations. Spencer's firmly believes that individuals from diverse socio-economic backgrounds, regardless of their caste, creed, gender, race or abilities, contribute to an environment where intellectual exchange thrives, fostering the philosophy of unity in diversity within the organisation. Therefore, Spencer's promotes and supports diversity and inclusion at workplace, rejecting all forms of prejudice and stereotypical behaviours.

5,224
Total Workforce

1,171
Women Workforce

Training and Development

Upskilling the workforce is essential for keeping pace with the industry's fast developments. At Spencer's, the training and development programmes aim to help its employees future-proof their capabilities and skills. The Company nurtures its employees talent by exposing them to various opportunities to gain and enhance knowledge and experience. Thus preparing them to take up leadership roles in future. This is supported by a range of workshops and training programmes held by the Company covering leadership, functional & behavioural training and more.

22
Major Training Sessions in

10,791
Sessions through

50,229
Manhours

- Cashiering Training
- Customer First
- DC & DSP- Goods Receiving
- Ethics & Integrity
- Fashion – Product Knowledge Training
- Fire Safety Training
- Food Safety Training
- Fresh – Product & Process Knowledge Training
- Foundation Training Program
- Good Receiving
- Liquidation, Best Before Date and Expiry check
- Liquor SOP Training
- New Store Training
- Phone Delivery Training
- POP Management Training
- Private Brands – Product Knowledge Training
- SAP Training
- Selling Techniques
- SOP Training
- Masterclass – Train The Trainer
- Value Store Training
- Creative Data Visualization in PowerPoint Training
- Canva Workshop
- Competency Framework Training

Training Programmes Conducted throughout the Year are Highlighted Below:

- **Foundational Training Programme and 'Parichay' Customer First Training:**

  As a part of its talent development programme, this initiative aimed at building the capabilities of the Company's existing workforce. The team underwent a three-day floor-based training that focussed on strengthening foundational aspects relevant to work. Thus enabling them to understand their respective roles more clearly. The participants were thoroughly assessed and were also given certificates thereafter on the completion of their training. Spencer's Customer-First training was designed to educate employees on effective customer-handling techniques and share best practices from various areas. The goal was to ensure a welcoming and seamless customer experience from start to finish by equipping workers with the necessary skill set and knowledge.

- **Rising Stars - Utthaan My Career Growth:**

  Rising Stars is part of Spencer's talent retention programme wherein the Company identifies high performers from within the team. It helps the Company understand and shape the career paths of these employees within the Company. The participants include various Sales Associates, Team Sales Leaders, and Department Sales Managers, among other organisational departments. The idea is to identify the strength and growth areas of the high-performing employees and enable them to move up the ladder.

Apart from these, the Company also holds regular interaction of its team members with their Regional Managers (RMs), under the programme 'Maan ki Baat RM ke Saath'. Further, a new uniform was introduced for the Spencer's family with a gender-neutral waistcoat and a separate winter attire. The idea is to have a team that exemplifies extreme professionalism in its appearance and along with facilitating meets with the Company's regional leadership. Thus, enabling direct interaction and communication, celebrating all sorts of small and big wins together.

Conducive Work Environment

A conducive work environment refers to a setting that fosters productivity, collaboration, employee well-being and regular employee engagement. Spencer's prioritises all of these to ensure that its employees are mentally, and physically in a sound state to address the challenges faced at work. The Company, to ensure a smooth running of this system, regularly takes feedback from employees so that their issues can be addressed proactively. The Company's policies create an environment that encourages team members to approach their daily tasks with enthusiasm and energy. These policies foster a conducive ecosystem where employees feel motivated and inspired to give their best efforts.

Additionally, the Company conducts regular performance reviews, providing an opportunity for team members and leaders to discuss strengths, areas of improvement, and support mechanisms. The emphasis is on identifying growth areas and exploring how employees can maximise their potential through their work.

- The 'My Growth' programme is for the employees who have successfully completed 1.5 years and 3 years here at Spencer's and are ready to apply for Assistant Department Manager's and Department Manager's roles, respectively.
- Employees who have completed 2-3 years in the Company become eligible for consideration for the position of Store Manager. The intent of this initiative aims to cultivate skills within the team and empower them to assume leadership positions.

Health and Hygiene

During the COVID-19 pandemic, Spencer's underwent transformations involving safeguarding stakeholders interests. Starting from providing remote working facilities to health insurance benefits, the Company undertook the best possible means to maintain the productivity of its workforce without leading to any health-related concerns. Moreover, Spencer's conducted vaccination drives for its employees during that time and made certain health-related protocols a mandate for daily operations. Thus, encouraging a workplace wherein people can perform their duties without risking medical boundaries.

Reward and Recognition Programme

The Company acknowledges its employees' untiring efforts in propelling productivity and results through their performance. This also provides the workforce with a platform to evaluate their growth and improve with time. It includes motivating them, and providing them with further aid to enhance their productivity at work while nurturing personal growth. The idea is to establish a transparent channel for communication with the employees, increase their engagement with the Company's operations by taking part in generating more ideas contributing to the business plans. The following are the two key programmes that form a part of our reward and recognition policies:

Spencer's launches its First all Women Store at Kolkata

- 'UMANG' is the Company's digital platform that introduces business leadership to disseminate important information to employees -- in terms of business numbers, future plans, and more aspects, overseen by the Company's top talent.
- 'UTSAV' is the Company's monthly score rewards and recognition programme launched in March 2022.

3,000+

Team members attended

Highlight of Our Human Resource Management

Great Place To Work® Certified

Spencer's was honoured with the 'Great Place to Work' certificate for the 4th time. This testifies the Company's hardworking and talented workforce that has created a culture of high-quality and ethical work, empathy, and diversity.

SOCIAL & RELATIONSHIP CAPITAL

Strengthening Bonds. Building Trust...

Spencer's is cognisant of the importance of its social capital and how it shapes the business's operation, character and standing. The Company interacts with customers, vendors, suppliers and the neighbourhood in which it operates and it puts a lot of effort into developing trust through solid relationships with its stakeholders to establish long-lasting relationships, profitable to everyone.

Spencer's Commitment to Customer Satisfaction

Spencer's top priority is to make every visitor's experience unforgettable. In order to do this, the Company concentrates on comprehending their requirements. This helps in figuring out how to make their buying experience more convenient and delightful.

Through continual data collection on consumer input, the Company strives to stay abreast of their tastes and requirements. In addition, it has created Experience Zones in its stores so that customers can test out the goods and make informed decisions. The Company also rolls out promotions for key events like Diwali, Dhanteras, New year and other holidays to make the consumers feel special. Spencer's is aware of the importance of holidays in people's life and desires to participate in their festivities.

Additionally, the Company provides prompt and fresh delivery of its products with the option of quick delivery within 90 minutes. This service has grown to be one of its most well-liked offerings and has helped Spencer's stand out in the retail sector. The dedication thereon helps ensure customer happiness and motivates the Company to proactively enhance its offerings.

Vendors and Suppliers

Spencer's business operations and the lifecycle of its products depend heavily on vendors and suppliers. Maintaining a good connection with them is crucial to ensure prompt delivery of high-quality goods and raw materials. This subsequently affects the revenue, customer satisfaction and retention levels by enhancing operational effectiveness and product quality.

The team at Spencer's works hard to comprehend the requirements of its suppliers and vendors and to assist them in providing high-quality goods on schedule. This involves sending payments on time, communicating clearly and offering accessible channels for difficult-to-understand procedures. Additionally, it has a strong distribution network that enables the Company to buy products directly from producers, giving it the power to bargain for better trade conditions and reduce the amount of working capital it needs.

Community Initiative

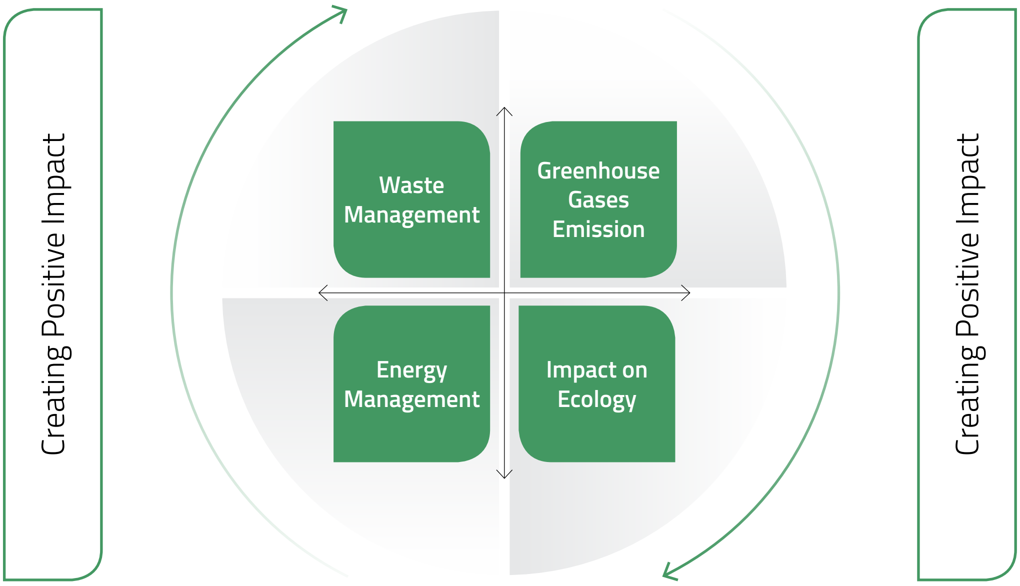
The Company places great importance on the growth and enhancement of local communities. To fulfill its sourcing requirements, it collaborates with various vocational training institutes. Regular workshops are conducted with these insititutes to uphold high workforce standards. Through its skill development programme, individuals from the local community have the opportunity to find employment. At Spencer's, fostering relationships is the Company's key focus, and this extends to its collaboration with the Resident Welfare Association (RWA).

NATURAL CAPITAL

Maintaining Harmony. Encouraging Preservation...

As a responsible corporate citizen, Spencer's takes it to be its prime duty to act environmentally conscious and contribute to maintaining the delicate ecological balance. Therefore, the Company has invested in the ecological transformation of its business activities to mitigate environmental risks. Adherence to sustainable business practices and educating its stakeholders about the impact of those practices is an important step towards sustainable business growth.

Identifying the potential impact of the Company's business activities on nature, Spencer's has undertaken a **'Four Directional Approach'** for environmental conservation.



Waste Management

Recognising the significant environmental consequences associated with the waste generated from its business operations, Spencer's has implemented effective waste management initiatives. Particularly addressing the issue of plastic waste, the Company is working towards achieving a 'zero-plastic waste' outcome. As part of this commitment, Spencer's has replaced plastic carry bags with reusable cloth bags. Additionally, the Company has developed a policy aligned with the principles of Extended Producer Responsibility (EPR), which outlines guidelines for plastic waste management.

Spencer's actively encourages all stakeholders to adhere to environmental norms and has established partnerships with various community agencies to ensure proper waste disposal. By undertaking these measures, the Company aims to mitigate the negative impact of waste and promote sustainable practices throughout its operations.

44.6 MT

Usage of Cloth Bags

55.1 MT

Usage of Biodegradable Shopping Bags

Energy Management

As the need of the hour, an ideal solution would be to prioritise incremental energy usage through renewable power. This enables establishments to enhance their self-reliance in energy management. Spencer's has taken a similar approach by implementing solar panels as a sustainable energy alternative across multiple facilities. Furthermore, to promote energy conservation, the Company has integrated smart lighting solutions, energy-efficient fittings, and intelligent technologies throughout its outlets.

3,48,876 kWh

Solar Power Generated in 2022-23

186

Stores with E-billing Facilities

Greenhouse Gases Emission

Spencer's places equal emphasis on reducing its carbon footprint and establishing a sustainable business presence. The Company ensures that its methodologies are continuously updated to decrease resource consumption while effectively managing the supply chain and logistics. Furthermore, Spencer's has installed solar panels to reduce reliance on conventional energy sources in its stores, transforming its physical establishments into sustainable ones.

Spencer's Corporate Office, the RPSG House, is a Certified Green Building by the Indian Green Building Council (IGBC)

At Spencer's, the Company's environmental sustainability follows the strategies given below:

- Increasing the use of renewable and non-conventional energy
- Achieving zero plastic usage during the operation and encouraging stakeholders to use alternatives to plastic
- Using electronic communication to reduce the usage of paper further
- Conducting regular educational sessions for its team members for a smooth transition from paper to a digital infrastructure

Identifying Risks. Mitigating Uncertainties...

Risk is an integral and unavoidable component of every business. Though risks cannot be completely eliminated, an effective risk management plan helps reduce, avoid and mitigate risks with prudence. Spencer's is committed to managing its risk proactively. The Company's well-defined risk management system ensures that all potential risks are thoroughly validated with wise mitigation strategies. This helps the Company operate smoothly without interrupting service delivery.

Type	Definition	Mitigation
Economic Conditions	Economic contraction makes the retail sector vulnerable as it is the last step in the consumption process. Various causes like slower GDP growth, poor market confidence, unforeseen policy changes, higher energy prices and the COVID-19 pandemic's impacts can contribute to these slowdowns. The collective effect of all these factors can impact the overall performance of the retail industry.	Spencer's solid market position, cutting-edge digital skills and extensive network strengthen the Company's ability to weather such unpredictable times. Moreover, the fact that the Company offers essentials in its product line safeguards it from significant disruptions in the economy and supply chain.
Competition	Sometimes businesses may be pushed by competitors to invest more in their operations and better facilities for an edge over peers. This may result in retailers opening outlets and stores in unfavourable locations without completely understanding customer needs prevalent in the area. Thus negatively impacting the Company's overall performance.	Spencer's strives to establish new locations to maximise its revenue and draw in more people. The Company is focussed on increasing its presence and productivity and reducing operational and marketing expenses across all its existing sites. The Company conducts thorough research to select optimal locations for new stores and continuously evaluates the performance of its current stores.
Price War	India's retail market, a highly enticing market, attracts new players and intensifies competition in the industry. While price wars may help boost sales initially to compete with rival businesses, it can negatively impact the industry in the long run. Thus impairing profitability, leading to price erosion and undermining customer loyalty.	Spencer's wide and extensive distribution network enables its customers to buy products directly from producers. Thus avoiding intermediates while allowing the Company to offer affordable prices on a wide selection of products. The Company aims to provide its customers with an exciting shopping experience with a wide selection of goods at reasonable pricing. As a result, customers may get products directly from producers by surpassing intermediates. Thereby allowing the Company to offer reasonable rates on a variety of products by eliminating intermediates.

Type	Definition	Mitigation
Data Privacy & Cyber Safety	The retail sector has been impacted by technology. OMNI-Channel shopping is now possible thanks to digital platforms, providing seamless services to customers across channels. However, this has also paved the way for the lingering risk of data hacks that lead to breaches of privacy and confidential information leaks. Thus, necessitating higher and consistent investment by businesses to safeguard their systems.	Spencer's has constantly invested in growing its OMNI-Channel platform to offer customers a thorough and unified retail shopping experience. To this end, ORIPL, the Company's online marketplace delivery platform, enables Spencer's to engage with customers. Additionally, the Company is integrating digitisation across the entire value chain. The resident welfare associations (RWAs), social media, e-commerce website, mobile app, WhatsApp and phone delivery are all part of Spencer's out-Of-store strategy.
Consumer Preferences	The nature of the ever-changing landscape of consumer preference is unpredictable. Any shifts in consumer preferences can potentially impact the business. Thus, affecting revenues and prompting to explore new avenues for better customer growth and satisfaction.	Spencer's has developed a diverse portfolio that caters to the dynamic needs of the customers. Also, the Company offers well-differentiated, unique and diversified private labels brands.

Robust Governance Practices

Upholding Integrity. Embracing Transparency...

We have a robust governance framework, placing utmost emphasis on transparency, accountability, and compliance with legal regulations. Rooted in ethical principles, the Company is dedicated to cultivating sustainable business practices, fostering strong stakeholder relationships, and implementing dynamic strategies. Driving the Company towards its objectives are highly effective internal control systems and practices, empowering management to make informed decisions and chart a course for success based on their extensive experience and industry expertise.

Corporate Governance Principles

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

Effective Policies

Adherence to effective policies helps the Company navigate challenges with utmost responsibility and accountability as a corporate entity. These policies are the guiding principles of Spencer's that have helped establish the Company as an ethical and trustworthy entity. The Company has a Code of Conduct and prescribed guidelines in place that help prevent bribery and fraud. An internal mechanism is also laid out for the Prevention of Sexual Harassment (POSH), Insider Trading, and Whistle Blower policies, among others.

Stringent Internal Control

Spencer's Audit Committee comprises four Non-Executive Directors, including three Independent Directors. Having a Board with independent directors helps the Company provide credibility to its financial processes. The Company also has a regular quarterly review of the Company's financial and operational performance and an internal control system, reviewed by the Audit Committee Management.

Insider Trading Compliance Management Tool

To comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company's secretarial team implemented Insider Trading Compliance Management Tool, an in-house structured digital database.

Legal Compliance Management Tool

This is a centralised repository for all statutory compliances and licences created by the Company's legal team with a customised checklist and approval system.

The Board Composition

The Board drives Spencer's corporate endeavours toward success and trust. Under the direction of leaders and experts in the field, the Company is guided by their technical and leadership experience, assuring sustainable processes and strategic control of the business. The Company's stakeholders entrust the appointed Directors that comprise a mix of Professional and Independent Directors, each bringing a set of competencies that help the Company build and maintain a strong governance framework. Spencer's has 50% of its Board members as Independent Directors.

50% **(4 out of 8)**

Independent Directors

The Board Composition

Spencer's Board of Directors aim to make significant business decisions while realising the Company's vision. To achieve this, the Board of Directors is entrusted with the following roles and responsibilities.

- Making decisions on important matters of business execution related to the Company's management
- Advising and approving management policies and management strategies along with overseeing and evaluating the progress thereof
- Establishing organisational design and operation of the entire Company
- Managing the Company's human resource
- Implementing an organisation-wide risk management system
- Establishing a sound corporate governance framework for the Company

Board Committee Structure

Spencer's has adopted a 'Five Committee' structure to strengthen its governance framework. These five committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee aid in:

- Clarifying authorities and responsibilities in business execution and promoting flexible management
- Improving the transparency and objectivity of management
- Building a globally applicable governance system to further strengthen the organisational structure

Audit Committee

This Committee comprises a majority of Independent Directors who look after all financial and numerous other functions. The Committee ensures compliance with the Companies Act, 2013, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Nomination and Remuneration Committee

This Committee assists the Board of Directors in fulfilling its governance and supervisory responsibilities relating to human resource management and compensation. It also ensures a fair, transparent and equitable remuneration to employees and Directors based on the quality of people, their performance and capability.

Stakeholders' Relationship Committee:

The Committee works towards strengthening the Company's stakeholders' relationship. It looks into the grievances of the investors and shareholders and resolves them considering everyone's best interest.

Corporate Social Responsibility Committee

This Committee looks into the Company's compliance with the Corporate Social Responsibility Policy.

Risk Management Committee

This Committee works toward identifying internal and external risks, especially those from the listed entities.

The detailed objective of the aforesaid committees are provided in the Corporate Governance Report annexed to this Annual Report

Meet the Board

Dr. Sanjiv Goenka

Non-Executive Non-Independent Director and Chairman

Mr. Shashwat Goenka

Non-Executive Non-Independent Director

Mr. Utsav Parekh

Non-Executive Independent Director

Mr. Debanjan Mandal

Non-Executive Independent Director

Mr. Pratip Chaudhuri

Non-Executive Independent Director

Ms. Rekha Sethi

Non-Executive Independent Director

Mr. Anuj Singh

CEO and Managing Director

Mr. Rahul Nayak

Whole-Time Director

Our Management Team

Mr. Shashwat Goenka

Non-Executive Director

Mr. Anuj Singh

CEO and Managing Director

Mr. Neelesh Bothra

Chief Financial Officer

Mr. Rahul Nayak

Whole-Time Director

Mr. Aniruddha Banerjee

Chief Sales Officer

Embracing Appreciation.

Celebrating Excellence.

Certified as 'Great Place to Work' for the 4th Year in a Row

Honoured with Spice Icon Award 2022

Bestowed with Golden Spoon Award: Most Admired Food & Grocery Retailer of the Year Supermarket Chain – National

Conferred with Innovative Retail Concept of the Year – Launch of Spencer's Value Market

Awarded Retailer of the Year – Food & Grocery - Spencer's Retail Limited

The Human Side of Things for Apprenticeship Project Implementation

Corporate Information

Board of Directors

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

Mr. Shashwat Goenka
Non-Executive Non-Independent Director

Mr. Utsav Parekh
Non-Executive Independent Director

Mr. Pratip Chaudhuri
Non-Executive Independent Director

Ms. Rekha Sethi
Non-Executive Independent Director

Mr. Debanjan Mandal
Non-Executive Independent Director

Mr. Anuj Singh
CEO and Managing Director

Mr. Rahul Nayak
Whole-Time Director

Chief Financial Officer

Mr. Neelesh Bothra

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, India
Tel: 033-6625 7600

Corporate Office

RPSG House, 2/4, Judges Court Road,
Kolkata 700 027
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)
BSE Limited (BSE)

Registrar and Share Transfer Agent

Link Intime India Private Limited,
C 101, 1st Floor, 247 Park,
L B S Marg, Vikhroli West,
Mumbai 400 083
Tel: + 91-8108116767
Email Id: 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 **Sixth Annual General Meeting ("AGM")** of the Members of Spencer's Retail Limited will be held on **Friday, the August 4, 2023 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. **To consider and adopt:**

    a. the Audited Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of Board of Directors and Auditors thereon; and

    b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 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, 2023 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, 2023 together with the Report of Auditors thereon, as circulated to the Members,

    be and are hereby considered and adopted."

2. **To appoint Mr. Shashwat Goenka, who retires by rotation as a Director** 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. Shashwat Goenka (DIN - 03486121), who retires by rotation at this meeting, and being eligible offers himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

3. **To Re-appoint Mr. Utsav Parekh as an Independent Director of the Company** and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution:**

    "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule IV to the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and based on the recommendation of the Nomination and Remuneration Committee and that of the Board of Directors of the Company, Mr. Utsav Parekh (DIN: 00027642), who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from November 14, 2018 upto November 13, 2023 and being eligible for re-appointment as an Independent Director and meets the criteria of independence under Section 149(6) of the Companies Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from November 14, 2023 upto November 13, 2028 (both days inclusive);

    RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts deeds, matters and things as may be necessary, proper and expedient to give effect to this Resolution."

NOTICE (Contd.)

4. **To Re-appoint Mr. Pratip Chaudhuri as an Independent Director of the Company** and in this regard to consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule IV to the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and based on the recommendation of the Nomination and Remuneration Committee and that of the Board of Directors of the Company, Mr. Pratip Chaudhuri (DIN: 00915201), who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from November 14, 2018 upto November 13, 2023 and being eligible for re-appointment as an Independent Director and meets the criteria of independence under Section 149(6) of the Companies Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from November 14, 2023 upto November 13, 2028 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts deeds, matters and things as may be necessary, proper and expedient to give effect to this Resolution."

5. **To Re-appoint Ms. Rekha Sethi as an Independent Director of the Company** and in this regard to consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule IV to the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and based on the recommendation of the Nomination and Remuneration Committee and that of the Board of Directors of the Company, Ms. Rekha Sethi (DIN: 06809515), who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from November 14, 2018 upto November 13, 2023 and being eligible for re-appointment as an Independent Director and meets the criteria of independence under Section 149(6) of the Companies Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from November 14, 2023 upto November 13, 2028 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts deeds, matters and things as may be necessary, proper and expedient to give effect to 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 22, 2023

By Order of the Board of Directors

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

NOTICE (Contd.)

NOTES:

1. A Statement pursuant to Section 102 of the Companies Act, 2013, ("Act") setting out material facts relating to the Special Business under item **No. 3 to 5** of the Notice is annexed hereto. Further, the relevant details with respect to Item **No. 2 to 5** 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 are 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 and 10/2022 dated December 28, 2022 and other related circulars issued by Ministry of Corporate Affairs (MCA), Government of India from time to time and Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by Securities and Exchange Board of India (hereinafter collectively referred to as "the Circulars"), the 6th AGM of the Company is being held through VC / OAVM on Friday, the August 4, 2023 at 3:00 P.M. IST. The deemed venue of the AGM shall be the Registered Office of the Company.

   B. In terms of Section 152 of the Act, Mr. Shashwat Goenka, Director of the Company, retire by rotation at the AGM. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment.

   C. AGM through VC/OAVM:

      i. Members are requested to join the AGM on Friday, the August 4, 2023 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 e-Voting Even Number (EVEN) 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 ask questions during the AGM may do so in advance by sending in writing their views or questions, as may be, along with their name, DP ID and Client ID number / folio number, email id and mobile number, to reach the Company's email address at spencersagm2023@rpsg.in latest by Friday, July 28, 2023 by 3:00 P.M. IST.

      iv. When a pre-registered speaker is invited to raise his / her questions at the AGM, 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. 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 the shares of the Company held by them in physical form.

4. The Register of Members of the Company will remain closed from Friday, July 28, 2023 to Friday, August 4, 2023 (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) Members can attend and participate in the ensuing AGM only through VC/OAVM facility as mentioned in Note 2(C) above as arranged by the Company 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.

NOTICE (Contd.)

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 on behalf of 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 Member(s) intending to authorise their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorisation letter to the Scrutiniser by e-mail to smguptaandco@yahoo.co.in with a copy marked to evoting@nsdl.co.in.

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 year 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or Central Depository Services Limited / NSDL ("Depositories"). Members may note that the Notice and Annual Report for the year 2022-23 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 Companies Act, 2013.

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 Registers of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and other required statutory Registers 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.co.in or use Toll free no.: 1800 1020 990 / 1800 22 44 30
- Contact Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in.

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

m) Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

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 Remote e-Voting and joining General Meeting are as under:**

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 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 Tuesday, August 1, 2023 at 9.00 A.M. IST and ends on Thursday, August 3, 2023 at 5.00 P.M. IST. 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, Friday, July 28, 2023 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 Friday, July 28, 2023.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual 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 or joining virtual meeting and voting during the meeting.

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. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-4886 7000 and 022-2499 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free number 1800-225-533

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

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

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

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

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

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

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

   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

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

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

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

NOTICE (Contd.)

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

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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.co.in with a copy marked to evoting@nsdl.co.in. 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 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.co.in.

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
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.co.in 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.

The instructions for members for e-Voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

NOTICE (Contd.)

Other Instructions:

i. 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. Friday, July 28, 2023.

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.

ii. 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 AGM in a fair and transparent manner.

iii. 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.

iv. 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 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]

2. Mr. Shashwat Goenka

Mr. Shashwat Goenka is the immediate past President of Indian Chamber of Commerce and current Chairman of CII National Committee on Retail and FICCI Young Leaders Forum. He is also Executive Committee Member – Federation of Indian Chambers of Commerce & Industry, Member – FICCI Retail & Internal Trade Committee and Director - Retailers Association of India (RAI). Currently, Mr. Goenka is the Head of RP-Sanjiv Goenka Group's Retail & FMCG sector. He is also founder of FMCG brand "Too Yumm".

Name of Director	**Mr. Shashwat Goenka**
Director Identification No. (DIN)	03486121 (Non-Executive Non-Independent Director)
Date of birth and Age	12.04.1990 and 33 years
Date of first appointment	November 14, 2018
Qualification	Mr. Goenka graduated from The Wharton School of Business, University of Pennsylvania, Philadelphia, with a Bachelor of Science in economics, specializing in finance, marketing and management.
Expertise in specific functional areas	As mentioned above in the profile
List of other directorships held in Listed Entities	• CESC Limited • PCBL Limited • Firstsource Solutions Limited • RPSG Ventures Limited
Chairman/Member of the Committees of Board of Directors of the Company	• Audit Committee - Member • Stakeholders Relationship Committee - Member • Corporate Social Responsibility Committee - Member • Risk Management Committee - Chairman • Nomination and Remuneration Committee - 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**	RPSG Venture Limited Stakeholders Relationship Committee-Member
Shareholding in the Company (as on March 31, 2023)	75,756 Equity shares

NOTICE (Contd.)

Relationship with other Directors, Managers and KMPs	Except Mr. Shashwat Goenka being the appointee, and Dr. Sanjiv Goenka, Chairman* being related to Mr. Shashwat Goenka, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the Resolution as set out at Item No. 2 of the Notice.
Board Meeting attended during financial year 2022-23	5 out of 5
Terms and conditions of appointment or re-appointment	In terms of section 152(6) of the Companies Act, 2013, Mr. Goenka is liable to retire by rotation at this AGM, and being eligible offers himself for re-appointment.
Details of remuneration/sitting fees sought to be paid	Mr. Shashwat Goenka shall be entitled to sitting fees for attending meetings of the Board and Committees thereof as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time. The details of remuneration paid to Mr. Shashwat Goenka during financial year 2022-23 have been disclosed in the Corporate Governance Report of the Company.

* Dr. Sanjiv Goenka has decided to step down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board has decided and 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.

3. Mr. Utsav Parekh

Mr. Utsav Parekh an Honours graduate, has experience of over four decades in the field of investment banking. He is the promoter and chairman of SMIFS Capital Market Limited, a pioneering Investment Banking Company, Kolkata. He is also :

- a member on the board of the Indian Chamber of Commerce.
- an Honorary Counsel of the Czech Republic in Kolkata.
- co-founders of the football club, ATK which is part of the Indian Super League.

His latest venture is the development of an Aerotropolis project in West Bengal, India in which Changi International Airports, Singapore, and WBIDC are equity partners. This Company is the first to develop a private Greenfield airport in India near Durgapur in West Bengal, along with an integrated township. This is the first project of this kind in India with investments in excess of Rs. 1.2 Billion.

He is also on the Board of many other public listed companies such as Xpro India Limited, Firstsource Solutions Limited, Eveready Industries India Limited, Jay Shree Tea & Industries Limited and several other eminent companies.

Name of Director	Mr. Utsav Parekh
Director Identification No. (DIN)	00027642 (Category: Non - Executive Independent Director)
Date of birth and Age	28.08.1956 and 66 years
Date of first appointment	November 14, 2018
Qualification	B.Com. (Hons.)
Expertise in specific functional areas	As mentioned above in the profile.
List of other directorships held in Listed Entities	• Texmaco Rail & Engineering Limited • Smifs Capital Markets Limited • Xpro India Limited • Eveready Industries India Limited • Firstsource Solutions Limited • Jay Shree Tea & Industries Limited
Chairman/Member of the Committees of Board of Directors of the Company	• Audit Committee - Chairman • Nomination and Remuneration - Chairman • Stakeholders Relationship Committee - Member • Risk Management Committee - 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**	Texmaco Rail & Engineering Limited Audit Committee - Chairman Smifs Capital Markets Limited Audit Committee - Member Xpro India Limited Audit Committee - Member Stakeholders Relationship Committee - Chairman Firstsource Solutions Limited Audit Committee - Chairman

NOTICE (Contd.)

Shareholding in the Company (as on March 31, 2023)	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. 3 of the Notice.
Board Meeting attended during financial year 2022-23	5 out of 5
Terms and conditions of appointment or re-appointment	Mr. Utsav Parekh was appointed as an Independent Director of the Company at the 2nd Annual General Meeting of the Company held on July 19, 2019 for a period of 5 (five) consecutive years with effect from November 14, 2018 upto November 13, 2023 (both days inclusive) and being eligible is proposed to be re-appointed for a second term of five years.
Details of remuneration/sitting fees sought to be paid	Mr. Utsav Parekh shall be entitled to sitting fees for attending meetings of the Board and Committees thereof as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time. The details of remuneration paid to Mr. Utsav Parekh during financial year 2022-23 have been disclosed in the Corporate Governance Report of the Company.

4. Mr. Pratip Chaudhuri

Mr. Pratip Chaudhuri is the former Chairman of State Bank of India (SBI) and has over four decades of rich experience in banking sector. He is a Honors Graduate in Chemistry from St. Stephen's College, Delhi University. He has also done MBA (Master Business Administration) from Punjab University Chandigarh. He has also served as the Chairman of SBI Global Factors Limited, State Bank of Mysore, State Bank of Bikaner & Jaipur, State Bank of Travancore and State Bank of Hyderabad. He was also a Director at Export-Import Bank of India and State Bank of Patiala.

He is also the director is other public listed companies like CESC Limited, Firstsource Solutions Limited, Alchemist Asset Reconstruction Company Limited, Cosmo First Limited etc.

Name of Director	**Mr. Pratip Chaudhuri**
Director Identification No. (DIN)	00915201 (Category: Non - Executive Independent Director)
Date of birth and Age	12.09.1953 and 69 years
Date of first appointment	November 14, 2018
Qualification	Master's Degree in Science and Statistics from University of Rajasthan and an alumnus of University Business School, Chandigarh.
Expertise in specific functional areas	As mentioned above in the profile.
List of other directorships held in Listed Entities	• CESC Limited • Cosmo First Limited • Firstsource Solutions Limited
Chairman/Member of the Committees of Board of Directors of the Company	• Audit Committee - Member • Nomination and Remuneration - 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**	CESC Limited Audit Committee - Member Stakeholders Relationship Committee - Member Firstsource Solutions Limited Audit Committee - Member Cosmo First Limited Audit Committee - Member Stakeholders Relationship Committee - Member
Shareholding in the Company (as on March 31, 2023)	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. 4 of the Notice.

NOTICE (Contd.)

Board Meeting attended during financial year 2022-23	4 out of 5
Terms and conditions of appointment or re-appointment	Mr. Pratip Chaudhuri was appointed as an Independent Director of the Company at the 2nd Annual General Meeting of the Company held on July 19, 2019 for a period of 5 (five) consecutive years with effect from November 14, 2018 upto November 13, 2023 (both days inclusive) and being eligible is proposed to be re-appointed for a second term of five years.
Details of remuneration/sitting fees sought to be paid	Mr. Pratip Chaudhuri shall be entitled to sitting fees for attending meetings of the Board and Committees thereof as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time. The details of remuneration paid to Mr. Pratip Chaudhuri during financial year 2022-23 have been disclosed in the Corporate Governance Report of the Company.

5. Ms.Rekha Sethi

Ms. Rekha Sethi is graduate in English Literature with a post-graduate diploma in Advertising and Marketing, Ms. Sethi started her career at the Centre for Development of Telematics (C-Dot) in 1985 and worked at UDI, India's first yellow pages publisher, before joining the Confederation of Indian Industry in 1991. She then joined the All India Management Association (AIMA) as its Director General in 2008. AIMA is the apex body for management in India, working closely with industry, government, academia and students to further the cause of the management profession in India. Ms. Sethi took charge of AIMA in June 2008 and made it the preferred platform for discussions and debate on diverse management related issues, attracting India's top industry leaders and policy makers on its platform. She is also on the Governing Council of the National Productivity Council, and represents AIMA on the Board of the Asian Association of Management Organisations. She is also a former member of the Governing Council of the India Habitat Centre. Prior to joining AIMA, Ms. Sethi worked with India's premier industry organisation, the Confederation of Indian Industry (CII) for over 17 years. There she led the initiative to create high-profile international events to promote India's economic interests.

Ms. Sethi is also a Director on Boards of other public listed companies including CESC Limited, Kirloskar Brothers Limited and Samvardhana Motherson International Limited (Formerly known as Motherson Sumi Systems Limited).

Name of Director	Ms. Rekha Sethi
Director Identification No. (DIN)	06809515 (Category: Non - Executive Independent Director)
Date of birth and Age	04.11.1963 and 59 years
Date of first appointment	November 14, 2018
Qualification	Graduate in English Literature with a post-graduate diploma in Advertising and Marketing.
Expertise in specific functional areas	As mentioned above in the profile.
List of other directorships held in Listed Entities	• CESC Limited • Kirloskar Bothers Limited • Samvardhana Motherson International Limited
Chairman/Member of the Committees of Board of Directors of the Company	NIL
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**	Samvardhana Motherson International Limited Audit Committee - Member Hero Steel Limited Audit Committee - Member CESC Limited Audit Committee - Member
Shareholding in the Company (as on March 31, 2023)	NIL

NOTICE (Contd.)

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. 5 of the Notice.
Board Meeting attended during financial year 2022-23	5 out of 5
Terms and conditions of appointment or re-appointment	Ms. Rekha Sethi was appointed as an Independent Director of the Company at the 2nd Annual General Meeting of the Company held on July 19, 2019 for a period of 5 (five) consecutive years with effect from November 14, 2018 upto November 13, 2023 (both days inclusive). and being eligible is proposed to be re-appointed for a second term of five years.
Details of remuneration/sitting fees sought to be paid	Ms. Rekha Sethi shall be entitled to sitting fees for attending meetings of the Board and Committees thereof as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time. The details of remuneration paid to Ms. Rekha Sethi during financial year 2022-23 have been disclosed in the Corporate Governance Report of the Company.

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 Nos. 3, 4 & 5 of the accompanying Notice dated May, 22, 2023.

Item Nos - 3, 4 & 5

The members of the Company at their 2nd Annual General Meeting held on July 19, 2019 had appointed Mr. Utsav Parekh (DIN: 00027642), Mr. Pratip Chaudhuri (DIN: 00915201) and Ms.Rekha Sethi (DIN: 06809515) as Independent Directors of the Company for a period of consecutive 5 years from November 14, 2018 upto November 13, 2023 (both days inclusive).

All the above Directors are eligible for re-appointment as Independent Directors of the Company for second term of 5 consecutive years on the Board of the Company.

Mr. Utsav Parekh is also the member and Chairperson of the Audit Committee and Nomination and Remuneration Committee and Member of Corporate Social Responsibility, Risk Management Committee and Stakeholder Relationship Committee whereas Mr. Pratip Chaudhuri is the member of the Audit Committee and Nomination and Remuneration Committee as well.

The Board considers, continued association of Mr. Parekh, Mr. Chaudhuri and Ms. Sethi will be of immense benefit to the Company and it would be prudent to re-appoint Mr. Parekh, Mr. Chaudhuri and Ms. Sethi as Independent Directors for another term of 5 consecutive years effective from November 14, 2023 to November 13, 2028 (both days inclusive), not liable to retire by rotation. Accordingly, based on the recommendation of the Nomination & Remuneration Committee of the Board, the re-appointment of aforesaid Directors as Independent Directors of the Company are recommended by the Board and are now placed before the Members for approval by way of Special Resolution(s).

Copies of the draft appointment letters for the above Directors as Independent Directors setting out the terms and conditions would be available for inspection without any fees by the members at the registered office of the Company during the normal business hours on any working day.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except the respective Director(s) and their relatives, are concerned or interested, financially or otherwise, in the respective special resolutions set out at Item Nos. 3, 4 and 5 of the accompanying Notice.

The Company has received, inter alia, the necessary consents, declarations and confirmations as required under the Companies Act and SEBI Listing Regulations, from all the abovesaid Directors.

By Order of the Board of Directors

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

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 22, 2023

BOARD'S REPORT

Dear Members,

The Board of Directors ("Board") takes great pleasure in presenting the Sixth 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, 2023.

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 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 2022-23. The financial performance for the year ended March 31, 2023 is as follows:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations and other Income	2,21,015.64	2,06,710.74	2,48,516.15	2,37,654.67
Earnings before interest expenses, tax, depreciation and amortisation (EBITDA)	3,434.01	8,497.41	3,615.49	10,077.13
Finance costs	9,070.16	7,600.82	11,521.46	9,696.61
Depreciation and amortisation expense	9,687.32	9,353.05	13,172.84	12,575.00
Profit/(Loss) before tax	(15,323.47)	(8,456.46)	(21,078.81)	(12,194.48)
Tax expenses	-	-	(39.13)	(48.44)
Profit/(Loss) after tax	(15,323.47)	(8,456.46)	(21,039.68)	(12,146.04)
Other comprehensive income /(loss)	(197.90)	(315.90)	(199.67)	(316.41)
Total comprehensive income/(loss) for the year	(15,521.37)	(8,772.36)	(21,239.35)	(12,462.45)

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 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, 2023.

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 adhere 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 presented in a separate section 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, 2023 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) has decided to step down from the position of Chairman and Director of the Company with effect from close of business hours on May 22, 2023. Consequntly, the Board of Directors at its meeting held on May 22, 2023 has unanimously decided and 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. Shashwat Goenka (DIN: 03486121), 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 Nomination and Remuneration Committee (NRC) has recommended his re-appointment.

Presently, the Company has four Independent Directors i.e. Mr. Utsav Parekh, Mr. Pratip Chaudhuri, Ms. Rekha Sethi and Mr. Debanjan Mandal.

Mr. Utsav Parekh (DIN: 00027642), Ms. Rekha Sethi (DIN: 06809515) and Mr. Pratip Chaudhuri (DIN: 00915201) were appointed as Independent Directors of the Company, not liable to retire by rotation, for a period of five years, with effect from November 14, 2018 to November 13, 2023.

The Nomination and Remuneration Committee (NRC) of the Company had evaluated performance(s) of Mr. Utsav Parekh, Ms. Rekha Sethi and Mr. Pratip Chaudhuri and found it to be satisfactory and in view of their performance(s) and based on the recommendation of NRC, the Board has recommended to the members of the Company at the forthcoming Annual General Meeting of the Company, the re-appointment of Mr. Utsav Parekh, Ms. Rekha Sethi and Mr. Pratip Chaudhuri as Independent Directors of the Company, not liable to retire by rotation, for a second term of five consecutive years, with effect from November 14, 2023 to November 13, 2028.

In the opinion of the Board, all the directors as well as the directors proposed to be re-appointed 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 is 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.

Changes In Key Managerial Personnel (KMP)

During the year under review, Mr. Devendra Chawla resigned from the post of CEO & Managing Director of the Company w.e.f. January 20, 2023 and Mr. Anuj Singh (DIN: 09547776) has been appointed as the Chief Executive Officer and Managing Director and also as KMP of the Company w.e.f. March 22, 2023 by the members of the Company vide Special Resolution passed through Postal Ballot on May 12, 2023.

Mr. Rama Kant, Company Secretary of the Company resigned from the Company and was relieved from the services w.e.f October 10, 2022 (closing of the business hours) and Mr. Vikash Kumar Agarwal (ACS: 19583) was appointed as the Company Secretary & Compliance officer and also as KMP of the Company with effect from February 14, 2023.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the year under review, five Board meetings were held, the details of which are given in the Corporate Governance Report 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 2023-24.

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 as such no amount of principal or interest was outstanding as on the date of the Balance sheet.

STATUTORY AUDITORS AND AUDITORS' REPORT

As per the requirement of sections 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 held on August 3, 2020.

The Auditors' Report on the Financial Statements of the Company for the year under review does not contain any qualifications, adverse or disclaimer remarks. No fraud has been reported by the Auditors to the Audit Committee of the Company or to the Board. The Notes on financial statement 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 Auditor of your Company to conduct Secretarial Audit of the Company for the financial year 2022-23.

Secretarial audit of secretarial and related records of the Company were conducted by the aforesaid Secretarial Auditor 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 qualifications, reservations, adverse remarks or disclaimers.

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 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 approved by the Audit Committee. During the year, the Company had not entered into any contract / arrangement / transaction with related parties 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 2022-23.

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 and
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 the compliance with the Code of Conduct and Ethics for Directors and Senior Management.

DIRECTORS RESPONSIBILITY STATEMENT

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

a) in the preparation of the accounts for the financial year ended March 31, 2023, 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 of the Board are functioning effectively and to comply with the statutory requirements, the annual performance evaluation of the Board, Board Committees of the Board 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 14, 2023, 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 http://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 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 2022-23.

The policy has been disclosed on the Company's website and can be accessed at http://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 2022-23 are provided in the Report on Corporate Governance. Further there was no complaint pending as on March 31, 2023.

SUBSIDIARIES

As on March 31, 2023, the Company has two wholly-owned subsidiaries, Natures Basket Limited (NBL) and Omnipresent Retail India Private Limited (ORIPL). NBL 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 http://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 2022-23 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 Standalone Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Financials Statements in respect of subsidiaries are available on the website of the Company and can be accessed at http://www.spencersretail.com/investor. Shareholders desirous of obtaining the Audited Financials 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 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 employees of the Company 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 were granted 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, 2023 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	90,000
2.	Total number of options granted under ESOP Scheme during the Year	NIL
3.	Options vested during the year	30,000

BOARD'S REPORT (Contd.)

Sl. No.	Particulars	Number of Equity Shares / Options
4.	Options exercised during the year	NIL
5.	Options lapsed or forfeited during the year	1,20,000
6.	Total number of options outstanding at the end of the year	0

The total number of options outstanding at the end of the year was Nil as Mr. Devendra Chawla, who was granted the aforementioned options has resigned from the Company w.e.f. January 20, 2023 and he has not exercised the said options within 2 months of his resignation. Hence, as per the terms and conditions of the said ESOP Scheme, the options granted as well as vested has lapsed.

A certificate from Mr. S.M Gupta of 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 year 2022-23. The significant ones among them are listed hereunder:

- Certified as "Great place to Work" 4th Year in a Row.
- Spice Icon Award 2022.
- Golden Spoon Award: Images Most Admired Food & Grocery Retailer of the Year Supermarket Chain – National.
- Innovative Retail Concept of the Year – Launch of Spencer's Value Market.
- Retailer of the Year – Food & Grocery - Spencer's Retail Limited.
- The Human Side of Things for Apprenticeship Project Implementation.

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, 2023 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 have 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 2022-2023.

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 Accounts 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.

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 sixth AGM and the Annual Report of the Company for the year 2022-23, 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 co-operation.

On behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN 00074796)

Place: Kolkata
Date: May 22, 2023

Management Discussion and Analysis

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

Spencer's Retail Limited ('Spencer's' or 'SRL' or 'The Company'), a multi-format modern trade retailer in India, is part of the RP-Sanjiv Goenka Group (referred to as 'RPSG Group' or 'the Group'). The Company and its subsidiaries engage in various categories of retail business, including staples, fast-moving consumer goods (FMCG), and non-food items such as fashion, general merchandise, personal care, home essentials, electrical and electronics. The FMCG category comprises food items such as processed food, beverages, fruits and vegetables, fish and meat. SRL is known for its unique brand image among its customers, backed by its specialty section that includes Spencer's gourmet, patisserie, wine, and liquor. Additionally, the Company has taken a significant step forward by introducing a new set of 'value market' store format, which cater specifically to consumers who are value-conscious. With the latest edition of the value market stores along with the wholly-owned subsidiary Natures Basket Limited ('Natures Basket' or 'NBL'), Spencer's is now catering to various consumer classes i.e., the premium / gourmet segment, the aspirational, and the value-conscious. Along with Omnipresent Retail India Private Limited (ORIPL), the Company's e-commerce division, Spencer's has completely adopted the modern retailer business model to integrate seamless service to its customers, both offline and online, and foster inclusive business growth in the industry.

Global Economic Overview

The global economy showed exceptional resilience, as evidenced by robust labour markets, substantial household consumption and business investments. The year 2022 brought along some tough winds, impacting the global economy's overall growth run. But despite all the challenges, it could not derail the economy from its growth trajectory and even showed optimism in the latter half of the year. According to the International Monetary Fund's World Economic Outlook, published in April 2023, the global economy grew by 3.4% in 2022. Governments across the globe, responding to the challenges encountered by the world economy, implemented tighter monetary policies and structural reforms. They increased government spending to stimulate economic activities and improve the economy's outlook. Thus, helping create a more stable and prosperous global economic environment.

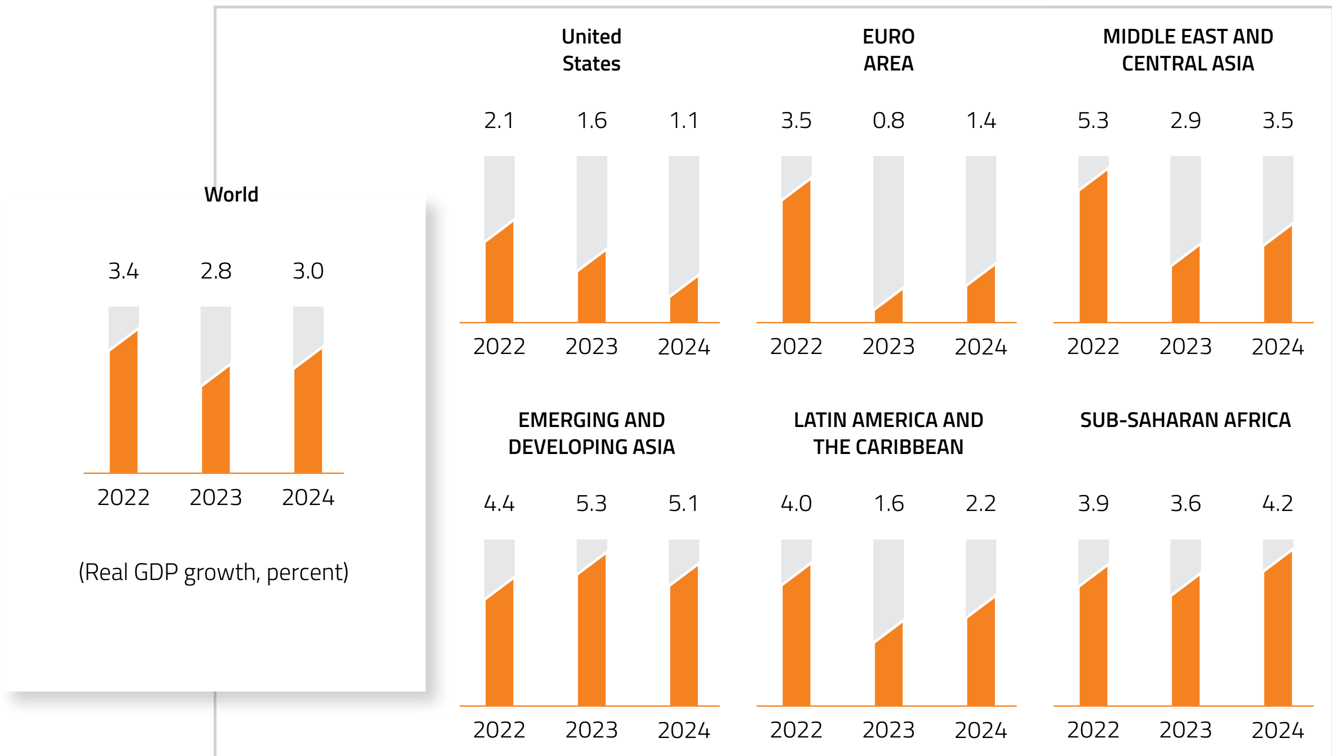
After the Covid-19 pandemic, the world economy saw a rapid recovery in economic activity, which was soon overshadowed by rising inflationary pressures that persisted through the first half of 2022. According to IMF World Economic Outlook, April 2023, the estimated real GDP growth figures for the advanced economy are 2.7% in 2022 and 1.3% in 2023. The estimated figures for emerging economies are anticipated to be 4.0% for 2022 and 3.9% for 2023. But with stricter monetary and financial policies onboard, the global economy has gradually started to witness subdued inflationary risks from 2022 onwards. According to IMF, global inflation is estimated to decline from 8.7% in 2022 to 7.0% in 2023, and to 4.9% by 2024. This forecast indicates the positive impact of the policies implemented to counter the rising inflationary pressures and reflects the overall stability of the global economy.

(Source: https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023)

OUTLOOK

The year 2022 saw price volatility and inflation as the prime cause of concern globally for the economy and policymakers alike. Looking ahead into 2023, we anticipate the economic outlook to maintain a moderate stance, much like 2022, with an estimation of 2.8% growth. In this challenging external environment, contractionary monetary policies will likely continue to be implemented, while fiscal policies are expected to alleviate cost-of-living pressures, in line with the adhered monetary policies.

ECONOMIC GROWTH TREND (REGION-WISE % CHANGE)



(Source: https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023)

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Indian Economic Overview

Indian economy has distinguished itself as the fastest-growing entity among major economies. In the first half of 2022-23, the country achieved a robust growth of 9.7% according to the Monthly Economic Review, November 2022 by the Department of Economic Affairs. A sharp rebound of economic activities, especially the private sector consumption and increased Government thrust on uplifting infrastructure, helped India sustain to steady growth momentum.

In the first quarter of 2022-23, persistent inflationary pressure compelled the Reserve Bank of India (RBI) to recalibrate its monetary policies. As a result, the Indian economy has started to experience the easing of the inflationary grip while the inflation stood moderate during the third quarter. This transformation in the economy is aiding the demand scenario in the domestic market and enabling the country's economic wheel to roll in a geared momentum.

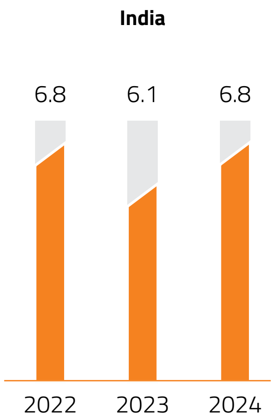
The adoption of calibrated monetary policies aimed at controlling inflation, coupled with steady growth in service activity, boosted demand and increased consumption. Due to the higher inflationary pressure on food prices, retail inflation saw a three-month high in January 2023. Previously retail inflation was led by a 12-month low in December 2022 at 5.72%, which went beyond the 6% tolerance band in January 2023.

(Source: https://pib.gov.in/PressReleasePage.aspx?PRID=1894932
https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023
https://www.thehindu.com/business/Economy/expecting-slowdown-in-indian-economy-to-61-in-2023-from-68-in-2022-says-imf/article66452776.ece
https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=55178
https://www.hindustantimes.com/india-news/retail-inflation-shoots-up-to-3-month-high-of-6-5-in-jan-as-food-prices-bite-101676312602815.html
https://indianexpress.com/article/business/economy/core-inflation-continues-to-be-sticky-elevated-rbi-governor-8408576/
https://www.hindustantimes.com/business/iip-growth-declines-to-4-3-in-december-2022-nso-data-101676281033398.html
https://eaindustry.nic.in/eight_core_infra/eight_infra.pdf
Monthly Economic Review, November 2022 by Department of Economic Affairs)

OUTLOOK

International Monetary Fund (IMF) has maintained its growth projection of 6.8% for India during the current fiscal year. However, owing to the external headwinds, the figure might decline to 6.1% in 2023 and is anticipated to move up to 6.8% in 2024. With increased Government spending announced in Union Budget 2023-24 and a rise in private consumption and investment, economic activity will further boost demand. Despite the ongoing growth momentum, the Indian economy remains exposed to the impact of global spillovers, which could potentially disrupt the trend. Therefore, while remaining cautiously optimistic, it is essential to maintain vigilance and prudence in the near future.

Indian Economy: A Snapshot



(Real GDP growth, percent change)

(Source: https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023)

Indian Retail Industry

The retail industry has become one of the most dynamic and rapidly growing sectors in India, currently ranking as the third largest contributor to India's GDP, accounting for ~10%. With an expected valuation of US$ 2 trillion by 2032, the retail industry is poised for growth. It functions around four formats: exclusive branded retail shops, multi-branded retail shops, convergence retail outlets and e-retailers. The Indian retail sector is a diverse competitive landscape, with a range of players, including departmental stores, hypermarkets, supermarkets, cash and carry stores, and specialty stores. In-store retailing remains the dominant channel in the market, but E-retailers are also gaining popularity, driven in part by a shift in demographic preferences for online shopping experiences over traditional offline methods. This trend has led the industry to undergo operational transformations, and players are rapidly adopting new technologies to shape the industry's future. As a result, many retail brands are transitioning towards a OMNI Channel model to remain competitive in the changing retail landscape.

The retail business in India is witnessing opportunities owing to the robust recovery in the domestic consumption pattern. The urban Indian consumer's purchasing power is increasing along with the branded goods in categories like apparel, cosmetics, footwear, watches, beverages, food, and even jewellery are gradually evolving into business and leisure that are well-liked by the urban Indian consumer. Changing consumer preferences coupled with emerging trends like 'seamless' retail, next-gen stores, personalisation, the rise of new ecosystems, and emerging revenue models are likely to shape the retail landscape in India. Recognising these trends and responding to them proactively and in an agile manner will ultimately enable retailers to create a winning strategy for the future.

OUTLOOK

The retail industry will be marked by a transitional development phase, driven by the shift in consumer preferences towards online shopping experiences. Retail players are responding to this trend by creating seamless retail experiences that are fully integrated across all channels, rather than distinguishing between offline and online consumption channels.

The traffic generation from e-commerce is disrupting the retail space. Technological advancement has significantly transformed supply chain, production, and retail sales, developing customer insight is vital for retail organisations – whether for service customisation or presence across multiple channels. According to Bain & Company research, the e-retail division is anticipated to increase to US$ 150-170 Billion by 2027 with a 25-30% annual growth rate. Also, the market penetration by e-commerce is anticipated to grow to 9-10% five years down the line.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

SPENCER'S TAKE

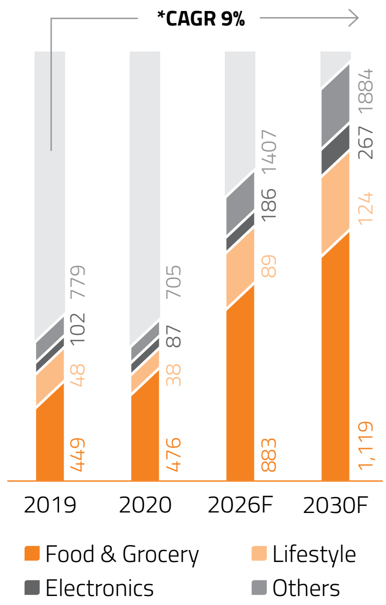
Spencer's has established itself as a multi-format modern retailer in India's organised retail market. With both large format stores in Spencer's and small format stores in both Spencer's & Natures Basket along with the new value market stores, the Company strives to effectively cater to customer demands.

The Company's large format stores account for 85% of total sales, small format stores (including Natures Basket) account for 15% of total sales. Going ahead, the Company's 'OMNI-Channel' business model is expected to play a major role in driving growth in the Indian retail industry. The accelerated shift to online sales with people decreasingly bifurcating between online and offline shopping channels, retailers were agile in shifting to digital platforms to sell their products and develop capabilities to meet the increasing demand for door-step deliveries.

At Spencer's, a capable digital team contributes significantly to the Company's online sales. The Company's mobile app and website enable a seamless customer shopping experience. It continues to strengthen its 'OMNI-Channel' distribution along with its brick-and-mortar stores. The Company also cater to its customers through phone and ordering to enhance its 'Out-Of-Store' channel. This enabled Spencer's to stay resilient amid challenges, facilitating a revenue growth of 6.6 % in 2022-23.

At Spencer's, the Company's digital team plays a vital role in scaling its online sales. Spencer's ensure both its website and mobile app are continually improved and updated for a better experience. Spencer's is committed to grow and strengthen its 'OMNI-Channel' distribution strategy. This includes its online and brick-and-mortar stores.

Indian Retail Market Size



(Source: https://www.bain.com/insights/how-india-shops-online-2022-report/ https://www.ibef.org/industry/retail-india)

Indian Retail Sector: Opportunities and Challenges

OPPORTUNITIES

Changing Consumer Preferences

Today's consumer landscape shows a growing preference for one-stop-shop destinations, from food and fashion to daily grocery requirements. More and more consumers are now seeking comprehensive solutions under a single roof. Modern retailers aim to offer their customers a personalised and seamless shopping experience. They prioritise providing a high-quality journey that requires minimal manual intervention. Additionally, many retail chains offer loyalty points, membership discounts, and other enticing offers to attract and retain customers. These factors have contributed to expanding the customer base and increasing preference for organised retail in India.

SPENCER'S TAKE

We, at Spencer's, keep ourselves updated according to the dynamic consumer preferences. We are a one-stop destination with differentiated offerings and private brands catering to the customers' requirements. Spencer's provides a good in-store experience, backed by ambient, well-lit stores, standardised, scientific store design. This ensures higher cross-selling, benchmarking methods, pricing competitiveness, exceptional tailored offers, and short queue waiting times.

Under-penetrated Market

The Indian organised retail segment is an under-penetrated space and accounts for a lower share percentage compared to developed and emerging countries. This indicates the tremendous untapped potential in the segment. Over the last decade, evolving consumption patterns have led to increasing demand from Tier - II & III cities, and due to incremental urbanisation, the same demand traction has also been witnessed from Tier IV cities.

SPENCER'S TAKE

Spencer's is leveraging its wide presence in the Indian markets. The Company is opening stores in existing clusters by deepening presence in the relevant market, keeping its profitability and sustainable growth aspects in mind. This makes the Company poised to tap potential opportunities due to rising industry demand. The recent value market stores launched by the Company owing to the incremental demand from regions, is the latest endeavour to tap the under-penetrated market.

'OMNI-Channel' Model

Breaking down boundaries between communication channels and providing a single integrated brand experience across multiple touch points necessitate transitioning from a multi-channel environment to an 'OMNI-Channel' ecosystem. An 'OMNI-Channel' business model is imperative to meet consumers' potential needs. Convenience store merchants have access to the necessary skills and resources to manage and operate this retail channel effectively. By being closer to their customers and catering to diverse needs, they are well-positioned to provide increased convenience. The implementation of an 'OMNI-Channel' strategy, combined with expanded store penetration, will result in faster product delivery and shorter turn-around times, ultimately enhancing the efficiency of the overall business model.

SPENCER'S TAKE

Spencer's strengthen itself to become a fully-integrated 'OMNI-Channel' retailer and for this purpose, the Company chose a hyper-local strategy. Contacting clients directly and with contactless delivery via its 'Out-of-Store' channels to capitalise on e-commerce. Introduction of new brands, goods, markets, and servicing in other locations are other factors further providing expansion prospects to the Company.

Demographical Advantage

In India, Spencer's Retail Limited benefits from favourable demographic trends. The number of middle-class customers is steadily increasing, and nuclear households are predicted to reach 74% by 2025. Nuclear households spend 30% more per capita than combined families. This growth is driven by a young working population with a median age of 24, expanding metropolitan nuclear families, a rising number of working women, and opportunities in the service sector. These demographic advantages position Spencer's Retail Limited to tap into the growing demand and succeed in the dynamic Indian retail industry.

SPENCER'S TAKE

The Company is expanding its footprints with a cluster-based approach so that serving the customers can be addressed proximity based. This will provide the customers to avail Spencer's services with greater ease and increase the footfall in the stores. Concentrating stores in a cluster can lead to economies of scale for the Company in terms of procurement, inventory management, and marketing expenses. Ultimately, this will maximise the potential of a specific geographic area by creating a concentration of complementary stores.

Urbanisation in the Retail Sector

Rise in urbanisation makes more people concentrated in one location. This, in turn, makes it increasingly easier to attract and serve more and more customers in a single retail chain today.

SPENCER'S TAKE

Owing to the incremental demand outside from the established store concentration areas, Spencer's has launched its new format of value market stores to efficiently cater the demand and generate maximum outcome from the newer opportunities. These stores particularly concentrate on urbanised areas to tap the opportunities within the value-conscious customer segment.

Atomic Family

Over time, the joint family structure has evolved to adapt to the changing times and has taken a new form of atomic or nuclear families. Today, with both partners working, purchasing power of families is also rising. However, there is also a growing 'lack of time' for day-to-day activities like grocery shopping. This is why the whole concept of organised retail, which provides a one-stop retail solution under a single roof, is becoming popular each day.

SPENCER'S TAKE

Spencer's has been one of the early entrants in the organised retail space. The Company provides its customers with various retail solutions under a single roof for both food and non-food items. The Company's position as a frontrunner in the industry gives it an edge.

Employment Opportunities Generated by Spencer's

Today's retail marketing is the largest job-generating industry. Employment in the retail industry is provided to skilled, semi-skilled and unskilled persons who contribute to the country's socio-economic development. Spencer's new stores/outlets are providing newer employment opportunities for the community, thus contributing to the economic growth of society and promoting betterment.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

CHALLENGES

High Costs of Real Estate Properties

Real estate prices in Indian cities are increasing heavily. The lease or rent of the property is one of the major areas of expenditure. A high lease rental reduces the profitability of a project. It is difficult to find suitable properties in central locations for retail.

Competitive Pricing

There is a price war between different retail organisations, with everyone providing goods at low cost and offering various promotional schemes. In such a case, retaining one's customers and expecting loyalty from old ones is difficult.

The Dominance of the Unorganised Sector

The very first challenge faced by the organised retail industry in India is competition from the unorganised sector. Traditional retailing has been established in India for centuries. It is a low-cost structure, mostly owner-operated, has negligible real estate and labour costs with little or no taxes to pay. Customer familiarity that runs from generation to generation is one big advantage for the unorganised sector.

Indian Organised Retail Industry

The Indian retail industry is primarily divided into two sub-categories Viz. traditional retail and organised retail. Traditional retail is the predominant form of retail while organised retail is a comparatively less penetrated option in India. In recent times, there has been a notable shift in consumer preference towards a 'one-stop shopping destination-kind of experience', which only organised retail can offer. The evolving demographic landscape further amplifies this change.

In recent times, the retail segment in India has witnessed exponential growth primarily driven by the incremental domestic consumption, increased household income, innovative financing, and the convenience of digital payment. According to a report jointly published by the real estate consultant ANAROCK and Retailers Association of India, the top 7 cities in India (Bengaluru, Chennai, Hyderabad, Kolkata, MMR, National capital region (NCR), and Pune) have added over 2.6 Million sq. ft. of mall space in 2022 – 27% higher than 2021. From the revenue part, the organised retail to witness 17-22% growth, backed by the demand revival and increased penetration whereas the operating margin of the brick-and-mortar retail is expected to expand by 14-16%. The notable fact is that the brick-and-mortar segment encapsulates the 68% share in the retail market.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

With the perception of the Indian retail sector transforming, retailers continue altering their store models to meet the diverse customer demands across markets and geographies. Owing to the rapid and widespread urbanisation in the Tier II & Tier III cities, organised retail outlets are now becoming increasingly popular as a destination for modern retailers. This enables the industry to grasp a greater market share among the population while penetrating into underserved geographies with untapped opportunities.

Despite greater penetration of organised retail in the Indian market, the headroom for growth is exceptionally vast. On a comparative note, the penetration of organised retail in India is only 11.1% while it is 85% in USA.

OUTLOOK

The Indian organised retail sector demonstrates a positive outlook, driven by policy reforms and the growing trend of urbanisation. This industry's expansion is fuelled by a consumption boom, resulting in greater disposable income, a focus on hygiene, evolving lifestyles, and easy borrowing and usage of 'Buy Now & Pay Later' models. Thereby, contributing significantly to India's robust and rising consumer culture. Moreover, secure and hassle-free financial transactions enhance consumer trust and encourage greater utilisation of e-commerce platforms and services. With retail activities gradually returning to pre-pandemic levels and demand resurging, several international brands operating in the Retail and F&B sectors are expressing interest in the Indian retail landscape. This trend is expected to drive further growth across these sectors in the future.

(Source: https://wealthdesk.in/blog/what-is-ondc-and-how-will-it-impact-indias-retail-market/
https://retail.economictimes.indiatimes.com/files/cp/1294/cdoc-1661333692-ECOM_july_7_5in%20x%208in_Correction.pdf)

SPENCER'S TAKE

Spencer's caters to ~72% segment of India's overall organised retail market, comprising Food and Grocery, Apparels, General Merchandise, Consumer Durables, Mobile and IT, Furniture and Household items and Footwear. With only ~5% market penetration, the Grocery industry offers significant growth potential for modern trade. Spencer's is poised to benefit from these potentials given its capabilities, market understanding and diversified offerings.

(Source: CRISIL Research)

Spencer's is well-versed in current industry trends, and the Company's experience allows it to continually analyse its stores and drive efficiency, extend its consumer base, and launch new stores. Further, the Company has expanded its reach by launching a new value market stores. During the year, the Company launched 10 new value market stores, totalling 1.45 lac sq ft. As part of its ongoing action plan, the Company is focussed on a hybrid brick & mortar store model and 'OMNI-Channel' distribution.

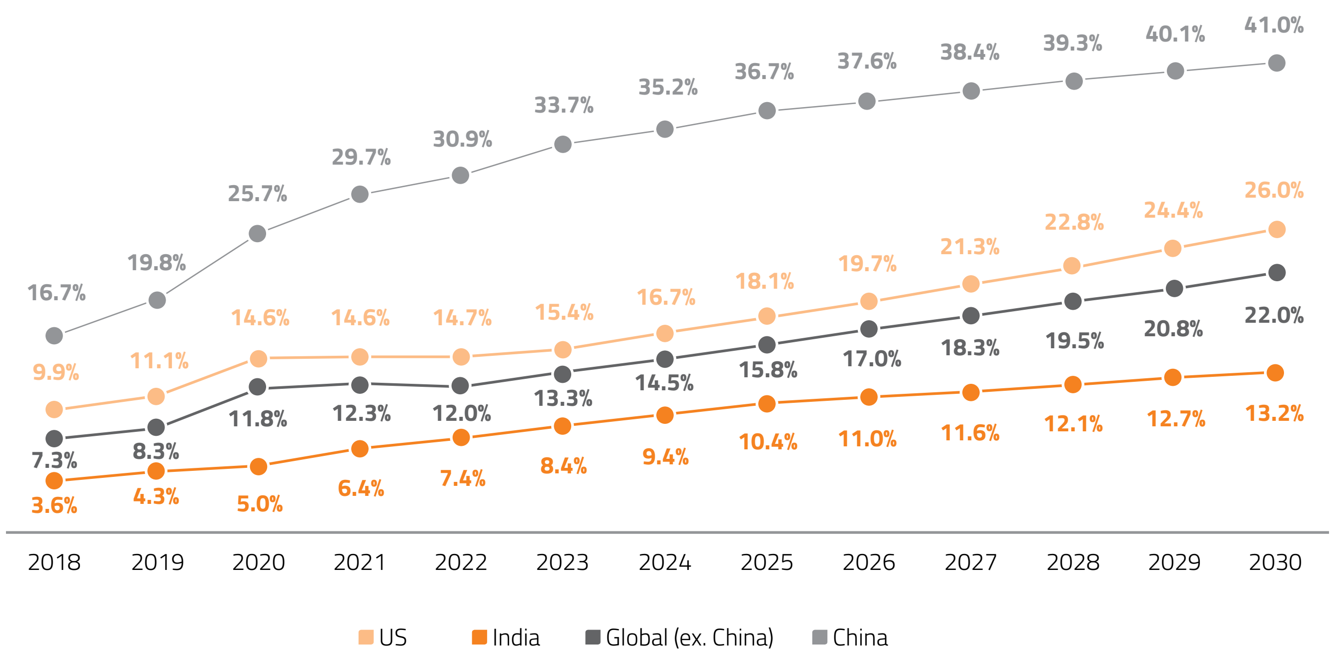
Indian E-Commerce Industry Overview

The Indian e-commerce industry is witnessing a progressive momentum owing to the increased penetration of mobile phones coupled with lower data carrier charges. The Indian e-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second-largest e-commerce market in the world by 2034. During the COVID-19 pandemic, the e-commerce sector witnessed a consumer demand surge, which sustained even after the situation improved. The widespread penetration of the internet and smartphones and the rapid adoption and maturation of digital transactions has further propelled the industry's growth. As a result, the e-commerce industry has been able to capture a significant market share within a relatively brief period.

The e-commerce market is expected to touch $350 Billion in GMV (Gross Merchandise Value) by 2030. Technology-enabled innovations like digital payments, hyper-local logistics, analytics-driven customer engagement and digital advertisements will likely support the growth in the sector. India is also planning to introduce Open Network for Digital Commerce (ONDC). ONDC will enable e-commerce platforms to synchronise search results on all the e-commerce platforms and display products and services from every platform. This will further boost business for MSMEs (Micro, Small and Medium Enterprises) and help fuel India's e-commerce growth. The growth in the sector will further encourage employment, increase revenues from export, increase tax collection by exchequers, and provide better products and services to customers in the long term. According to NASSCOM, the Indian e-commerce sector is anticipated to be worth US$ 200 Billion by 2030 as a result of increased analytics, transactions, and internet penetration.

Indian e-retail industry is projected to exceed 300-350 Million shoppers, propelling the online Gross Merchandise Value (GMV) to US$ 100-120 Billion by 2025. According to Bernstein report, India's e-commerce market is expected to reach ~US$133 Billion by 2025 while the penetration is going to be double in next 5 years. The e-commerce industry is gradually penetrating in Tier 2 & 3 cities. By 2025, the direct-to-customer (D2C) e-commerce market is anticipated to reach a worth of ₹ 100 Billion, a 32-times growth over 2023. Around 53% of the consumers are from non-metros and 80% of Indian consumers prefer to shop from smartphones. Considering these penetrations to go deep in future as well, the e-commerce industry in the country is yet to witness its optimal growth.

GLOBAL E-COMMERCE PENETRATION (REGION WIDE GROWTH %)

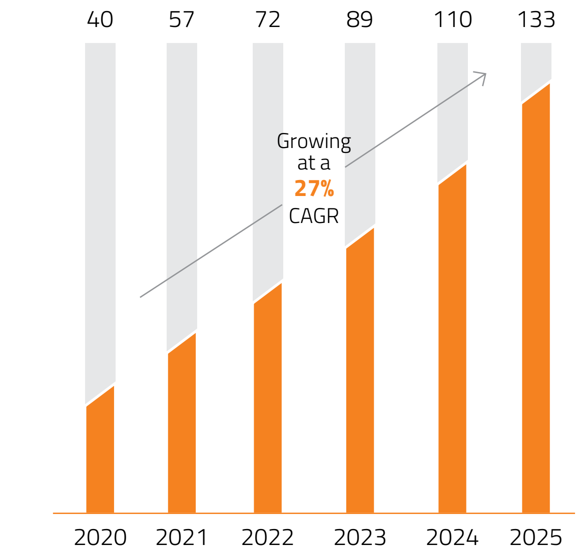


(Source: eMarketer, Bernstein estimates and analysis)

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

INDIA'S E-COMMERCE MARKET GROWTH BY 2025

($ Billion)



(Source: Bernstein estimates & analysis)

OUTLOOK

The fast-paced internet and smartphone penetration are among the key enablers of e-commerce in the country, at present. The total number of internet subscribers reached 836.86 Million in June 2022 while the smartphone base is expected to reach 1 Billion by 2026. This is in line with the forecast of India's digital sector reaching US$ 1 Trillion in internet Gross Merchandise Value (GMV) by 2030. Rapid technology upgradation and adoption on a wide scale are transforming the retail industry. India's e-commerce sector has thereon opened up various segments of commerce ranging from business-to-business (B2B), direct-to-consumer (D2C), consumer-to-consumer (C2C) and consumer-to-business (C2B). Major segments such as D2C and B2B have experienced immense growth in recent years. India's D2C market is expected to reach US$ 60 Billion by 2026-27. The overall e-commerce market is benefiting from the boom in high-speed internet and smartphone penetration along with the rise in income. With this,the e-commerce sector is expected to reach US$ 350 Billion by 2030, and experience 21.5% growth in 2022 by touching US$ 74.8 Billion.

SPENCER'S TAKE

We began our journey as an 'OMNI-Channel' player, serving clients through our shops, e-commerce websites, and mobile application. We have enhanced our online platform to provide seamless service delivery to our customers. Capitalising on the opportunities that were boosted during the COVID-19 pandemic, we started pushing our efforts towards our e-commerce subsidiary ORIPL (Omnipresent Retail India Private Limited). In 2022-23, ORIPL registered its first-ever positive Operating Profit with a Gross Merchandise Value (GMV) of ₹ 302 Crores.

Growth Of the Indian E-Commerce Market (2022-2030)

(US$ Billion)

(Source: https://www.ibef.org/industry/ecommerce)

Growth Drivers of the E-Commerce Industry in India

ADVANCEMENTS IN TECHNOLOGY ADOPTION

The number of internet users in India is expected to grow to ~1 Billion by 2025 with 33% of them (330 Million) becoming online shoppers. The growing use of smartphones and access to the internet via broadband, 4G, and 5G is predicted to increase the number of online consumers. As a result, the e-commerce customer base is likely to grow in the near term.

SPENCER'S TAKE

Spencer aims to leverage the OMNI-Channel network to reach customers directly. The Company has invested heavily in multiple aspects to improve its customer experience. For instance, the Company has enabled a touchscreen-driven point-of-sale system to scan the available products quicker. Furthermore, contactless door-step deliveries, paperless e-invoices, and digital payments through third-party payment processors are all available to Spencer's customers.

SHOPPING EXPERIENCE

E-commerce 'humanises' the online shopping experience for users. It allows customers to shop at their own ease with their preferences. The digital platforms have options like sorting and filtering, which provide customers with a speedy shopping experience while meeting their real-life expectations and requirements.

SPENCER'S TAKE

Spencer's has always strived to deliver an enhanced shopping experience by offering a diverse product selection and a positive in-store experience. The Company includes a bilingual call centre with professionals that handle client comments and questions from all locations. Customers can contact the Company via various channels, including a toll-free number, email, website, social media platforms. As a result, the Company guarantees to reach a larger audience, assists them with their questions and feedback, and provides them with a better purchasing experience every time. This backend assistance has greatly aided the Company's ability to communicate with customers effectively.

Company Overview

Spencer's Retail Limited is an Indian multi-format contemporary retailer owned by the RP Sanjiv Goenka Group. Headquartered in Kolkata, the Company, is among the leading players in the FMCG space, with food and non-food items, including Fashion, Staples, General Merchandise, Personal Care, Home Essentials, Electrical & Electronics and many more. The Company's speciality sections are Gourmet, Patisserie and Wine and Liquor.

As an established player, Spencer's enjoys a healthy brand recall across its segments. With a presence in over 44 Indian cities, Spencer's operates 186 Stores in India, including 35 Natures Basket Stores. The Company operates in three retail formats; small-format stores with store sizes ranging up to 5000 sq. ft, catering to the daily and weekly top-up shopping needs of consumers; large-format stores with store sizes over 5000 sq. ft. and value market stores with average store sizes between 5,000-24,000 sq. ft.

Operational Overview

During 2022-23, the Company's revenue from operations stood at ₹ 2452 Crores with a sustainable gross margin of 20.1%. This growth was mainly driven by the food and non-food category mix (General Merchandise & Apparel), where the non-food mix touched its highest figures in the previous three years to surpass the pre-COVID-19 pandemic levels.

During 2022-23, the Company's e-commerce business ORIPL also turned Operating Profit positive for the first time with a GMV of ₹ 302 Crores. The growth was mainly attributed to the consumer preference shift in the shopping medium. The Company also launched new 'Value Market Store' format to capture the incremental demand from Tier III and Tier IV cities due to increased urbanisation and demographic shift. These stores focus more on value-conscious customers and will have a larger share of Spencer's private brands going ahead.

Financial Review

Particulars	Standalone for the Year ended March 31		Consolidated for the Year ended March 31	
	2022-23	2021-22	2022-23	2021-22
Turnover (Figures In ₹ Crores)	2210.16	2067.11	2485.16	2376.55
Return On Equity (%)	(150.48%)	(32.91%)	N.A*	(196.36%)
Net Asset Value Per Share (₹)	11.30	28.51	(16.69)	6.86
Earnings Per Share (₹)	(17.00)	(9.38)	(23.34)	(13.48)

*As the net-worth is negative as on March 31, 2023.

DETAILS OF SIGNIFICANT RATIO CHANGES

Standalone

Financial Results	2022-23	2021-22	% Change	Reason for Change
Interest Coverage Ratio	(1.98)	(0.41)	387%	Increase in losses in current year
Operating Profit Margin (%)	(2.87%)	(0.43%)	570%	
Net Profit Margin (%)	(7.03%)	(4.23%)	66%	
Earnings Per Share (Basic) (%)	(17.00)	(9.38)	81%	
Return on Net Worth (%)	(150.48%)	(32.91%)	357%	
Debt Equity Ratio	4.32	1.14	278%	Increase in borrowings during the year and lower networth due to losses incurred in current year.
Debtors Turnover (Days)	3.79	5.26	(28%)	Lower closing outstanding debtors and higher revenue during the year.
Inventory Turnover (Days)	38.31	42.42	(10%)	Lower average inventory and higher revenue during the year.
Current Ratio	0.43	0.51	(16%)	

Consolidated

Financial Results	2022-23	2021-22	% Change	Reason for Change
Interest Coverage Ratio	(2.42)	(0.87)	177%	Increase in losses in current year
Operating Profit Margin (%)	(3.90%)	(1.09%)	259%	
Earnings Per Share (Basic) (%)	(23.34%)	(13.48%)	73%	
Return on Net Worth (%)	(139.83%)	(196.36%)	(171%)	
Net Profit Margin (%)	(8.58%)	(5.28%)	62%	
Debt Equity Ratio	(3.60)	5.83	(162%)	Increase in borrowings during the year and lower networth due to losses incurred in current year.
Debtors Turnover (Days)	3.45	4.48	(23%)	
Inventory Turnover (Days)	39.06	41.89	(7%)	
Current Ratio	0.42	0.50	(16%)	

Risk Management

Risk, at its core, involves the potential occurrence of adverse events. The way Spencer's approaches risk management is the primary factor determining the Company's ability to identify, evaluate, and effectively mitigate risks. This entails properly assessing risks, using appropriate risk metrics, and ultimately succeeding in managing them. By prioritising risk management, Spencer's can safeguard its operations and ensure its long-term success. Each key risk type demands a specific set of skills and its philosophical approach. Spencer's risk management framework has policies and procedures to identify, evaluate, mitigate, and report risks. The Risk Management Committee, overseen by the Board, identifies and evaluates threats using digital tools and draws mitigation strategies accordingly.

Risk	Description	Mitigation
Inventory Risk	This risk of loss due to the unavailability of inventory leading to customer dissatisfaction and reduction in customer loyalty.	• Store operations and supply chain teams regularly monitor inventory levels to ensure adequate stock availability • Flexible inventory procedure enables real-time inventory reporting • Analyses of essential data points to forecast inventory levels allows timely reordering and maintenance of an adequate stock level
Inflationary Risk	The risk of loss due to the sudden change in prices because of unforeseen conditions and procurement of products and fall in demand because of high prices.	• Regular analyses of inventory to promptly clear stock • Prompt clearance of stock through several in-store offers, coupons, and customised discounts.
Competitive Risk	The risk of loss to the Company arising from intense competition in the retail store chain industry owing to differentiated products and new entrants of varying sizes and store formats.	• Sustain brand visibility and differentiation through private brand campaigns and other strategic initiatives. • Implement strategies and campaigns to retain and acquire customers, wherein Spencer's acquired Natures Basket for product range expansion and widened customer base and reach. • Specialty segments, including Spencer's Gourmet, Patisserie, Wine and Liquor, and recently launched 'Epicuisine', provide the Company with a much-needed differentiation.
Supply Chain Risk	The risk of potential loss to the Company due to supply-side delays caused by interruptions in logistics and distribution networks.	• Distribution centres and third-party supply chain management for logistical support help the Company mitigate this risk. • Working closely with suppliers and maintaining cordial relations with them helps mitigate this risk.
Quality Risk	The risk of loss of trust and customer confidence due to ineffective product quality and services.	• Trained service team to patiently deal with customers' issues and complaints, helps the Company ensure speedy and effective customer redressal. • Regular and rigorous quality and safety checks by quality team helps the Company ensure all quality standards are followed.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Human Resource Management

At Spencer's, people are regarded as the most vital assets for ensuring business continuity. The Company recognises the importance of balancing personal growth and professional development by providing a safe, conducive, and productive work environment. Spencer's highly values its skilled and professional management team, viewing it as a key driver for growth and success. To further improve business efficiency, devise prudent strategies, set up robust systems, and become agile and dynamic to suit evolving industry requirements, Spencer's relies on its experienced and talented employee pool. The Company provides regular skill and personnel development training to improve efficiency and keep employee morale high. The Company believes in providing equal opportunity to employers and believes in nurturing diversity at workplace while ensuring equitable remuneration for all. The Company hires people from all walks of life, across geographies. Being a non-discriminatory employer that promotes value diversity at workplace, it hires people with disabilities for roles that are friendly to their working condition as well. Therefore, the Company remains dedicated to fostering a positive and healthy work environment. With this, the Company strongly focuses on employee training and development. Spencer's provides functional training and customer-first training programmes – 'Parichay', aimed at preparing its people for customer interaction. It also provides further career development opportunities to the employees through its initiative 'Utthaan'.

Creating an inclusive and supportive work environment at Spencer's is one of its focus areas. Within this, employees are empowered in a way that encourages positive behaviour, resulting in improved performance and value addition for customers. Therefore, evaluation and recognition of top talents are undertaken through the Company's R&R events such as 'Umang' and 'Utsav'. It believes that a motivated and happy workforce, aligned with the organisational objects can propel the Company to the next orbit of its growth. Spencer's has been recognised as 'Great Place to Work' for the fourth year. As of March 31, 2023, the Company's consolidated talent pool stood at 5,462, including women accounting for about 23% of the total workforce. Spencer's lays a great focus on women's empowerment, encouraging female employees to participate in numerous training programmes, such as 'Saheli' and 'Naari Shakti,' to nurture their growth and development. Furthermore, the Company also employs individuals that would have successfully National Apprenticeship Promotion Scheme (NAPS) training.

Spencer's Retail Limited, inaugurates its first all-women stores in the Eastern & Southern India region, totally operated and managed by women employees at Mahamayatala in Kolkata,

Habsiguda in Hyderabad and Royapettah in Chennai. The store team has 10 - 13 female employees comprising of store operations team, riders, and security staff. The entire team is committed to provide best-in-class shopping experience to our customers. This team represents today's aspiring women of modern India who want to upgrade their skills and act as breadwinners for their families. We, at Spencer's, have always empowered women employees to come ahead and take lead roles and partner in the business. All women store is yet

another milestone achieved which showcases our diverse and inclusive culture prevailing in the organisation. More than 22% of our employee workforce is fearless women employees who not only manage their own homes but also manage Spencer's stores effortlessly every single day.

Internal Control System and Adequacy

Spencer's has implemented a comprehensive internal control framework to ensure the protection of the Company in line with the size and intricacy of its financial reporting and other operational data. The Company ensures all its processes are compliant to established policies, procedures and statutory requirements. The Company has developed well-documented guidelines, procedures for authorisation and approvals, including regular audits. The internal audit system encompasses all financial and operational controls across all divisions, functions, and departments. The internal audit team regularly reviews the organisation's various functions and identifies opportunities for improvement. The Company believes in conducting business ethically and responsibly. To integrate the value system as an integral aspect of operations, Spencer's conducts regular knowledge sharing and training sessions, as well as provides e-learning courses to enhance awareness of the Code of Conduct and the Company's essential policies. This approach ensures that employees remain up-to-date and well-informed, enabling them to uphold the Company's values and principles in their day-to-day activities.

Cautionary Statement

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

REPORT ON CORPORATE GOVERNANCE

(Annexure 'B' to Board's Report)

Corporate Governance is a process of governing a corporate entity which through a set of systems, procedures and practices establishes a valuable relationship of trust with all Stakeholders. Transparency, Disclosure and Accountability are three main pillars of corporate governance. 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 Corporate Governance

The philosophy of the Company's Corporate Governance ensures transparency in its affairs and the functioning of the Management and the Board and accountability towards its stakeholders. It also encompasses the oversight of business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company's policies focus on the augmentation of long-term shareholder's value without compromising integrity, social obligations, and regulatory compliances. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholders returns, high credit ratings, awards and recognitions, governance processes and an entrepreneurial performance focussed work environment. 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. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the inter-relationship among the Board of Directors, Board Committees, Finance, Compliance teams, Auditors and the Senior Management. Above all, we feel honoured to be integral to India's social development. As a listed Company, Spencer's ensures compliance with all the applicable provisions of the corporate laws and 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. We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in this Report.

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, reports the status of Compliance of Corporate Governance norms of the SEBI Listing Regulations by the Company for the year ended March 31, 2023.

BOARD OF DIRECTORS

COMPOSITION AND ATTENDANCE

The Board of Directors is the apex body constituted by 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, 2023, the Board comprises of eight Directors. The Board is headed by a Non-Executive Non-Independent Chairman. The Company is having six Non-Executive Directors out of which four are Independent Directors, including a Woman

Director. Further, there are two Executive Directors designated as a) Chief Executive Officer and 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.

Table 1: Composition of the Board of Directors as on March 31, 2023.

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
Dr. Sanjiv Goenka ***2**	Promoter, Non-Executive & Chairman	8	5	3	5	5	Yes
Mr. Shashwat Goenka ***3**	Non- Executive Director	5	1	0	5	5	Yes
Mr. Utsav Parekh	Non-Executive, Independent Director	8	5	3	5	5	Yes
Mr. Pratip Chaudhari	Non-Executive, Independent Director	3	5	0	5	4	Yes
Ms. Rekha Sethi	Non-Executive, Independent Director	4	3	0	5	5	Yes
Mr. Debanjan Mandal	Non-Executive, Independent Director	9	5	1	5	4	Yes
Mr. Devendra Chawla ***4**	CEO and Managing Director	0	0	0	3	3	Yes
Mr. Anuj Singh ***5**	CEO and Managing Director	0	0	0	0	0	NA
Mr. Rahul Nayak	Whole-time Director	0	0	0	5	5	Yes

***1** - Members include Chairmanship.

***2 & *3** - * Dr. Sanjiv Goenka has decided to step down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board has decided and approved the appointment of Mr. Shashwat Goenka as the Chairman of the Company w.e.f. May 23, 2023.

***4** - Mr. Devendra Chawla resigned from the position of CEO & Managing Director of the Company and also as Director of the Company with effect from January 20, 2023 and consequently also ceased to be a member from all the Committees of the Board where he was a member.

***5** - Mr. Anuj Singh was appointed as CEO and Managing Director of the Company with effect from March 22, 2023.

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. Except Dr. Sanjiv Goenka and Mr. Shashwat Goenka, 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 and can be accessed 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

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 and can be access 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 and 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
Dr. Sanjiv Goenka*	a) CESC Limited	Chairman / Non-Executive / Non-Independent
	b) Firstsource Solutions Limited	
	c) PCBL Limited	
	d) Saregama India Limited	
	e) RPSG Ventures Limited	
Mr. Shashwat Goenka*	a) CESC Limited	Non-Executive / Non-Independent
	b) Firstsource Solutions Limited	
	c) PCBL Limited	
	d) RPSG Ventures Limited	
Mr. Utsav Parekh	a) Eveready Industries India Limited	Non-Executive / Non-Independent
	b) Firstsource Solutions Limited	Non-Executive / Independent
	c) Jay Shree Tea & Industries Limited	
	d) SMIFS Capital Markets Limited	Chairman / Non-Executive / Non-Independent
	e) Texmaco Rail & Engineering Limited	Non-Executive / Independent
	f) Xpro India Limited	
Mr. Pratip Chaudhuri	a) CESC Limited	Non-Executive / Independent
	b) Cosmo First Limited	Non-Executive / Non-Independent
	c) Firstsource Solutions Limited	Non-Executive / Independent
Ms. Rekha Sethi	a) CESC Limited	Non-Executive / Independent
	b) Kirloskar Brothers Limited	
	c) Samvardhana Motherson International Limited	
Mr. Debanjan Mandal	a) Century Plyboards (India) Limited	Non-Executive / Independent
	b) CESC Limited	
	c) Industrial and Prudential Investment Company Limited	
Mr. Anuj Singh	NIL	NIL
Mr. Rahul Nayak	NIL	NIL

* Dr. Sanjiv Goenka has decided to step down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board has decided and approved the appointment of Mr. Shashwat Goenka as the Chairman of the Company w.e.f. May 23, 2023.

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, Legal and Regulatory	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions.
Diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide.
Leadership and Operational Experience	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning, and operations. 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
Dr. Sanjiv Goenka*	√	√	√	√	√	√	√	√
Mr.Shashwat Goenka*	√	√	√	√	√	√	√	√
Mr. Utsav Parekh	√	√	√	√	√	√	√	√
Mr. Pratip Chaudhari	√	√	√	√	√	√	√	√
Ms. Rekha Sethi	√	√	√	√	√	√	√	√
Mr.Debanjan Mandal	√	√	√	√	√	√	√	√
Mr. Anuj Singh	√	√	√	√	√	√	√	√
Mr. Rahul Nayak	√	√	√	√	√	√	√	√

* Dr. Sanjiv Goenka has decided to step down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board has decided and approved the appointment of Mr. Shashwat Goenka as the Chairman of the Company w.e.f. May 23, 2023.

ROLE OF THE BOARD OF DIRECTORS

The primary role of the Board of Directors 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 of Directors 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 2022-23, the Board met 5 (five) times on May 12, 2022, August 11, 2022, November 14, 2022, February 14, 2023 and March 22, 2023. 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 14, 2023 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 except Mr. Pratip Chaudhuri who could not attend the meeting due to his preoccupation.

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, 2023 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 pescribed 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 and 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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

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, 2023, 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 12, 2022, August 11, 2022, November 14, 2022 and February 14, 2023. The attendance record of the Members at the Meeting is given below in Table 3.

Table 3: Attendance Record of Audit Committee

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Utsav Parekh	Chairman	Non-Executive Independent Director	4	4
Mr. Shahshwat Goenka	Member	Non-Executive Director	4	4
Mr. Pratip Chaudhuri	Member	Non-Executive Independent Director	4	3
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 auditors 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, 2023, the Stakeholders Relationship Committee comprises:

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

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

(ii) Meetings:

The Committee met four times on May 12, 2022, August 11, 2022, November 14, 2022 and February 14, 2023. 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	Non-Executive Director	4	4
Mr. Shahshwat Goenka	Member	Non-Executive Director	4	4
Mr. Utsav Parekh	Member	Non-Executive Independent Director	4	4
Mr. Rahul Nayak	Member	Whole time Director	4	4

Details of the number and nature of complaints received and redressed during the financial year 2022-23 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, Dr. Sanjiv Goenka was present at the 5th Annual General Meeting of the Company held on July 29, 2022 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 complaints;

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

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

(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 AND 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, 2023, the Nomination and Remuneration Committee comprises:

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

*Dr. Sanjiv Goenka has decided to step down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board has decided and 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 August 11, 2022, February 14, 2023, and March 22, 2023. The attendance of members is given below in Table 5:

Table 5: Attendance Record of Nomination and Remuneration Committee

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Utsav Parekh	Chairman	Non-Executive Independent Director	3	3
Mr. Pratip Chaudhuri	Member	Non-Executive Independent Director	3	2
Dr. Sanjiv Goenka	Member	Non-Executive Director	3	3

(ii) Remuneration Policy :

In accordance with the recommendation of the Committee, the Company has 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 and 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 focussed 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.

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 (CSR) COMMITTEE

The philosophy of our CSR Policy is as under:

a) To define CSR projects or programmes 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 programmes;

c) Monitoring process of such CSR projects or programmes;

(i) Composition :

As on March 31, 2023, the Corporate Social Responsibility Committee comprises:

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

* Dr. Sanjiv Goenka has decided to step down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board has decided and 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 22, 2023.

The Company Secretary acts as the Secretary to the Committee

REPORT ON CORPORATE GOVERNANCE (Contd.)

(ii) Meetings :

The Committee met one time on May 12, 2022.

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

Table 6: Attendance Record of Corporate Social Responsibility Committee

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

(iii) Terms of reference :

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

(a) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be under-taken by the Company as specified in Schedule VII of the 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 our website and can be accessed 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 focussed 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, 2023, 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

The Company Secretary acts as the Secretary to the Committee.

(ii) Meetings :

The Committee met twice during the financial year on September 26, 2022 and February 14, 2023

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. Devendra Chawla*	Member	CEO & Managing Director	2	1
Mr. Rahul Nayak	Member	Whole-time Director	2	2

*Mr. Devendra Chawla resigned from the position of CEO & Managing Director of the Company and also as Director of the Company with effect from January 20, 2023 and consequently also ceased to be a member from the Risk Management Committee of the Board.

(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, 2023:

Details of Sitting Fees paid to Non-Executive Directors during the Financial Year 2022-23 for the Board and Committee meetings are as follows: Dr. Sanjiv Goenka, Chairman – ₹ 9.00 Lakhs, Mr. Shashwat Goenka – ₹ 10.50 Lakhs, Mr. Utsav Parekh – ₹ 12.50 Lakhs, Mr. Pratip Chaudhuri – ₹ 6.50 Lakhs, Ms. Rekha Sethi – ₹ 5.50. 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 letters 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. Devendra Chawla, former CEO and Managing Director of the Company was paid salary and other benefits of ₹ 835.05 Lakhs till the cessation of his tenure i.e. January 20, 2023, Further, Mr. Anuj Singh who was appointed as CEO and Managing Director of the Company w.e.f March 22, 2023 was paid salary and other benefits of ₹ 44.45 Lakhs.

Mr. Rahul Nayak, Whole-time Director of the Company was paid salary and other benefits of ₹ 190.02 Lakhs during the financial year ended March 31, 2023.

EQUITY SHARES HELD BY NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2023:

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

As on March 31, 2023, no convertible instruments of the Company were outstanding.

SUBSIDIARY COMPANIES

As on March 31, 2023, 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 Subsidiary 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.

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.	124.94
S. R. Batliboi & Co. LLP and Network Firms	Natures Basket Limited	Audit Fees and related services	13.98

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 2022-23 from CARE Ratings Limited as specifically required by the lender banks. The rating obtained is BBB and the outlook is negative.

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 UTILISATION 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 2022-23. 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	6 (Six)
Number of complaints disposed off during the financial year	6 (Six)
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 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 6th Annual General Meeting of the Company will be held on Friday, the August 4, 2023, 2023 at 3:00 P.M. IST 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
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.
2019-20	August 3, 2020	12-30 P.M	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Nil	NIL

No resolution is proposed to be passed through postal ballot as on the date of this report.

There was no Extra-Ordinary General Meeting held during the financial year 2022-23.

Two special resolutions were passed through Postal Ballot on May 12, 2023 regarding appoinment 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.

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

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 2022-23, 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, 2023.

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

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 2022-23 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, 2023 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 from time to time.

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.

CONFIRMATION

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

Dr. Sanjiv Goenka
Chairman
(DIN - 00074796)

Kolkata, May 22, 2023

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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, 2023 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.

(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: F000896E000346329

Place: Kolkata
Date: May 22, 2023

CERTIFICATION FROM THE CEO AND MANAGING DIRECTOR 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, 2023 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
CEO and Managing Director

Neelesh Bothra
Chief Financial Officer

Kolkata, May 22, 2023

ADDITIONAL SHAREHOLDERS INFORMATION

(Annexure 'C' to Board's Report)

ANNUAL GENERAL MEETING

Day & Date	:	Friday, August 4, 2023
Time	:	3.00 P.M. IST
Venue	:	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
FINANCIAL CALENDAR	:	April 1 to March 31

For the financial year ended March 31, 2023 results were announced on:

Period	First Quarter	Second Quarter	Third Quarter	Fourth Quarter and Annual results
Date	August 11, 2022	November 14, 2022	February 14, 2023	May 22, 2023

For the financial year ended March 31, 2024, results will be announced by:

Period	First Quarter	Second Quarter	Third Quarter	Fourth Quarter and Annual results
Date	on or before August 14, 2023*	on or before November 14, 2023*	on or before February 14, 2024*	on or before May 30, 2024*

*The above details are subject to any statutory extension, if any, allowed in future.

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, 2023.

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 and Custodial fees have been paid to the Stock Exchanges and Depositories upto the financial year 2023-24.

ADDITIONAL SHAREHOLDERS INFORMATION (Contd.)

STOCK DATA AND PERFORMANCE

Table 1 below gives the monthly high and low prices of the Company's equity shares at the BSE and NSE for the year 2022-23.

Table 1: High and Low Prices at the BSE and NSE for the Financial Year 2022-23:-

(in ₹)

Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High	Low	High	Low
April, 2022	98.50	80.95	98.30	80.40
May, 2022	88.00	70.50	88.10	70.50
June, 2022	79.50	62.40	79.55	62.20
July, 2022	75.75	68.70	75.85	68.60
August, 2022	81.05	70.50	80.80	71.10
September, 2022	83.95	73.15	84.00	73.20
October, 2022	81.10	70.75	81.10	72.00
November, 2022	79.50	67.55	75.45	67.75
December, 2022	72.70	61.55	72.70	62.50
January, 2023	77.10	63.00	76.95	63.00
February, 2023	71.00	59.10	69.90	59.15
March, 2023	62.50	51.52	62.65	51.45

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 2022-23:

Table 2: Performance in Comparison to NSE Nifty, BSE Sensex, and BSE 500 Index for the Financial Year 2022-23:-

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, 2022	87.70	87.50	17,102.55	57,060.87	23,551.65
May, 2022	75.20	75.25	16,584.55	55,566.41	22,497.64
June, 2022	69.50	69.50	15,780.25	53,018.94	21,324.54
July, 2022	71.40	71.70	17,158.25	57,570.25	23,359.64
August, 2022	79.15	79.15	17,759.30	59,537.07	24,437.22
September, 2022	76.95	76.95	17,094.35	57,426.92	23,642.46
October, 2022	72.95	72.90	18,012.20	60,746.59	24,589.55
November, 2022	69.30	69.35	18,758.35	63,099.65	25,406.76
December, 2022	65.20	65.20	18,105.30	60,840.74	24,605.78
January, 2023	68.40	68.55	17,662.15	59,549.90	23,778.46
February, 2023	59.75	59.80	17,303.95	58,962.12	23,084.79
March, 2023	51.80	51.73	17,359.75	58,991.52	23,160.01

ADDITIONAL SHAREHOLDERS INFORMATION (Contd.)

SHARE TRANSFER ARRANGEMENT, INVESTOR GRIEVANCES & CONTACT INFORMATION

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

Name	Link Intime India Private Limited
Address	C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083
Telephone No.	+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, 2023.

Nature of holding	Holders	Percentage	Shares	Percentage
DEMAT	57,420	93.05	8,94,17,143	99.21
Physical	4,286	6.95	7,14,866	0.79
Total	**61,706**	**100**	**9,01,32,009**	**100**

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

ADDITIONAL SHAREHOLDERS INFORMATION (Contd.)

Table 3 gives details of the number and nature of complaints for the year 2022-23:

Table 3: Complaints from Shareholders during 2022-23

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	9	-	-	5	14
Resolved during the year	9	-	-	5	14
Pending as on 31 March, 2023	NIL	NIL	NIL	NIL	NIL

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, 2023:

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	3,41,671	0.38
B)	Banks, Financial Institutions, NBFC and Insurance Companies	18,04,152	2.00
C)	Institutions (Foreign)	75,31,832	8.36
3	**Others**		
A)	Bodies Corporate	38,67,853	4.29
B)	Indian Public	2,03,34,622	22.56
C)	NRI's	9,53,386	1.06
D)	Others	22,89,979	2.54
	Total	**9,01,32,009**	**100.00**

ADDITIONAL SHAREHOLDERS INFORMATION (Contd.)

Table 5: Pattern of Shareholding by Share Class as on March 31, 2023:

Shareholding Class	Number of Shareholders	% of Total Shareholders	Number of Shares held	Shareholding %
1 to 500	55183	89.43	4923759	5.46
501 to 1000	3167	5.13	2508626	2.78
1001 to 2000	1609	2.61	2424068	2.69
2001 to 3000	571	0.93	1472969	1.63
3001 to 4000	253	0.41	907855	1.01
4001 to 5000	253	0.41	1204219	1.34
5001 to 10000	360	0.58	2628647	2.92
10001 and above	310	0.50	74061866	82.17
TOTAL	**61706**	**100.00**	**90132009**	**100.00**

Store Locations

The Company was operating 151 stores till March 31, 2023. 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. Since the Company has not yet completed 7 years of its incorporation, IEPF provisions are not applicable to the Company.

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	132	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	132	78,066

ADDITIONAL SHAREHOLDERS INFORMATION (Contd.)

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

Dr. Sanjiv Goenka
Chairman
(DIN : 00074796)

Kolkata, May 22, 2023

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 2022-23.

Anuj Singh
CEO and Managing Director
(DIN: 09547776)

Kolkata, May 22, 2023

ADDITIONAL SHAREHOLDERS INFORMATION (Contd.)

ANNEXURE- 1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
SPENCER'S RETAIL LIMITED
Duncan House,
31, Netaji Subhas Road,
Kolkata, 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 **Duncan House, 31, Netaji Subhas Road, Kolkata, WB 700001** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers (including by way of remote audit), we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 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	00074796	14/11/2018
2	SHASHWAT GOENKA	03486121	14/11/2018
3	DEBANJAN MANDAL	00469622	11/02/2019
4	PRATIP CHAUDHURI	00915201	14/11/2018
5	UTSAV PAREKH	00027642	14/11/2018
6	DEVENDRA CHAWLA (Resigned as CEO & MD w.e.f. 20.01.2023)	03586196	11/02/2019
7	ANUJ SINGH (Appointed as CEO and MD w.e.f. 22.03.2023)	09547776	22/03/2023
8	RAHUL NAYAK	06491536	14/11/2018
9	REKHA SETHI	06809515	14/11/2018

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

(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: F000896E000233843

Place: Kolkata
Date: May 1, 2023

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED – March 31, 2023

[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-700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SPENCER'S RETAIL LIMITED (CIN: L74999WB2017PLC219355)** (hereinafter called the Company). Secretarial Audit was conducted in accordance with the Guidance 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, 2023 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, 2023 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**

FORM NO. MR-3 (Contd.)

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

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 including the following observations:

1. No amount was required to be spent by the Company on CSR during the year as the Company had negative average profit during the last three year under review. However, the Company has constituted a CSR committee as required under law.

We further report that as far as we have been able to ascertain:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes, if any, in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate 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.

FORM NO. MR-3 (Contd.)

We further report that as informed to us, during the audit period, the Company has had the following specific events / updates:

1) During the year under review the Company created/ modified following charges on its assets-

Sl No.	Date	Charge ID	Name of the Bank	Amount	Creation/Modification
1.	August 6, 2022	100605082	ICICI Bank Limited	Rs. 30 Crores	Creation
2.	August 6, 2022	100605072	ICICI Bank Limited	Rs. 20 Crores	Creation
3.	August 6, 2022	100426149	ICICI Bank Limited	Rs. 100 Crores	Modification(Amount increased from Rs. 75 Crores to Rs. 100 Crores)
4.	December 14, 2022	100654223	IDFC First Bank Limited	Rs. 50 Crores	Creation
5.	December 14, 2022	100655007	IDFC First Bank Limited	Rs. 31 Crores	Creation

2) The provisions of IEPF Rules are not applicable to the Company as it has not yet completed seven years of its incorporation. However, the Company has complied with the Rules to the extent applicable to it.

3) No dividend has been declared by the Company since incorporation and hence the question of any dividend remaining unpaid /unclaimed did not arise.

4) The following changes have taken place amongst the Directors/ KMPs during the year under review:

Sl no	Name of the person	Designation	Effective date	Change
1	Mr. Rama Kant	Company Secretary and Compliance Officer	October 10, 2022	Resignation
2	Mr. Devendra Chawla	CEO & Managing Director	January 20, 2023	Resignation
3	Mr. Vikash Kumar Agarwal	Company Secretary and Compliance Officer	February 14, 2023	Appointment
4	Mr. Anuj Singh	CEO and Managing Director	March 22, 2023	Appointment

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.

6) The Company has taken the Insurance cover under Directors & Officers (D&O) liability policy for Rs. 10 Crores which is valid upto 365 days from March 3, 2023.

7) Since the Company is not a manufacturing concern, it is not required to appoint a Cost Auditor.

8) The Company has availed an unsecured loan from Axis Bank limited for Rs. 50 Crores as working capital for reverse factoring facility vide Bank Sanction Letter No. AB/CLC/KOL/2022-23/0098 dated 29.08.2022.

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: F000896E000346230

Place: Kolkata
Date: May 22, 2023
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.

(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: F000896E000346230

Place: Kolkata
Date: May 22, 2023

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

[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, 2023**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2023** 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 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 in terms of the Act. 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 generally complied with all the applicable provisions of Companies Act, 2013. regarding filling of forms with the 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
COP No. 20994

Date: May 24, 2023
UDIN: A012288E000370162

***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
COP No. 20994
UDIN: A012288E000370162

Date: May 24, 2023

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	Dr. Sanjiv Goenka*	Chairman and Non-Executive Director	1	1
2	Mr. Shashwat Goenka*	Member and Non-Executive Director	1	1
3	Mr. Utsav Parekh	Member and Non-Executive Independent Director	1	1
4	Mr. Anuj Singh**	CEO and Managing Director	NA	NA

   * Dr. Sanjiv Goenka has decided to step down from the position of the Director w.e.f. May 22, 2023 (after the close of business hours). Consequently, the Board has decided and 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 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**

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES (Contd.)

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.

Dr. Sanjiv Goenka
Chairman
DIN: 00074796

Anuj Singh
CEO and Managing Director
DIN: 09547776

Kolkata, May 22, 2023

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 optimise 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 ₹ 87.22 Lakhs.

For and on behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
DIN 00074796

Kolkata, May 22, 2023

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 2022-23 – Dr. Sanjiv Goenka, Mr. Shashwat Goenka, Mr. Utsav Parekh, Mr. Pratip Chaudhari, Ms. Rekha Sethi, Mr. Debanjan Mandal Non-Executive Directors and Mr. Devendra Chawla and Mr. Rahul Nayak, Executive Directors to the median remuneration of employees of the Company for the financial year 2022-23 is 5.94:1, 6.93:1, 8.26:1, 4.29:1, 3.63:1, 3.96:1, 558.42:1 and 119.83:1. The percentage increase in remuneration of each director is 12.5%, 10.5%, 8.7%, 18.2%, 22.2%, -7.7%, 5.9% and 6.5% respectively. The increase in remuneration of Chief Financial Officer (CFO) is not applicable, since the current CFO has been appointed during the financial year 2021-22 and hence not been part of the last year's increment cycle. The percentage increase in remuneration of Company Secretary is not applicable, since the current Company Secretary has been appointed during the financial year 2022-23. Further the recently appointed CEO & MD, Mr. Anuj Singh's increse in remunaration is not applicable, since he was appointed at the end of financial year 2022-23.

During the said financial year, there was an increase of 6.63% in the median remuneration of employees on the rolls as at March 31, 2023. There were 4505 permanent employees on the rolls of Company as on March 31, 2023.

1) During the financial year 2022-23, the average increase in the remuneration was 6%.

2) The average % increase in the salaries of the employees on roll as at March 31, 2023 other than the managerial personnel was 5.63% in 2022-23, whereas managerial remuneration for the same financial year was 6.2%.

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

Dr. Sanjiv Goenka
Chairman
(DIN 00074796)

Kolkata, May 22, 2023

STANDALONE FINANCIAL STATEMENTS

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 2023, the Statement of Profit and Loss, including the statements of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its 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, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
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, 2023 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

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

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

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

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. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 23056102BGUUPB2002

Place of Signature: Kolkata
Date: May 22, 2023

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, 2023.

(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 14 to the 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 not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

(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 (Rs. 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

(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) Term loans of Rs. 259.13 lakhs was raised towards the end of the year (February 28, 2023) and hence have not been utilised by the end of the year. This matter has been disclosed in note 14 to the financial statements.

(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 Rs. 36,725.95 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 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 5 Core Investment Companies as a part of the Group.

(xvii) The Company has incurred cash losses amounting to Rs. 5,636.14 lakhs and Rs. Nil 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 financial statements, ageing and expected dates of realization 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: 23056102BGUUPB2002

Place of Signature: Kolkata
Date: May 22, 2023

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, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 23056102BGUUPB2002

Place of Signature: Kolkata
Date: May 22, 2023

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2023

Particulars	Note No.	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	12,796.33	13,199.83
Capital work in progress	3	195.32	580.13
Right-of-use assets	30	50,385.73	43,733.16
Other intangible assets	4	9,128.44	9,097.70
Financial assets			
(i) Investments	6	47,159.84	45,706.04
(ii) Other financial assets	10	3,682.56	4,091.01
Tax assets (net)		579.75	1,764.37
Other assets	11	115.67	111.18
Total non-current assets (A)		**124,043.64**	**118,283.42**
Current assets			
Inventories	5	22,865.16	22,899.96
Financial assets			
(i) Investments	6	2,021.05	2,077.68
(ii) Trade receivables	7	1,906.91	2,617.13
(iii) Cash and cash equivalents	8	1,166.84	1,374.98
(iv) Bank balances other than cash and cash equivalents	9	443.00	114.70
(v) Other financial assets	10	123.13	106.41
Other assets	11	2,703.71	2,247.53
Total current assets (B)		**31,229.80**	**31,438.39**
TOTAL ASSETS (A+B)		**1,55,273.44**	**1,49,721.81**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	4,506.60	4,506.60
Other equity	13	5,676.30	21,190.87
Total equity (C)		**10,182.90**	**25,697.47**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	14,167.74	9,289.73
(ii) Lease liabilities	30	57,015.98	51,522.66
(iii) Other financial liabilities	15	125.68	114.26
Provisions	19	1,459.33	1,392.67
Total non-current liabilities (D)		**72,768.73**	**62,319.32**
Current liabilities			
Contract liabilities	16	1,162.47	1,175.12
Financial liabilities			
(i) Borrowings	14	29,801.53	20,031.80
(ii) Lease liabilities	30	7,793.89	7,005.87
(iii) Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		54.78	73.42
- Total outstanding dues of creditors other than micro enterprises and small enterprises		29,801.45	29,129.69
(iv) Other financial liabilities	15	2,193.46	2,696.83
Other current liabilities	18	604.56	862.43
Provisions	19	909.67	729.86
Total current liabilities (E)		**72,321.81**	**61,705.02**
TOTAL EQUITY AND LIABILITIES (C+D+E)		**1,55,273.44**	**1,49,721.81**

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 22, 2023

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary

Place : Kolkata

Neelesh Bothra
Chief Financial Officer

Place : Kolkata

Date : May 22, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Notes	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
INCOME			
Revenue from operations	20	2,18,024.90	1,99,961.79
Other income	21	2,990.74	6,748.95
Total Income (I)		**2,21,015.64**	**2,06,710.74**
EXPENSES			
Cost of raw materials consumed	22	720.65	676.41
Purchases of stock-in-trade		1,75,961.99	1,59,700.61
Changes in inventories of finished goods and stock-in-trade	23	(49.11)	696.63
Employee benefits expense	24	16,432.45	15,210.71
Other expenses	25	24,515.65	21,928.97
Total Expenses (II)		**2,17,581.63**	**1,98,213.33**
Earnings before interest expenses, tax, depreciation and amortisation (EBITDA) [(I)-(II)]		**3,434.01**	**8,497.41**
Depreciation and amortisation expense	26	9,687.32	9,353.05
Finance costs	27	9,070.16	7,600.82
Loss before tax (III)		**(15,323.47)**	**(8,456.46)**
Tax expense			
Current tax		-	-
Deferred tax	33	-	-
Loss for the year (IV)		**(15,323.47)**	**(8,456.46)**
Other comprehensive income			
Items that will not be reclassified subsequently to Statement of profit and loss (net of taxes)			
Remeasurement of defined benefit plans (net of taxes)	35	(197.90)	(315.90)
Other comprehensive income for the year (V)		**(197.90)**	**(315.90)**
Total comprehensive income for the year [(IV)+(V)]		**(15,521.37)**	**(8,772.36)**
Earnings per share - Basic and Diluted	28	**(17.00)**	**(9.38)**
[Nominal value per equity share ₹ 5 (March 31, 2022 : ₹ 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 22, 2023

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata

Neelesh Bothra
Chief Financial Officer
Place : Kolkata

Date : May 22, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2023

A. EQUITY SHARE CAPITAL

	As at March 31, 2023		As at March 31, 2022	
	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 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**

	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, 2021	**55,965.23**	**(33,232.14)**	**7,196.57**	**18.63**	**29,948.29**
Loss for the year	-	(8,456.46)	-	-	(8,456.46)
Remeasurement of defined benefit plans	-	(315.90)	-	-	(315.90)
Addition on account of Spencer's Employee Stock Option Plan 2019 (ESOP 2019) (refer note 37)	-	-	-	14.94	14.94
Balance as at March 31, 2022	**55,965.23**	**(42,004.50)**	**7,196.57**	**33.57**	**21,190.87**

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 22, 2023

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata

Neelesh Bothra
Chief Financial Officer
Place : Kolkata

Date : May 22, 2023

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

Particulars	Notes	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Operating Activities			
Loss before tax		**(15,323.47)**	**(8,456.46)**
Adjustments :			
Depreciation and amortisation expense	26	9,687.32	9,353.05
Provision / (Reversal of Provision) for bad & doubtful debts / bad debts	25	6.57	(9.83)
Provision for doubtful store lease deposits	25	46.72	3.13
Provision for obsolete stocks / (reversal)		(513.57)	52.80
Finance costs	27	9,070.16	7,600.82
Fair value gain on investments measured at fair value through profit and loss (FVTPL)	21	(84.34)	(3,789.15)
Gain on sale of investments	21	(76.43)	(174.96)
Interest income	21	(449.83)	(361.71)
Reversal of net liability on termination of lease	21	(1,527.54)	(360.66)
Loss on sale of property, plant and equipment (net)	25	80.99	71.63
Covid - 19 related rent concessions	21	(73.14)	(532.94)
Cash from operations before working capital changes		**843.44**	**3,395.72**
Working capital changes:			
Decrease in inventories		548.37	628.91
Decrease in trade receivables		703.65	538.23
Decrease in other financial assets		76.31	178.75
Increase in other assets		(463.69)	(274.44)
Increase in trade payables		653.12	1,858.98
(Decrease)/increase in financial liabilities		(542.40)	122.04
(Decrease)/increase in other current liabilities		(257.88)	2.61
(Decrease)/increase in contract liabilities		(12.65)	274.48
Increase/(decrease) in provisions		30.42	(589.80)
Cash flow generated from operating activities		**1,578.69**	**6,135.48**
Income taxes refund (net)		1,301.95	181.92
Net cash generated from operating activities (A)		**2,880.64**	**6,317.40**
Investing Activities			
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances		(2,112.11)	(1,734.10)
Proceeds from sale of property, plant and equipment		84.59	75.90
Investment in subsidiary companies		(1,380.00)	(6,570.00)
Investment in alternative investment fund		(30.00)	(75.00)
Proceeds from alternative investment fund		6.23	143.64
Purchase of mutual fund units		(4,501.20)	(12,355.00)
Proceeds from sale of mutual fund units		4,668.57	10,363.80
Investment in bank deposits		(362.00)	(30.00)
Redemption / maturity of bank deposits		142.40	324.78
Interest received		12.44	8.41
Net cash used in investing activities (B)		**(3,471.08)**	**(9,847.57)**
Financing Activities			
Payment of lease liabilities (principal)		(5,216.00)	(5,014.13)
Proceeds from non-current borrowings		9,344.07	8,850.05
Repayment of non-current borrowings		(2,366.67)	(666.66)
Net movement in current borrowings		7,670.34	3,949.77
Interest paid		(9,049.44)	(7,485.68)

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	Notes	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Net cash generated from/(used in) financing activities (C)		**382.30**	**(366.65)**
Net decrease in cash and cash equivalents (A+B+C)		**(208.14)**	**(3,896.82)**
Cash and cash equivalents at the beginning of the year		1,374.98	5,271.80
Cash and cash equivalents at the end of the year		**1,166.84**	**1,374.98**
Components of cash and cash equivalents :			
Balance with banks			
- In current accounts		518.87	726.38
Balance with credit card, e-wallet companies and others		399.23	368.84
Cash on hand		248.74	279.76
Total cash and cash equivalents (refer note 8)		**1,166.84**	**1,374.98**

Change in liabilities arising from financing activities :

₹ in Lakhs

Particulars	As at April 01, 2022	Cash flows Inflow/(outflow)	Non-cash changes	As at March 31, 2023
Other Financial Liabilities - Preference Shares (refer note 15)	114.26	-	11.41	125.67
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

₹ in Lakhs

Particulars	As at April 01, 2021	Cash flows Inflow/(outflow)	Non-cash changes	As at March 31, 2022
Other Financial Liabilities - Preference Shares	103.87	-	10.39	114.26
Non current borrowings (includes current maturities of long term borrowings)	3,373.01	8,183.39	-	11,556.40
Current Borrowings (excludes current maturities of long term borrowings)	13,815.36	3,949.77	-	17,765.13
Lease Liabilities [refer note 30]	59,334.78	(5,014.13)	4,207.88	58,528.53

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 22, 2023

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata

Neelesh Bothra
Chief Financial Officer
Place : Kolkata

Date : May 22, 2023

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

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, 2023, 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, 2023 were approved for issuance in accordance with the resolution passed by the Board of Directors on May 22, 2023.

(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

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (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 Significant accounting policies

(a) Current and non-current classification

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle or
- Held primarily for the purpose of trading or
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

(b) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of initial transaction. Exchange differences are recognised in the Statement of Profit and Loss in the year in which they arise.

(c) Property, plant and equipment (PPE)

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price inclusive of 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.

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The company has applied this amendment to annual reporting periods beginning on or after 1 April 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

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) New and amended standards

Amendments and interpretations as outlined below apply for the year ended March 31, 2023, but do not have an impact on the Financial Statements.

a. Ind AS 109: Financial Instruments- Fees in the '10 per cent' test for derecognition of financial liabilities

b. Ind AS 101: First-time Adoption of Indian Accounting Standards- Subsidiary as a first-time adopter

c. Ind AS 103: Business combinations

d. Ind AS 16: Property, Plant and Equipment : Proceeds before Intended Use

e. Ind AS 37: Onerous Contracts – Costs of Fulfilling a Contract

f. Ind AS 41: Agriculture – Taxation in fair value measurements

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (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, 2021	**13,235.09**	**5,977.06**	**2,634.72**	**19.55**	**8,786.92**	**162.58**	**30,815.92**
Additions during the year	735.34	110.12	106.16	-	443.05	8.54	1,403.21
Disposals during the year	128.92	260.78	42.17	-	205.40	13.74	651.01
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**
Accumulated depreciation							
As at March 31, 2021	**6,598.49**	**2,650.28**	**1,982.64**	**19.02**	**4,814.85**	**62.40**	**16,127.68**
Depreciation for the year (refer note 26)	1,247.92	566.06	196.06	-	729.57	6.67	2,746.28
Disposals for the year	122.90	169.27	38.38	-	162.07	13.05	505.67
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**
Net carrying amount							
As at March 31, 2023	**6,254.27**	**2,482.61**	**589.11**	**0.53**	**3,349.46**	**120.35**	**12,796.33**
As at March 31, 2022	**6,118.00**	**2,779.33**	**558.39**	**0.53**	**3,642.22**	**101.36**	**13,199.83**

Note : Refer note 14 for hypothecation of Property, plant and equipment.

Capital work in progress (CWIP)

₹ in Lakhs

As at March 31, 2021	**178.93**
Addition during the year	661.29
Less : Capitalised to Property, plant and equipment and intangible assets during the year	260.09
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**

CWIP Ageing Schedule

₹ in Lakhs

	0-1 year	1-2 years	2-3 years	More than 3 years	Total
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**
As at March 31, 2022					
Upcoming stores	554.51	17.91	**7.71**	-	**580.13**
	554.51	**17.91**	**7.71**	**-**	**580.13**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

4. OTHER INTANGIBLE ASSETS

₹ in Lakhs

	Computer softwares	Know-how and licenses	Designs	Brand	Total
Gross carrying amount					
As at March 31, 2021	**1,032.50**	**257.82**	**440.80**	**8,625.00**	**10,356.12**
Additions during the year	27.52	-	83.06	-	110.58
Disposals during the year	5.68	-	-	-	5.68
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**
Accumulated amortisation					
As at March 31, 2021	**673.32**	**226.79**	**220.09**	**-**	**1,120.20**
Amortisation for the year (refer note 26)	92.07	-	154.53	-	246.60
Disposals for the year	3.48	-	-	-	3.48
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**
Net carrying amount					
As at March 31, 2023	**378.50**	**31.03**	**93.91**	**8,625.00**	**9,128.44**
As at March 31, 2022	**292.43**	**31.03**	**149.24**	**8,625.00**	**9,097.70**

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 the lower of cost and net realisable value)

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Raw materials	57.51	48.11
Finished goods	46.17	46.88
Stock-in-trade	22,476.03	22,426.21
Packing materials	285.45	378.76
	22,865.16	**22,899.96**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

6. INVESTMENTS

		As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(i)	**Non-current**		
	Unquoted		
	Investments in equity instruments		
	Wholly owned subsidiaries : (At FVTOCI)*		
	Natures Basket Limited : 57,31,80,000 equity shares (March 31, 2022: 55,93,80,000 equity shares) of ₹ 10 each, fully paid up	30,299.84	28,919.84
	Omnipresent Retail India Private Limited : 8,60,96,569 equity shares (March 31, 2022: 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, 2022: 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 : 1,335.260 units (March 31, 2022: 1,323.996 units) of face value ₹ 100,000 each	7,335.42	7,261.62
		47,159.84	**45,706.04**
(ii)	**Current**		
	Quoted		
	Investment in mutual fund (at FVTPL)		
	ICICI Prudential Liquid Fund - Direct Plan - Growth: 6,06,585.053 Units of ₹ 333.185 each (March 31, 2022 : 6,59,044.69 Units of ₹ 315.26 each)	2,021.05	2,077.68
		2,021.05	**2,077.68**

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Aggregate value of unquoted investments	47,159.84	45,706.04
Aggregate market value of quoted investments	2,021.05	2,077.68

Refer note 38 for information about fair value measurements and credit and market risk on investments.

*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 derecognized. 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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Considered good	1,906.91	2,617.13
Significant increase in credit risk	135.85	2,646.11
	2,042.76	5,263.24
Impairment allowance:		
Significant increase in credit risk	(135.85)	(2,646.11)
	1,906.91	**2,617.13**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

7. TRADE RECEIVABLES (continued)

Trade receivables Ageing Schedule

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	6months -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**

As at March 31, 2022

₹ in Lakhs

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6months -1year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	449.69	1,838.11	-	322.07	0.33	6.93	2,617.13
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	72.19	324.37	2,204.31	45.24	2,646.11
	449.69	**1,838.11**	**72.19**	**646.44**	**2,204.64**	**52.17**	**5,263.24**

Refer note 36 for receivables from related parties.

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.

*Amount is lesser than the rounding off norms followed by the Company.

8. CASH AND CASH EQUIVALENTS

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Balance with banks		
- in current accounts	518.87	726.38
Balance with credit card, e-wallet companies and others	399.23	368.84
Cash on hand	248.74	279.76
	1,166.84	**1,374.98**

9. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Deposits with original maturity of more than 3 months and less than 12 months*	443.00	114.70
	443.00	**114.70**

* marked as lien with Banks and various authorities for working capital facilities, licenses etc.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

10. OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless otherwise stated)

		As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(i)	**Non-current**		
	Security Deposits		
	- Considered good	3,502.91	3,799.00
	- Significant increase in credit risk	53.76	51.32
	- Credit impaired	249.17	223.21
		3,805.84	4,073.53
	Impairment allowance:		
	- Significant increase in credit risk	(53.76)	(51.32)
	- Credit impaired	(249.17)	(223.21)
		(302.93)	(274.53)
		3,502.91	3,799.00
	Margin money deposit*	66.25	174.95
	Interest accrued on bank deposits	11.40	15.06
	Advance to Spencer's Employee Benefit Trust (ESOP Trust) (refer note 37)	102.00	102.00
		3,682.56	**4,091.01**
(ii)	**Current**		
	Interest accrued on bank deposits	15.60	9.61
	Advances to employees	26.81	22.65
	Other receivables	80.72	74.15
		123.13	**106.41**

* Margin money deposit are encumbered with banks against bank guarantees.

11. OTHER ASSETS

(Unsecured, considered good)

		As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(i)	**Non-current**		
	Capital advances	106.92	91.62
	Deposits for claims and tax disputes	8.75	19.56
		115.67	**111.18**
(ii)	**Current**		
	Advances for goods and services	1,029.49	1,093.59
	Prepaid expenses	485.77	366.27
	Balance with Statutory / Government authorities	1,188.45	787.67
		2,703.71	**2,247.53**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

12. EQUITY SHARE CAPITAL

	As at March 31, 2023		As at March 31, 2022	
	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, 2023		As at March 31, 2022	
	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, 2023		As at March 31, 2022	
	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, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
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, 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%	-

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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
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%**	**-**
As at March 31, 2022						
1	Rainbow Investments Limited	3,96,04,042	-	3,96,04,042	43.94%	0.00%
2	Stel Holdings Limited	43,96,082	-	43,96,082	4.88%	0.00%
3	Castor Investments Limited	20,60,661	3,30,000	23,90,661	2.65%	16.01%
4	Quest Capital Markets Limited	-	17,41,508	17,41,508	1.93%	100.00%
5	PCBL Limited	11,46,613	-	11,46,613	1.27%	0.00%
6	Saregama India Limited	8,56,790	1,93,800	10,50,590	1.17%	22.62%
7	Integrated Coal Mining Limited	24,56,247	-	24,56,247	2.73%	0.00%
8	Kolkata Metro Networks Limited	1,93,800	-1,93,800	-	0.00%	-100.00%
9	Dotex Merchandise Private Limited	28,107	-	28,107	0.03%	0.00%
10	Lebnitze Real Estates Private Limited	-	1,399	1,399	0.00%	100.00%
11	Sanjiv Goenka (HUF)	8,360	-	8,360	0.01%	0.00%
12	Sanjiv Goenka	91,659	-	91,659	0.10%	0.00%
13	Shashwat Goenka	75,756	-	75,756	0.08%	0.00%
14	Preeti Goenka	17,150	-	17,150	0.02%	0.00%
15	Avarna Jain	340	-	340	0.00%	0.00%
		5,09,35,607	**20,72,907**	**5,30,08,514**	**58.81%**	**4.07%**

(f) None of the shares were issued at bonus or brought back by the Company since incorporation.

13. OTHER EQUITY

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ 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	33.57	18.63
Addition on account of ESOP 2019 (refer note 37)	6.80	14.94
Balance as at end of the year (c)	**40.37**	**33.57**
Retained earnings		
Balance as at beginning of the year	(42,004.50)	(33,232.14)
Loss for the year	(15,323.47)	(8,456.46)
Remeasurement of defined benefit plans	(197.90)	(315.90)
Balance as at end of the year (d)	**(57,525.87)**	**(42,004.50)**
Total Other Equity (a) + (b) + (c) + (d)	**5,676.30**	**21,190.87**

Note :

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Non- Current Borrowings		
(Secured)		
Term Loan from Banks	18,700.00	11,666.67
Less: Current maturities of long term borrowings	(4,366.06)	(2,266.67)
Less Unamortised borrowings costs	(166.20)	(110.27)
	14,167.74	**9,289.73**

1. Security & other terms

Out of the term loan from banks:

a) ₹ 1,000.00 Lakhs (March 31, 2022 : ₹ 1,666.67 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) ₹ 4,800.00 Lakhs (March 31, 2022 : ₹ 6,000.00 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 15 months from the date of first disbursement in 20 equal quarterly installments.

c) ₹ 4,500.00 Lakhs (March 31, 2022 : ₹ 4,000.00 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 12 months from the date of first disbursement in 20 equal quarterly installments.

d) ₹ 5,000.00 Lakhs (March 31, 2022 : Nil) 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) ₹ 1,400.00 Lakhs (March 31, 2022 : Nil) 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) ₹ 2,000.00 Lakhs (March 31, 2022 : Nil) 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.

Interest rate on loans from banks varies from 9.20% p.a. to 10.20% p.a

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

₹ in Lakhs

d) Maturity profile of non current borrowings outstanding as at year end	As at March 31, 2023	As at March 31, 2022
Payable within 1 year	4,366.06	2,266.67
Payable between 1 to 3 years	8,625.64	5,000.00
Payable between 3 to 5 years	5,475.06	4,000.00
Payable beyond 5 years	233.24	400.00

2. Term loans were applied for the purpose for which the loans were obtained except for idle funds amounting to ₹ 259.13 Lakhs (March 31, 2022 : 1,001.00 lakhs) which were not required for immediate utilisation and which have been gainfully invested in highly liquid investments.

3. 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, 2023. On the basis of its past track record of timely interest and principal repayment, the Company, as at year end 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. The management does not expect the banks to take any action as a consequence of non-compliance of such ratio and accordingly, 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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
a. Secured		
Working Capital Loan from Bank	12,296.47	9,500.00
Invoice financing facility from Bank	8,230.38	8,265.13
Current maturities of long term borrowings	4,366.06	2,266.67
b. Unsecured		
Invoice financing facility from Bank	4,908.62	-
	29,801.53	**20,031.80**

1. Security & other terms

a) ₹ 7,688.25 Lakhs (March 31, 2022 : ₹ 4,500.00 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) ₹ 4,608.22 Lakhs (March 31, 2022 : ₹ 5,000.00 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) ₹ 7,282.92 Lakhs (March 31, 2022 : ₹ 8,265.13 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.

d) ₹ 947.46 Lakhs (March 31, 2022 : 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 90 days.

e) ₹ 4,908.62 Lakhs (March 31, 2022 : Nil) Invoice financing facility from Bank is unsecured. Loan is payable in maximum period of 120 days.

Interest rate on loans from banks varies from 9.00% p.a. to 9.95% p.a.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

15. OTHER FINANCIAL LIABILITIES

(i) Non Current

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ 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, 2022 : 5,00,000 shares) issued pursuant to the Scheme (refer note 13 (a))	125.68	114.26
	125.68	**114.26**

Rights, preferences and restrictions attached to preference shares :

The non-cumulative non-convertible redeemable 500,000 preference shares of ₹ 100 each carrying dividend @ 0.01% per annum is redeemable at par after 20 years from the date of allotment.

(ii) Current

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Interest accrued but not due on borrowings	164.76	180.41
Sundry deposits	254.03	352.37
Liability for capital goods	198.54	143.84
Payable to employees	1,510.91	1,748.61
Others	65.22	271.60
	2,193.46	**2,696.83**

16. CONTRACT LIABILITIES

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Advances from customers	1,162.47	1,175.12
	1,162.47	**1,175.12**

17. TRADE PAYABLES

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Total outstanding dues of micro enterprises and small enterprises (refer note 31)	54.78	73.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	29,801.45	29,129.69
	29,856.23	**29,203.11**

Refer note 36 for dues to related parties.

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Trade payable Ageing Schedule

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**

As at March 31, 2022

₹ 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	39.38	15.03	17.73	1.28	73.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,407.29	1,800.30	682.27	1,239.83	29,129.69
	25,446.67	**1,815.33**	**700.00**	**1,241.11**	**29,203.11**

18. OTHER CURRENT LIABILITIES

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Statutory dues	588.57	622.51
Others	15.99	239.92
	604.56	**862.43**

19. PROVISIONS

(i) Non-current

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Provisions for employee benefits		
Provision for gratuity (refer note 35)	692.17	626.43
Provision for compensated absences	349.50	361.29
	1,041.67	**987.72**
Other provisions		
Provision for decommissioning liability [refer note (a) below]	417.66	404.95
	1,459.33	**1,392.67**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

19. PROVISIONS (continued)

(ii) Current

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Provisions for employee benefits		
Provision for gratuity (refer note 35)	133.08	0.87
Provision for compensated absences	289.27	220.07
	422.35	**220.94**
Other provisions		
Provision for tax disputes [refer note (b) below]	27.21	48.81
Provision for claims on leased properties [net of amount deposited - refer note (c) below]	460.11	460.11
	487.32	**508.92**
	909.67	**729.86**

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, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Opening balance	**404.95**	**378.24**
Provision (reversed / utilised) / created during the year	(12.24)	2.27
Interest expense during the year	24.95	24.44
Closing balance	**417.66**	**404.95**

(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, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Opening balance	**48.81**	**27.47**
Provision (reversed / utilised) / created during the year	(21.60)	21.60
Paid during the year	-	(0.26)
Closing balance *	**27.21**	**48.81**

* Net of deposits as at March 31, 2023 ₹ 24.26 Lakhs (March 31, 2022: ₹ 29.26 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. Company had reversed the excess liability in the books.

The Company has also been making provision for service tax on rent from October 2011 onwards, the balance whereof as on March 31, 2023 is ₹ 460.11 Lakhs (March 31, 2022: ₹ 460.11 Lakhs).

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Balance as at the start and end of year	460.11	1,183.05
Provision reversed during the year (refer above)	-	(722.94)
Closing balance	**460.11**	**460.11**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

20. REVENUE FROM OPERATIONS

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Revenue from contract with customers		
Sale of goods	2,28,093.42	2,08,042.52
Sale of concessionaire products	3,516.56	2,950.06
Total	**2,31,609.98**	**2,10,992.58**
Less: Goods & Services Tax	(20,386.76)	(17,944.32)
Less: Cost of goods sold for concessionaire products	(2,768.61)	(2,315.33)
	2,08,454.61	**1,90,732.93**
Other operating revenue		
- Display income	6,179.60	5,932.24
- Others	3,390.69	3,296.62
Total revenue from contract with customers	**2,18,024.90**	**1,99,961.79**

21. OTHER INCOME

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Interest income on		
- Bank deposits	14.77	23.60
- Security deposits	317.73	333.64
- Others	117.33	4.47
Gain on sale of investments	76.43	174.96
Fair value gain on investments measured at FVTPL	84.34	3,789.15
Reversal of net liability on termination of lease	1,527.54	360.66
Covid - 19 related rent concessions [refer note 2.2(p) & 30]	73.14	532.94
Miscellaneous income *	779.46	1,529.53
	2,990.74	**6,748.95**
* includes provision / liabilities no longer required written back.		

22. COST OF RAW MATERIALS CONSUMED

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Inventories at the beginning of the year	48.11	60.76
Purchases during the year	730.05	663.76
	778.16	724.52
Less: Inventories at the end of the year	57.51	48.11
	720.65	**676.41**

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Inventories at the beginning of the year	22,473.09	23,169.72
Less: Inventories at the end of the year	22,522.20	22,473.09
	(49.11)	**696.63**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

24. EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Salaries, wages and bonus *	14,754.90	13,686.74
Gratuity defined benefit plan [refer note 35]	117.59	104.14
Contribution to provident and other funds	993.27	879.33
Staff welfare expenses	566.69	540.50
	16,432.45	**15,210.71**

* Net of ₹ 108.00 Lakhs (March 31, 2022 : ₹ 138.55 Lakhs) claimed as subsidy under National Apprenticeship Promotion Scheme (NAPS).

25. OTHER EXPENSES

	For the year ended March 31, 2023 ₹ in Lakhs		For the year ended March 31, 2022 ₹ in Lakhs	
Power and fuel		4,544.51		3,898.01
Freight		163.01		215.31
Rent [refer note 2.2(p) & 30]		2,700.58		2,175.13
Repairs and maintenance				
- Buildings		429.71		307.89
- Others		3,120.01		2,936.11
Insurance		48.82		117.15
Rates and taxes		497.14		398.90
Advertisement and selling expenses		3,134.08		2,870.01
Packing materials consumed		797.31		676.63
Travelling and conveyance		496.96		305.39
Payment to auditors				
As auditor				
- Audit fees	86.54		86.54	
- Tax audit fees	10.75		10.75	
- Limited Review	20.10		19.35	
- Other services	-		0.81	
- Reimbursement of expenses	4.15	121.54	1.63	119.08
Communication expenses		227.54		230.30
Printing and stationery		282.05		232.53
Legal and consultancy expenses		728.54		434.32
Commission on sales		2,051.39		2,220.85
Housekeeping expenses		2,461.53		2,338.35
Security expenses		1,738.61		1,591.41
Provision for doubtful store lease deposits		46.72		3.13
Loss on sale of property, plant and equipment (net)		80.99		71.63
Provision for bad & doubtful debts (net)				
- Bad debts written off	2,516.83		733.99	
- (Adjustment) / Creation:Provision for bad & doubtful debts	(2,510.26)	6.57	(743.82)	(9.83)
Miscellaneous expenses		838.04		796.67
		24,515.65		**21,928.97**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

26. DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Depreciation of property, plant and equipment (refer note 3)	2,557.16	2,746.28
Depreciation on right-of-use assets (refer note 30)	6,943.83	6,360.17
Amortisation of intangible assets (refer note 4)	186.33	246.60
	9,687.32	**9,353.05**

27. FINANCE COSTS

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Interest expense on		
- Borrowings	3,151.22	2,101.97
- Lease liabilities (refer note 30)	5,304.10	5,054.82
- Non-cumulative non-convertible redeemable preference shares	11.42	10.39
- Decommissioning liability	24.95	24.44
- Others	41.48	20.49
Other costs	536.99	388.71
	9,070.16	**7,600.82**

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, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Loss for the year (A) (₹ in Lakhs)	(15,323.47)	(8,456.46)
Weighted average number of equity shares (B)	9,01,32,009	9,01,32,009
Earnings per share – basic and diluted (face value of ₹ 5 each) (C = A/B)	(17.00)	(9.38)

29. COMMITMENTS AND CONTINGENCIES

(a) Contingent liabilities

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ 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	36.91	230.77
(ii) Claims against the Company not acknowledged as debt	4,738.01	4,452.45

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, 2022 : ₹ 5,500.00 lakhs). The outstanding amount as at year end in the books of subsidiary is ₹ 4,629.78 lakhs (March 31, 2022 : ₹ 3,437.50 lakhs).

(b) Commitments

		As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(i)	Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	288.73	111.52
(ii)	For Investments - Others	67.50	97.50

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, 2023 ₹ in Lakhs	Buildings As at March 31, 2022 ₹ in Lakhs
Opening Balance	43,733.16	44,744.43
Additions [refer note (i) below]	14,727.90	7,243.81
Deletions [refer note (ii) below]	(1,131.50)	(1,894.91)
Depreciation (refer note 26)	(6,943.83)	(6,360.17)
Closing balance	**50,385.73**	**43,733.16**

(i) Includes ₹ 562.85 Lakhs (March 31, 2022: ₹ 364.89 Lakhs) on account of prepaid expenses on fair valuation of security deposits.

(ii) Includes ₹ 64.47 Lakhs (March 31, 2022: ₹ 117.47 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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Opening Balance	58,528.53	59,334.78
Additions	14,165.05	6,878.92
Interest expenses incurred for the year (refer note 27)	5,304.10	5,054.82
Deletions	(2,594.57)	(2,138.10)
Covid - 19 related rent concessions [refer note (iii) below]	(73.14)	(532.94)
Payment of lease liabilities [refer note (iv) below]	(10,520.10)	(10,068.95)
Closing balance	**64,809.87**	**58,528.53**

(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 ₹ 73.14 Lakhs (March 31, 2022 : ₹ 532.94 Lakhs) in "Other income" (refer note 21).

The Company has further adjusted rent concessions amounting to ₹ Nil Lakhs (March 31, 2022 : ₹ 21.48 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 ₹ 5304.10 Lakhs (March 31, 2022: ₹ 5,054.82 Lakhs) on account of interest expenses.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

30. IND AS - 116 LEASES (continued)

(v) The following is the break-up of current and non-current lease liabilities

Lease Liabilities :

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Current lease liabilities	7,793.89	7,005.87
Non-current lease liabilities	57,015.98	51,522.66
Total	**64,809.87**	**58,528.53**

(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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Less than one year	13,176.95	11,804.07
One to five years	35,246.19	32,659.63
More than five years	62,528.58	54,232.22
Total	**1,10,951.72**	**98,695.92**

(vii) The effective discount rate for lease liabilities is 9.28% p.a.

(viii) The table below provides details of amount recognised in Statement of profit and loss :

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Depreciation on Right-of-use assets (refer note 26)	6,943.83	6,360.17
Interest expenses on lease liabilities (refer note 27)	5,304.10	5,054.82
Rental expenses (excluding taxes) recorded for short term leases (refer note 25)	128.41	110.04
Rental expenses (excluding taxes) recorded for variable leases (refer note 25)	2,083.45	1,587.49
Total	**14,459.79**	**13,112.52**

(ix) The Company had total cash outflows for leases of ₹ 12,731.96 Lakhs for the year ended March 31, 2023 (March 31, 2022 - ₹ 11,766.48 Lakhs).

31. INFORMATION RELATING TO MICRO AND SMALL ENTERPRISES (MSMEs):

	Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ 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	9.18	36.83
	Interest	3.32	3.56
(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	140.56	198.73
	Interest	5.68	4.92
(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.	36.59	28.11

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(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.	45.60	36.59

32. CONTRACT BALANCES UNDER IND AS 115

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Trade receivables	1,906.91	2,617.13
Contract liabilities	1,162.47	1,175.12

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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(a)	**Deferred tax relating to assets and liabilities:**		
	-Deferred tax liabilities		
	Unamortised Borrowing Cost	(58.08)	(38.53)
	Fair value gain on investment	(2,100.63)	(2,074.84)
	Right-of-use assets	(17,606.79)	(15,282.12)
	Total	**(19,765.50)**	**(17,395.49)**
	-Deferred tax assets		
	Property, plant and equipment and other intangible assets	3.21	54.20
	Carry forward business losses / unabsorbed depreciation	39,347.25	36,475.41
	Disallowance under Tax Laws	588.39	488.15
	Lease Liabilities	22,647.16	20,452.21
	MAT (Minimum Alternative Tax) credit entitlement	141.34	141.34
	Others	628.52	1,670.80
	Total	**63,355.87**	**59,282.11**
	-Deferred tax assets (net)	**43,590.37**	**41,886.62**
	-Unrecognised Deferred tax assets (net)*	**43,590.37**	**41,886.62**
	-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, reconciliation between effective tax rate and statutory rate of tax is not disclosed.

(c) The Company has tax losses of ₹ 49,244.00 Lakhs (March 31, 2022 : ₹ 43,984.39 Lakhs) and unabsorbed depreciation of ₹ 63,354.67 Lakhs (March 31, 2022 : ₹ 60,398.09 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 11 years (March 31, 2022: 12 years).

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

34. SEGMENT INFORMATION

The Company has a single operating segment i.e. organised retailing. The Company at present operates only in India and therefore the analysis of geographical segment is not applicable to the Company. There are no customers contributing more than 10% of Revenue from operations.

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 amounts recognised in the balance sheet and the movements in the net defined benefit obligation are as follows :

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
(a) Reconciliation of present value of defined benefit obligations		
Balance at the beginning of the year	858.13	602.22
Current service cost	117.59	104.14
Interest cost	45.41	35.07
Benefits paid	(150.33)	(195.26)
Actuarial (gain) / loss on defined benefit obligations	150.94	311.96
Balance at the end of the year	**1,021.74**	**858.13**
(b) Reconciliation of fair value of plan assets		
Balance at the beginning of the year	230.83	215.45
Interest income	12.95	14.58
Contributions by employer	150.00	200.00
Benefits paid	(150.33)	(195.26)
Actuarial gains / (losses)	(46.96)	(3.94)
Balance at the end of the year	**196.49**	**230.83**
(c) Net defined benefit liabilities / (assets)		
Present value of defined benefit obligations	1,021.74	858.13
Fair value of plan assets	(196.49)	(230.83)
Net defined benefit liabilities [refer note 19]	**825.25**	**627.30**
(d) Expense recognised in the statement of Profit or Loss		
Current service cost	117.59	104.14
Interest cost	45.41	35.07
Interest income	(12.95)	(14.58)
	150.05	**124.63**
(e) Remeasurement recognised in Other Comprehensive Income		
Actuarial loss on defined benefit obligations	150.94	311.96
Actuarial (gain) / loss on plan assets	46.96	3.94
	197.90	**315.90**
(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%

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

35. ASSETS AND LIABILITIES RELATING TO EMPLOYEE DEFINED BENEFITS (continued)

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
(g) Actuarial assumptions		
Discount rate	7.00%	5.80%
Expected rate of return on assets	7.00%	6.95%
Future compensation growth	6.00%	4.60%
Average expected future service	27 years	27 years
Employee turnover	Ranging grade wise from 10% to 86%	Ranging grade wise from 12% to 67%

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 ₹ 133.08 Lakhs (March 31, 2022: ₹ 230.69 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, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
(i) Discount rate (0.5% movement)	(15.22)	15.80	(13.89)	14.40
(ii) Future salary (0.5% movement)	15.95	(15.49)	14.54	(14.15)
(iii) Mortality (10% movement)	0.00*	(0.00)*	0.06	(0.06)
(iv) Attrition rate (0.5% movement)	(1.37)	0.47	(0.78)	0.77

* Amount is lesser than the 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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Within 12 months	333.25	230.69
Between 1 to 5 years	769.65	680.11
Between 6 to 10 years	607.46	579.07
Beyond 10 years	557.11	342.94
Total	**2,267.47**	**1,832.81**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

35. ASSETS AND LIABILITIES RELATING TO EMPLOYEE DEFINED BENEFITS (continued)

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 ₹ 819.66 Lakhs (March 31, 2022: ₹ 717.03 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)	Au Bon Pain Café India Limited	12)	RPSG Resource Private Limited (previously known as Accurate Commodeal Private Limited)
	2)	Bowlopedia Restaurants India Limited	13)	Saregama India Limited
	3)	CESC Limited	14)	Eminent Electricty Distribution Limited
	4)	First Source Solutions Limited	15)	RPSG Sports Private Limited
	5)	Guiltfree Industries Limited	16)	Haldia Energy Limited
	6)	RPSG Ventures Limited	17)	Great Wholesale Club Limited - Gratuity fund
	7)	Open Media Network Private Limited	18)	ATK - Mohan Bagan Private Limited
	8)	Integrated Coal Mining Limited	19)	Herbolab India Private Limited
	9)	PCBL Limited (Formerly known as Phillips Carbon Black Limited	20)	Noida Power Company Limited
	10)	Quest Properties India Limited	21)	Woodland Multispeciality Hospitals Private Limited
	11)	RPG Power Trading Co. Limited	22)	PCBL (TN) Limited
(iv)	**Key Managerial Personnel**			
	1)	Sanjiv Goenka - Non-Executive Director and Chairman	7)	Devendra Chawla - Chief Executive Officer & Managing Director (upto January 20, 2023)
	2)	Shashwat Goenka - Non-Executive Director	8)	Rahul Nayak - Whole-time Director
	3)	Utsav Parekh - Independent Director	9)	Rama Kant - Company Secretary (upto October 10, 2022)
	4)	Pratip Chadhuri - Independent Director	10)	Neelesh Bothra - Chief Financial Officer (w.e.f. 9th February 2022)
	5)	Rekha Sethi - Independent Director	11)	Vikash Kumar Agarwal - Company Secretary (w.e.f. 14th February 2023)
	6)	Debanjan Mandal - Independent Director	12)	Anuj Singh - Chief Executive Officer & Managing Director (w.e.f. March 22, 2023)

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(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, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Transactions :								
Investment in subsidiaries	1,380.00	6,570.00	-	-	-	-	-	-
Sale of goods	226.76	160.90	642.59	444.97	-	-	-	-
Purchases of stock-in-trade	93.38	30.24	214.21	257.85	-	-	-	-
Rendering of services	-	-	1,131.62	1,170.81	-	-	-	-
Contribution for Gratuity fund	-	-	158.98	200.00	-	-	-	-
Commission paid	2,282.31	2,512.05	-	-	-	-	-	-
Receiving of services	-	-	48.17	16.42	-	-	-	-
Remittances	4.22	12.22	92.63	238.16	-	-	-	-
License fees	-	-	59.40	59.00	-	-	-	-
Electricity expenses	-	-	312.29	251.29	-	-	-	-
Recovery of expenses incurred	434.34	1,127.84	-	5.57	-	-	-	-
Balances written back	-	-	-	31.57	-	-	-	-
Balances written off	-	-	-	38.04	-	-	-	-
Rent income	82.59	81.19	-	-	-	-	-	-
Rent expenses	36.67	40.88	1,055.83	904.74	-	-	-	-
Short term employee benefits	-	-	-	-	1,154.28	1,103.41	-	-
Retirement benefits	-	-	-	-	42.89	32.94	-	-
Reimbursement of expenses	-	119.66	16.38	-	49.18	42.60	-	-
Sitting fees to directors	-	-	-	-	50.00	45.50	-	-

₹ 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	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Balances outstanding :								
Receivable against sale of goods	92.51	71.52	22.15	49.31	-	-	-	-
Payable for purchases of stock-in-trade	-	-	44.63	37.03	-	-	-	-
Receivable against reimbursement	-	-	-	11.52	-	-	-	-
Payable for commission expenses	518.61	616.77	-	-	-	-	-	-
Advance for goods and services	-	-	-	34.20	-	-	-	-
Payable for services received	-	-	1.28	0.18	-	-	-	-
Payable for remittances	-	-	117.78	242.95	-	-	-	-
Security deposit receivable	-	67.46	145.95	146.62	-	-	-	-
Receivable from ESOP Trust	102.00	102.00	-	-	-	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

36. RELATED PARTY DISCLOSURE (continued)

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 ₹ 6.80 Lakhs (March 31, 2022 : ₹ 14.94 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).

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.

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, 2023 ₹	As at March 31, 2022 ₹
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	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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

37. SHARE BASED PAYMENTS (continued)

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, 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
Outstanding as on April 01, 2021	83.57	1,20,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding as on March 31, 2022	83.57	1,20,000
Exercisable as on March 31, 2022	-	-
Vested as on March 31, 2022	83.57	30,000

D. Expenses arising from equity settled share based payments transactions :

Particulars	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Amount recognised in statement of profit and loss	6.80	14.94

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, 2023				As at March 31, 2022			
	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total
Financial assets								
Investments								
- Equity shares (unquoted)	-	-	39,824.42	**39,824.42**	-	-	38,444.42	**38,444.42**
- Alternative Investment Fund	-	7,335.42	-	**7,335.42**	-	7,261.62	-	**7,261.62**
- Mutual fund	-	2,021.05	-	**2,021.05**	-	2,077.68	-	**2,077.68**
Trade receivables	1,906.91	-	-	**1,906.91**	2,617.13	-	-	**2,617.13**
Cash and cash equivalents	1,166.84	-	-	**1,166.84**	1,374.98	-	-	**1,374.98**
Bank balances other than cash and cash equivalents	443.00	-	-	**443.00**	114.70	-	-	**114.70**
Other financial assets	3,805.69	-	-	**3,805.69**	4,197.43	-	-	**4,197.43**
Total financial assets	**7,322.44**	**9,356.47**	**39,824.42**	**56,503.33**	**8,304.24**	**9,339.30**	**38,444.42**	**56,087.96**
Financial liabilities								
Preference shares	125.68	-	-	**125.68**	114.26	-	-	**114.26**
Borrowings	43,969.27	-	-	**43,969.27**	29,321.53	-	-	**29,321.53**
Lease Liability	64,809.87	-	-	**64,809.87**	58,528.53	-	-	**58,528.53**
Trade payables	29,856.23	-	-	**29,856.23**	29,203.11	-	-	**29,203.11**
Other financial liabilities	2,193.46	-	-	**2,193.46**	2,696.83	-	-	**2,696.83**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

₹ in Lakhs

	As at March 31, 2023				As at March 31, 2022			
	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total	At Cost/ Amortised Cost	FVTPL	FVTOCI	Total
Total financial liabilities	1,40,954.51	-	-	**1,40,954.51**	1,19,864.26	-	-	**1,19,864.26**

(b) Measurement of fair values

The fair values of financial assets and liabilities are included at the amount that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

(i) The fair values of the unquoted equity shares have been estimated using a DCF (Discounted cash flow) model. The valuation requires management to make certain assumptions about the model inputs, including forecasted cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

In respect of investments in alternative investment fund, the fair values represent net asset value as stated by the respective issuer at the close of the reporting date. Net asset values represent the price at which the issuer will issue further units and the price at which issuer will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these funds are carried out at such prices between investors and the issuer of these units.

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, 2023				As at March 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments								
- Equity shares (unquoted)		-	39,824.42	**39,824.42**	-	-	38,444.42	**38,444.42**
- Alternative Investment Fund	-	-	7,335.42	**7,335.42**	-	-	7,261.62	**7,261.62**
- Mutual fund	2,021.05	-	-	**2,021.05**	2,077.68	-	-	**2,077.68**
	2,021.05	**-**	**47,159.84**	**49,180.89**	**2,077.68**	**-**	**45,706.04**	**47,783.72**

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

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.

There have been no transfers of investments between Level 1 and Level 2 fair value measurements during the year ended March 31, 2023 and March 31, 2022, 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, 2021	**31,874.42**	**3,452.63**
Invested during the year	6,570.00	75.00
Gain on sale of investments	-	88.48
Proceeds during the year	-	(143.64)
Fair Value gain recognised in Statement of profit and loss	-	3,789.15
As at March 31, 2022	**38,444.42**	**7,261.62**
Invested during the year (refer note 6)	1,380.00	30.00
Gain on sale of investments	-	(18.74)
Proceeds during the year	-	-
Fair Value gain recognised in Statement of profit and loss	-	62.54
As at March 31, 2023	**39,824.42**	**7,335.42**

(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, minimize and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Company has laid comprehensive risk assessment and minimisation/mitigation procedures, which are reviewed by the 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

(i) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (including trade receivable and security deposits) and from its financial activities including deposits with banks and financial institutions. An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped and assessed for impairment collectively.

Trade receivables :

The Company operates on business model of primarily cash and carry, credit risk from receivable perspective is insignificant. Customer credit risk is managed basis established policies of Company, procedures and controls relating to customer credit risk management. Outstanding receivables are regularly monitored.

Moreover, the Company's customer base is large and diverse limiting the risk arising out of credit concentration.

Other remaining financial assets :

Investments, in the form of fixed deposits, of surplus funds are made generally with banks & financial institutions and within credit limits assigned to each counterparty.

Credit risk in respect for security deposit given for premises taken on lease are tracked by carrying specific analysis of all parties at each reporting period. Historically loss on security deposits are immaterial. Therefore, based on past and forward-looking information available with management and to the best estimate of management, the Company believes that exposure to credit risk on other remaining financial assets is not material.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner. The Management regularly monitors rolling forecasts of the Company's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements. The surplus cash generated, over and above the operational fund requirement is invested in bank deposits and mutual fund schemes of highly liquid nature to 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 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, 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	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**
As at March 31, 2022					
Preference shares	114.26	-	-	500.00	500.00
Borrowings	29,321.53	20,031.80	9,000.00	400.00	29,431.80
Trade payables	29,203.11	29,203.11	-	-	29,203.11
Lease liabilities	58,528.53	11,804.07	32,659.63	54,232.22	98,695.92
Other financial liabilities	2,696.83	2,696.83	-	-	2,696.83
	1,19,864.26	**63,735.81**	**41,659.63**	**55,132.22**	**1,60,527.66**

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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 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.

(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 Company's exposure to the risk of changes in market interest rates relates to primarily to company's borrowing with floating interest rates.

Exposure to interest rate risk

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings bearing variable rate of interest	43,969.27	29,321.53

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, 2023	As at March 31, 2022
50 bp increase- decrease in profits	(219.85)	(146.61)
50 bp decrease- increase in profits	219.85	146.61

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 net loss after tax of Rs. 15,323.47 lakhs for the year ended 31st March 2023 and its current liabilities, including current borrowings, exceeds current assets by Rs. 41,092.01 lakhs as at 31st March 2023. The Company has access to unutilised credit lines with its bankers and 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), 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

41. RATIO

	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.43	0.51	(15)%	
Debt- Equity Ratio	Total Debt = Non current borrowings + Current Borrowings	Total equity	4.32	1.14	278%	Increase in borrowings and loss during the year.
Debt Service Coverage ratio	EBITDA	Debt service = Interest & Lease Payments + Principal Repayments	0.21	0.65	(68)%	Decrease in EBITDA during the year
Return on Equity ratio	Loss after tax	Total equity	(150.48%)	(32.91%)	357%	Decrease in retained earnings due to increase in loss during the year.
Inventory Turnover ratio (in days)	Average Inventory	Revenue from operations	38.31	42.42	(10)%	
Trade Receivable Turnover Ratio	Average Trade receivables	Revenue from operations	3.79	5.26	(28)%	Decrease in average trade receivable in current year
Trade Payable Turnover Ratio	Average Trade payables	Purchase of goods	61.00	64.35	(5)%	
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – Current liabilities	(5.31)	(6.61)	(20)%	
Net Loss ratio	Net Loss	Revenue from operations	(7.03%)	(4.23%)	66%	Increase in loss in current year.
Return on Capital Employed	Earnings before interest expenses, tax, depreciation and amortisation	Net Capital Employed = Tangible Net Worth + Total Debt	7.63%	18.50%	(59)%	Increase in loss in current year.
Return on Investment - Alternative Investment fund	Fair Value Gain - (Realised + Unrealised)	Average Investment in Alternative Investment Fund	0.60%	72.38%	(99)%	Decrease in unrealised gain in current year.
Return on Investment - Mutual Fund	Gain on sale of invesment	Monthly Average Mutual Fund Investment	4.69%	2.96%	58%	Increase in return and average holding in mutual fund.

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

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign

42. OTHER STATUTORY INFORMATION (continued)

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 or statements filed by the Company with the banks or financial institutions are in agreement with the books of accounts.

43. Figures for the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm registration number - 301003E/E300005

Navin Agrawal
Partner

Membership number - 056102

Place : Kolkata
Date : May 22, 2023

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Director

DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman

DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary

Place : Kolkata

Neelesh Bothra
Chief Financial Officer

Place : Kolkata

Date : May 22, 2023

CONSOLIDATED FINANCIAL STATEMENTS

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 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2023, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other 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.

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, 2023. These intangibles are assessed to have an indefinite useful life and as required by Ind AS 36 "Impairment of Assets", are tested for impairment annually. The Group has engaged a valuer to determine the recoverable value of acquired brands using the relief from royalty method and fair value of investment in subsidiary (Natures Basket Limited) using discounted cash flow method for impairment testing of Goodwill. Both the valuation methods are sensitive to changes in inputs used in valuation and involves judgment due to inherent uncertainty in the assumptions related to discount rate, future growth rate, future cash flows and future royalty rates. Accordingly, impairment testing for these intangibles is determined to be a key audit matter in our audit of the consolidated financial statements.	Our audit procedures included, among others the following: • We read and assessed the Group's accounting policies with respect to impairment testing. • We obtained and reviewed the impairment testing reports for brands and fair valuation report prepared by the Company's independent valuation specialist and also assessed the valuation specialist's objectivity and independence. • We evaluated the independent valuation specialist's methodology, assumptions and estimates used in the calculations. In performing these procedures, we also engaged valuation specialists. • We assessed management's sensitivity analysis around the key assumptions. • We assessed the disclosures made in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report, Management Discussion and Analysis, Report on Corporate Governance, Additional Shareholder Information, Report on Corporate Social Responsibility Activities and Statement containing salient features of the financial statements of subsidiaries, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, 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 responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

(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 1,261.82 lakhs as at March 31, 2023, and total revenues of Rs 2,077.24 lakhs and net cash inflows of Rs 4.19 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 lacs as at March 31, 2023, and total revenues of Rs Nil and net cash inflows 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, 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company, 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' paragraphwe report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies , incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2023 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;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries , as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 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, 2023;

      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, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than 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, other than 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.

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 23056102BGUUPD5647

Place of Signature: Kolkata
Date: May 22, 2023

Annexure 1 To The Independent Auditor's Report Of Even Date On The Consolidated Financial Statements Of Spencer's Retail Limted

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Spencer's Retail Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these one subsidiary, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 23056102BGUUPD5647

Place of Signature: Kolkata
Date: May 22, 2023

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2023

Particulars	Note	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	15,664.30	16,464.62
Capital work in progress	3	205.17	797.48
Right-of-use assets	30	63,813.27	54,819.29
Goodwill	4	13,127.00	13,127.00
Other intangible assets	4	20,581.27	20,470.13
Financial assets			
(i) Investments	6	7,375.70	7,301.90
(ii) Other financial assets	10	4,956.97	5,330.35
Tax assets (net)		646.35	1,991.64
Other assets	11	168.95	125.14
Total non-current assets (A)		**1,26,538.98**	**1,20,427.55**
Current assets			
Inventories	5	26,451.38	26,041.34
Financial assets			
(i) Investments	6	2,021.05	2,077.68
(ii) Trade receivables	7	1,976.03	2,662.96
(iii) Cash and cash equivalents	8	1,316.77	1,685.14
(iv) Bank balances other than cash and cash equivalents	9	445.54	123.01
(v) Other financial assets	10	185.41	198.58
Tax assets (net)		-	0.22
Other assets	11	4,000.57	3,311.54
Total current assets (B)		**36,396.75**	**36,100.47**
TOTAL ASSETS (A+B)		**1,62,935.73**	**1,56,528.02**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	4,506.60	4,506.60
Other equity	13	(19,553.47)	1,679.08
Total equity (C)		**(15,046.87)**	**6,185.68**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	18,086.94	12,673.96
(ii) Lease liabilities	30	70,258.77	62,051.49
(iii) Other financial liabilities	15	125.68	114.26
Deferred tax liabilities (net)	33	2,046.13	2,085.26
Provisions	19	1,613.07	1,554.31
Total non-current liabilities (D)		**92,130.59**	**78,479.28**
Current liabilities			
Contract liabilities	16	1,499.09	1,482.74
Financial liabilities			
(i) Borrowings	14	36,063.49	23,415.83
(ii) Lease liabilities	30	9,649.44	8,719.53
(iii) Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		657.07	528.13
- Total outstanding dues of creditors other than micro enterprises and small enterprises		33,701.16	32,808.74
(iv) Other financial liabilities	15	2,569.03	3,086.36
Other current liabilities	18	764.01	1,057.17
Provisions	19	948.72	764.56
Total current liabilities (E)		**85,852.01**	**71,863.06**
TOTAL EQUITY AND LIABILITIES (C+D+E)		**1,62,935.73**	**1,56,528.02**

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 22, 2023

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata

Neelesh Bothra
Chief Financial Officer
Place : Kolkata

Date : May 22, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Notes	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
INCOME			
Revenue from operations	20	2,45,258.17	2,29,968.62
Other income	21	3,257.98	7,686.05
Total Income (I)		**2,48,516.15**	**2,37,654.67**
EXPENSES			
Cost of raw materials consumed	22	720.65	676.41
Purchases of stock-in-trade		1,95,739.25	1,80,907.92
Changes in inventories of finished goods and stock-in-trade	23	(493.95)	717.80
Employee benefits expense	24	19,859.95	18,882.53
Other expenses	25	29,074.76	26,392.88
Total Expenses (II)		**2,44,900.66**	**2,27,577.54**
Earnings before interest expense, tax, depreciation and amortisation (EBITDA) [(I)-(II)]		**3,615.49**	**10,077.13**
Depreciation and amortisation expense	26	13,172.84	12,575.00
Finance costs	27	11,521.46	9,696.61
Loss before tax (III)		**(21,078.81)**	**(12,194.48)**
Tax expense	33		
Current tax		-	-
Deferred tax (net)		(39.13)	(48.44)
Loss for the year (IV)		**(21,039.68)**	**(12,146.04)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to statement of profit and loss (net of taxes)			
Remeasurement of defined benefit plans (net of taxes)	35	(199.67)	(316.41)
Other Comprehensive income for the year (V)		**(199.67)**	**(316.41)**
Total Comprehensive income for the year [(IV)+(V)]		**(21,239.35)**	**(12,462.45)**
Loss for the year attributable to:			
Equity holders of the parent company		(21,039.68)	(12,146.04)
Non-controlling interests		-	-
		(21,039.68)	**(12,146.04)**
Other comprehensive income for the year attributable to:			
Equity holders of the parent company		(199.67)	(316.41)
Non-controlling interests		-	-
		(199.67)	**(316.41)**
Total comprehensive income for the year attributable to:			
Equity holders of the parent company		(21,239.35)	(12,462.45)
Non-controlling interests		-	-
		(21,239.35)	**(12,462.45)**
EARNINGS PER SHARE -	28		
Basic		**(23.34)**	**(13.48)**
Diluted		**(23.37)**	**(13.49)**
[Nominal value per equity share ₹ 5 (March 31, 2022: ₹ 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 22, 2023

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata

Neelesh Bothra
Chief Financial Officer
Place : Kolkata

Date : May 22, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2023

A. EQUITY SHARE CAPITAL

	March 31, 2023		March 31, 2022	
	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, 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)**

	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, 2021	**7,196.57**	**56,133.85**	**(49,122.18)**	**18.63**	**(100.28)**	**14,126.59**
Loss for the year	-	-	(12,146.04)	-	-	(12,146.04)
Remeasurement of defined benefit plans	-	-	(316.41)	-	-	(316.41)
Addition on account of Spencer's Employee Stock Option Plan 2019 (ESOP 2019) (refer note 37)	-	-	-	14.94	-	14.94
Balance as at March 31, 2022	**7,196.57**	**56,133.85**	**(61,584.63)**	**33.57**	**(100.28)**	**1,679.08**

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 22, 2023

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata

Neelesh Bothra
Chief Financial Officer
Place : Kolkata

Date : May 22, 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

Particulars	Notes	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Operating Activities			
Loss before tax		**(21,078.81)**	**(12,194.48)**
Adjustments :			
Depreciation and amortisation expense	26	13,172.84	12,575.00
Provision / (reversal of provisions) for bad and doubtful debts / bad debts	25	60.34	(11.67)
Provision for doubtful store lease deposits	25	41.08	14.78
Reversal of provision for obsolete stocks		(398.53)	(66.70)
Finance costs	27	11,521.46	9,696.61
Fair value gain on investments measured at fair value through profit and loss (FVTPL)	21	(84.34)	(3,789.15)
Gain on sale of investments	21	(76.43)	(174.96)
Interest income	21	(576.52)	(526.18)
Loss on sale of property, plant and equipment (net)	25	87.14	71.63
Reversal of net liability on termination of lease	21	(1,575.73)	(370.12)
Covid - 19 related rent concessions	21	(75.18)	(827.76)
Cash generated from operations before working capital changes		**1,017.32**	**4,397.00**
Working capital changes:			
(Increase)/decrease in inventories		(11.51)	769.58
Decrease in trade receivables		626.59	325.06
Decrease in other financial assets		10.04	14.69
Increase in other assets		(677.65)	(316.66)
Increase in trade payables		1,021.36	245.89
(Decrease)/increase in financial liabilities		(531.67)	61.37
(Decrease)/increase in other current liabilities		(293.16)	60.67
Increase in contract liabilities		16.35	341.72
Increase/(decrease) in provisions		25.10	(514.49)
Cash flow generated from operating activities		**1,202.77**	**5,384.83**
Income taxes refund (net)		1,471.29	75.39
Net cash generated from operating activities (A)		**2,674.06**	**5,460.22**
Investing Activities			
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances		(2,614.50)	(2,477.07)
Proceeds from sale of property, plant and equipment		89.62	75.90
Investment in alternative investment fund		(30.00)	(75.00)
Proceeds from alternative investment fund		6.23	143.64
Purchase of mutual fund units		(4,501.20)	(12,355.00)
Proceeds from sale of mutual fund units		4,668.57	10,363.80
Investment in bank deposits		(362.50)	(30.00)
Redemption / maturity of bank deposits		166.64	328.88
Interest received		16.12	8.75
Net cash used in investing activities (B)		**(2,561.02)**	**(4,016.10)**
Financing Activities			
Payment of lease liabilities (principal)		(7,035.18)	(6,401.13)
Proceeds from non-current borrowings		11,453.02	8,850.05
Repayment of non-current borrowings		(3,850.44)	(2,183.33)
Net movement in current borrowings		10,458.05	3,891.58
Interest paid		(11,506.86)	(9,606.76)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Net cash used in financing activities (C)		**(481.41)**	**(5,449.59)**
Net decrease in cash and cash equivalents (A+B+C)		**(368.37)**	**(4,005.47)**
Cash and cash equivalents at the beginning of the year		1,685.14	5,690.61
Cash and cash equivalents at the end of the year		**1,316.77**	**1,685.14**
Components of cash and cash equivalents :			
Balance with banks			
- In current accounts		574.08	931.30
Balance with credit card, e-wallet companies and others		462.46	439.69
Cash on hand		280.23	314.15
Total cash and cash equivalents		**1,316.77**	**1,685.14**

Changes in liabilities arising from financing activities :

₹ in Lakhs

Particulars	As at April 01, 2022	Cash flows Inflow/(outflow)	Non-cash changes	As at March 31, 2023
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

₹ in Lakhs

Particulars	As at April 01, 2021	Cash flows Inflow/(outflow)	Non-cash changes	As at March 31, 2022
Other financial liabilities - Preference shares (refer note 15)	103.87	-	10.39	114.26
Non current borrowings (includes current maturities of long term borrowings)	9,730.72	6,666.72	9.86	16,407.30
Current borrowings (excludes current maturities of long term borrowings)	15,790.91	3,891.58	-	19,682.49
Lease Liabilities [refer note 30]	68,911.22	(6,401.13)	8,249.38	70,759.47

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 22, 2023

For and on behalf of Board of Directors

Anuj Singh
Chief Executive Officer and Managing Director
DIN: 09547776
Place : Kolkata

Shashwat Goenka
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata

Neelesh Bothra
Chief Financial Officer
Place : Kolkata

Date : May 22, 2023

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

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, 2023. The Company was incorporated as RP-SG Retail Limited, a public limited company under the provisions of the Companies Act, 2013 ("the Act"), pursuant to a certificate of incorporation dated February 8, 2017, under the corporate identity number L74999WB2017PLC219355 having its registered office at Duncan House, 31, Netaji Subhas Road, Kolkata - 700001. The name of the Company was changed from "RP-SG Retail Limited" to "Spencer's Retail Limited" vide certificate of incorporation pursuant to change of name issued by the Registrar of Companies, Kolkata dated December 13, 2018.

The Group is primarily engaged in developing, conducting, and promoting organised retail and operates departmental and neighbourhood 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, 2023, 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, 2023 were approved for issuance in accordance with the resolution passed by the Board of Directors on May 22, 2023

(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)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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 recognize 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, 2023	EQUITY INTEREST MARCH 31, 2022
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 recognized 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

(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 Significant accounting policies

(a) Current and non-current classification

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle or
- Held primarily for the purpose of trading or
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

(b) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of initial transaction. Exchange differences are recognised in the Statement of Profit and Loss in the year in which they arise.

(c) Property, plant and equipment (PPE)

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price inclusive of non-refundable duties and taxes, incidental expenses, erection/commissioning expenses, borrowing cost, any directly attributable cost of bringing the item to its working condition for its intended use and costs of dismantling and removing the item and restoring the site on which it is located. Trade discounts and rebates are deducted from the purchase price. Expenditure incurred in setting up of stores are capitalised as a part of lease hold improvements.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Act and based on management's estimate of useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Expenditure in respect of improvements, etc. carried out at the rented / leased premises are depreciated over the initial period of lease or useful life of assets, whichever is lower. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (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	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 AS 103 applies are classified as at FVTPL.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through income statement, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

- 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.

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. 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.

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.

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The Group has applied this amendment to annual reporting periods beginning on or after 1 April 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(s) Compound instrument - non-cumulative non-convertible redeemable preference shares

Non-cumulative non-convertible redeemable preference shares where payment of dividend is discretionary and which are mandatorily redeemable on a specific date, are classified as compound instruments. The fair value of liabilities portion is determined by discounting amount repayable at maturity using market rate of interest. Difference between proceed received and fair value of liability on initial recognition is included in equity, net of tax effects and not remeasured subsequently. Liability component of non-convertible redeemable preference shares are subsequently measured at amortised cost. The interest on these non-convertible redeemable preference shares are recognised in profit or loss as finance costs.

(t) Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(u) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(v) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(w) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(x) Measurement of EBITDA

The Group has elected to present Earnings (including interest income) before Interest expense, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of Profit and Loss.

(y) New and amended standards

Amendments and interpretations as outlined below apply for the year ended 31 March, 2022, but do not have an impact on the Consolidated Financial Statements.

a. Ind AS 109: Financial Instruments- Fees in the '10 per cent' test for derecognition of financial liabilities

b. Ind AS 101: First-time Adoption of Indian Accounting Standards- Subsidiary as a first-time adopter

c. Ind AS 103: Business combinations

d. Ind AS 16: Property , Plant and Equipment : Proceeds before Intended Use

e. Ind AS 37: Onerous Contracts – Costs of Fulfilling a Contract

f. Ind AS 41: Agriculture – Taxation in fair value measurements

The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (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, 2021	**15,443.04**	**7,251.65**	**2,789.81**	**20.24**	**9,765.42**	**328.74**	**35,598.90**
Additions during the year	1,129.88	233.21	144.09	-	614.22	8.54	2,129.94
Disposals during the year	128.92	260.78	42.17	-	205.40	13.74	651.01
As at March 31, 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**
Accumulated depreciation							
As at April 01, 2021	**7,164.20**	**3,130.74**	**2,087.25**	**19.34**	**5,042.55**	**142.56**	**17,586.64**
Depreciation for the year (refer note 26)	1,559.36	806.66	229.33	0.14	892.70	44.05	3,532.24
Disposals for the year	122.90	169.27	38.38	-	162.07	13.05	505.67
As at March 31, 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**
Net carrying amount							
As at March 31, 2023	**7,779.56**	**3,039.05**	**642.09**	**0.67**	**4,005.03**	**197.90**	**15,664.30**
As at March 31, 2022	**7,843.34**	**3,455.95**	**613.53**	**0.76**	**4,401.06**	**149.98**	**16,464.62**

Note : Refer note 14 for hypothecation of Property, plant and equipment.

Capital work in progress

₹ in Lakhs

As at April 01, 2021	**282.59**
Addition during the year	809.58
Less : Capitalised to Property, plant and equipment and intangible assets during the year	294.69
As at March 31, 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**

CWIP Ageing Schedule

₹ in Lakhs

	0-1 year	1-2 years	2-3 years	More than 3 years	Total
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**
As at March 31, 2022					
Upcoming stores	702.80	29.45	65.23	-	797.48
	702.80	**29.45**	**65.23**	**-**	**797.48**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

4. OTHER INTANGIBLE ASSETS & GOODWILL

₹ in Lakhs

	Computer softwares	Know-how and licenses	Designs	Brands	Goodwill	Total
Gross carrying amount						
As at April 01, 2021	**1,759.86**	**257.82**	**440.80**	**19,799.00**	**13,127.00**	**35,384.48**
Additions during the year	29.49	-	83.06	-	-	112.55
Disposals during the year	5.68	-	-	-	-	5.68
As at March 31, 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**
Accumulated amortisation						
As at April 01, 2021	**1,107.48**	**226.78**	**220.09**	**-**	**-**	**1,554.35**
Amortisation for the year (refer note 26)	188.82	-	154.53	-	-	343.35
Disposals for the year	3.48	-	-	-	-	3.48
As at March 31, 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**
Net carrying amount						
As at March 31, 2023	**657.32**	**31.04**	**93.91**	**19,799.00**	**13,127.00**	**33,708.27**
As at March 31, 2022	**490.85**	**31.04**	**149.24**	**19,799.00**	**13,127.00**	**33,597.13**

Net Book Value	**As at March 31, 2023 ₹ in Lakhs**	**As at March 31, 2022 ₹ in Lakhs**
Goodwill	13,127.00	13,127.00
Other Intangible Assets	20,581.27	20,470.13
	33,708.27	**33,597.13**

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.

5. INVENTORIES

(at the lower of cost and net realisable value)

	As at March 31, 2023 ₹ in Lakhs	**As at March 31, 2022 ₹ in Lakhs**
Raw materials	57.51	48.11
Finished goods	46.17	46.88
Stock-in-trade	26,062.25	25,567.59
Packing materials	285.45	378.76
	26,451.38	**26,041.34**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

6. INVESTMENTS

		As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(i)	**Non-current**		
	Unquoted		
	Investments in equity instruments (At FVTOCI)		
	Retailer's Association of India: 10,000 equity shares (March 31, 2022: 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, 2022: 2,500 equity shares) of ₹ 10 each, fully paid up	7.36	7.36
	Investment in government securities (At amortised cost)		
	National savings certificates	31.92	31.92
	Investment in Alternative Investment Fund (At FVTPL)		
	Fireside Ventures Investment Fund I : 1,335.260 units (March 31, 2022: 1,323.996 units) of face value ₹ 100,000 each	7,335.42	7,261.62
		7,375.70	**7,301.90**
(ii)	**Current**		
	Quoted		
	Investment in mutual fund (at FVTPL)		
	ICICI Prudential Liquid Fund - Direct Plan - Growth: 606,585.05 Units of ₹ 333.19 each (March 31, 2022 : 659,044.69 Units of ₹ 315.26 each)	2,021.05	2,077.68
		2,021.05	**2,077.68**

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Aggregate market value of quoted investments	2,021.05	2,077.68
Aggregate value of unquoted investments	7,375.70	7,301.90

Refer note 38 for information about fair value measurements and credit and market risk on investments.

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 reflecting 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 derecognized. 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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Considered good	1,976.03	2,662.96
Significant increase in credit risk	313.99	2,871.56
	2,290.02	5,534.52
Impairment allowance:		
Significant increase in credit risk	(313.99)	(2,871.56)
	1,976.03	**2,662.96**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

7. TRADE RECEIVABLES (continued)

Trade receivables Ageing Schedule

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	6months -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**

As at March 31, 2022

₹ in Lakhs

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6months -1year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	562.93	1,770.70	-	322.07	0.33	6.93	2,662.96
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	98.39	357.65	2,350.87	64.65	2,871.56
	562.93	**1,770.70**	**98.39**	**679.72**	**2,351.20**	**71.58**	**5,534.52**

Refer note 36 for receivables from related parties.

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.

*Amount is lesser than the rounding off norms followed by the Group.

8. CASH AND CASH EQUIVALENTS

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Balance with banks		
- In current accounts	574.08	931.30
Balance with credit card, e-wallet companies and others	462.46	439.69
Cash on hand	280.23	314.15
	1,316.77	**1,685.14**

9. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Deposits with original maturity of more than 3 months and less than 12 months*	445.54	123.01
	445.54	**123.01**

*marked as lien with Banks and various authorities for working capital facilities, licenses etc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

10. OTHER FINANCIAL ASSETS

(Unsecured, considered good, unless otherwise stated)

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(i) Non-current		
Security Deposits		
- Considered good	4,820.53	5,063.59
- Significant increase in credit risk	53.76	51.32
- Credit impaired	249.17	223.21
	5,123.46	5,338.12
Impairment allowance:		
- Significant increase in credit risk	(53.76)	(51.32)
- Credit impaired	(249.17)	(223.21)
	(302.93)	**(274.53)**
	4,820.53	5,063.59
Bank deposits with original maturity of more than 12 months	39.52	57.48
National savings certificates pledged with government authorities #	15.26	15.26
Margin money deposit *	70.26	178.96
Interest accrued on bank deposits	11.40	15.06
	4,956.97	**5,330.35**
(ii) Current		
Security Deposits		
- Considered good	3.00	25.56
- Credit impaired	61.49	55.48
	64.49	81.04
Impairment allowance:		
- Credit impaired	(61.49)	(55.48)
	3.00	**25.56**
Employee loans and advances		
- Considered good	34.17	34.82
- Credit impaired	78.00	78.00
	112.17	112.82
Impairment allowance:		
- Credit impaired	(78.00)	(78.00)
	34.17	**34.82**
Interest accrued on bank deposits	16.19	9.96
Advances to employees	26.81	22.65
Other receivables	105.24	105.59
	185.41	**198.58**

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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(i) Non-current		
Capital advances	159.97	92.10
Prepaid expenses	0.23	4.59
Deposits for claims and tax disputes	8.75	28.45
	168.95	**125.14**
(ii) Current		
Advances for goods and services	1,173.29	1,157.02
Prepaid expenses	621.58	469.51
Balance with Statutory / Government authorities	2,205.70	1,685.01
	4,000.57	**3,311.54**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

12. EQUITY SHARE CAPITAL

	As at March 31, 2023		As at March 31, 2022	
	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, 2023		As at March 31, 2022	
	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, 2023		As at March 31, 2022	
	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, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
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

(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, 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%	0.00%
8	Dotex Merchandise Private Limited	28,107	-	28,107	0.03%	-
9	Lebnitze Real Estates Private Limited	1,399	-	1,399	0.00%	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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
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%**	**-**
As at March 31, 2022						
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	20,60,661	3,30,000	23,90,661	2.65%	16.01%
4	Quest Capital Markets Limited	-	17,41,508	17,41,508	1.93%	100.00%
5	PCBL Limited	11,46,613	-	11,46,613	1.27%	-
6	Saregama India Limited	8,56,790	1,93,800	10,50,590	1.17%	22.62%
7	Integrated Coal Mining Limited	24,56,247	-	24,56,247	2.73%	-
8	Kolkata Metro Networks Limited	1,93,800	(1,93,800)	-	0.00%	-100.00%
9	Dotex Merchandise Private Limited	28,107	-	28,107	0.03%	-
10	Lebnitze Real Estates Private Limited	-	1,399	1,399	0.00%	100.00%
11	Sanjiv Goenka (HUF)	8,360	-	8,360	0.01%	-
12	Sanjiv Goenka	91,659	-	91,659	0.10%	-
13	Shashwat Goenka	75,756	-	75,756	0.08%	-
14	Preeti Goenka	17,150	-	17,150	0.02%	-
15	Avarna Jain	340	-	340	0.00%	-
		5,09,35,607	**20,72,907**	**5,30,08,514**	**58.81%**	**4.07%**

(f) None of the shares were issued as bonus or bought back since incorporation by the Parent Company.

13. OTHER EQUITY

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ 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**
Share based payment reserve		
Balance as at beginning of the year	33.57	18.63
Addition on account of ESOP 2019 (refer note 37)	6.80	14.94
Balance as at end of the year (c)	**40.37**	**33.57**
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	**(61,584.63)**	**(49,122.18)**
Loss for the year	(21,039.68)	(12,146.04)
Remeasurement of defined benefit plans	(199.67)	(316.41)
Balance as at end of the year (e)	**(82,823.98)**	**(61,584.63)**
Total Other Equity (a) + (b) + (c) + (d) + (e)	**(19,553.47)**	**1,679.08**

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 Holding 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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(i) Non- Current Borrowings		
(Secured)		
Term Loan from Banks	21,708.94	13,116.67
Less : current maturities of long term borrowings	(5,006.28)	(2,816.67)
Less : Unamortised Borrowing Cost	(196.39)	(114.93)
	16,506.27	**10,185.07**
Term Loan from Financial Institutions	2,520.83	3,437.50
Less : current maturities of long term borrowings	(916.67)	(916.67)
Less : Unamortised Borrowing Cost	(23.49)	(31.94)
	1,580.67	**2,488.89**
	18,086.94	**12,673.96**

1. Security & other terms

Out of the term loan from banks:

a) ₹ 1,000.00 Lakhs (March 31, 2022 : ₹ 1,666.67 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.

₹ 4,800.00 Lakhs (March 31, 2022 : ₹ 6,000.00 Lakhs) is secured by first Pari Passu charge by way

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

14. BORROWINGS (continued)

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.

₹ 4,500.00 Lakhs (March 31, 2022 : ₹ 4,000.00 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 12 months from the date of first disbursement in 20 equal quarterly installments.

₹ 5,000.00 Lakhs (March 31, 2022 : Nil) 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.

₹ 1,400.00 Lakhs (March 31, 2022 : Nil) 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 quarterly installments of 8.33% of disbursement.

₹ 2,000.00 Lakhs (March 31, 2022 : Nil) 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 quarterly installments of 10.00% of disbursement.

b) ₹ NIL (March 31, 2022 : ₹ 150.00 Lakhs) pertaining to a subsidiary is secured by exclusive first charge over the moveable fixed assets 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 ₹ 16.67 Lakhs each.

₹ 900 Lakhs (March 31, 2022 : ₹ 1,300 Lakhs) pertaining to a subsidiary is secured by exclusive first charge over the moveable fixed assets 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.

₹ 609 Lakhs (March 31, 2022 : Nil) pertaining to a subsidiary is secured by exclusive first charge over the moveable fixed assets 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.

₹ 1,500 Lakhs (March 31, 2022 : Nil) pertaining to a subsidiary is secured by exclusive first charge over the moveable fixed assets 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.

Term Loan from Financial Institutions

c) Term loan from financial institution pertaining to a subsidiary with balance of ₹ 2,520.83 Lakhs (March 31, 2022 : ₹ 3,437.50 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 institutions varies from 9.20% p.a. to 10.70%. p.a.

₹ in Lakhs

d) Maturity profile of non current borrowings outstanding as at year end	As at March 31, 2023	As at March 31, 2022
Payable within 1 year	5,922.94	3,733.34
Payable between 1 to 3 years	11,915.69	7,633.33
Payable between 3 to 5 years	6,051.33	4,787.50
Payable beyond 5 years	339.80	400.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

14. BORROWINGS (continued)

2. Term loans were applied for the purpose for which the loans were obtained except for idle funds amounting to ₹ 259.13 Lakhs (March 31, 2022 : ₹ 1,001.00 lakhs) which were not required for immediate utilisation and which have been gainfully invested in highly liquid investments.
3. 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, 2023. On the basis of its past track record of timely interest and principal repayment, the Group, as at year end 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. The management does not expect the banks to take any action as a consequence of non-compliance of such ratio and accordingly, 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.

		As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(ii)	**Current Borrowings**		
a.	**Secured**		
	Working Capital Loan from bank [refer note (a) below]	12,296.47	9,500.00
	Invoice financing facility from bank [refer note (b) below]	8,230.38	8,265.13
	Current maturities of long term borrowings	5,922.95	3,733.34
	Overdraft facility from bank [refer note (d) below]	4,705.07	-
b.	**Unsecured**		
	Invoice financing facility from bank	4,908.62	-
	Overdraft facility from bank [refer note (d) below]	-	1,917.36
		36,063.49	**23,415.83**

1. Security & other terms

a) ₹ 7,688.25 Lakhs (March 31, 2022 : ₹ 4,500.00 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.

₹ 4,608.22 Lakhs (March 31, 2022 : ₹ 5,000.00 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.

b) ₹ 8230.38 Lakhs (March 31, 2022 : ₹ 8,265.13 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.

c) ₹ 4,908.62 Lakhs (March 31, 2022 : Nil) Invoice financing facility by Parent Company from Bank is unsecured. Loan is payable in maximum period of 120 days.

d) ₹ 1,810.10 Lakhs (March 31, 2022 : Nil) 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.

₹ 2,894.97 Lakhs (March 31, 2022 : Nil) Overdraft facility pertainig to a subsidiary is secured by first Pari Passu charge by way of hypothecation over entire current assets of the Company. It is payable on demand.

e) Overdraft facility (March 31, 2022: ₹ 1,917.36 Lakhs from bank pertaining to a subsidiary repayable on demand.

Interest rate on loans from banks varies from 9.20% p.a. to 10.70% p.a.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

15. OTHER FINANCIAL LIABILITIES

(i) Non Current

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ 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, 2022: 5,00,000 shares) issued pursuant to the Scheme [(refer note 13(a)]	125.68	114.26
	125.68	**114.26**

Rights, preferences and restrictions attached to preference shares :

The non-cumulative non-convertible redeemable 500,000 preference shares of ₹ 100 each carrying dividend @ 0.01% per annum is redeemable at par after 20 years from the date of allotment.

(ii) Current

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Interest accrued but not due on borrowings	210.91	218.82
Sundry deposits	257.88	376.21
Liability for capital goods	303.36	281.11
Payable to employees	1,731.66	1,938.62
Others	65.22	271.60
	2,569.03	**3,086.36**

16. CONTRACT LIABILITIES

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Advances from customers	1,426.45	1,400.41
Customer Loyalty Program Liabilities	72.64	82.33
	1,499.09	**1,482.74**

17. TRADE PAYABLES

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Total outstanding dues of micro enterprises and small enterprises (refer note 31)	657.07	528.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	33,701.16	32,808.74
	34,358.23	**33,336.87**

Refer note 36 for dues to related parties.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Trade payable Ageing Schedule

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**

As at March 31, 2022

₹ 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	494.09	15.03	17.73	1.28	528.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	28,349.95	2,294.06	905.41	1,259.32	32,808.74
	28,844.04	**2,309.09**	**923.14**	**1,260.60**	**33,336.87**

18. OTHER CURRENT LIABILITIES

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Statutory dues	743.12	812.41
Others	20.89	244.76
	764.01	**1,057.17**

19. PROVISIONS

(i) Non-current

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Provisions for employee benefits :		
Provision for gratuity (refer note 35)	761.84	670.65
Provision for compensated absences	433.57	478.71
	1,195.41	**1,149.36**
Other provisions :	417.66	404.95
Provision for decommissioning liability [refer note (a) below]	**1,613.07**	**1,554.31**

(ii) Current

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Provisions for employee benefits :		
Provision for gratuity (refer note 35)	156.37	17.15
Provision for compensated absences	296.03	229.49

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

19. PROVISIONS (continued)

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
	452.40	**246.64**
Other provisions :		
Provision for tax disputes [refer note (b) below]	36.21	57.81
Provision for claims on leased properties [net of amount deposited - refer note (c) below]	460.11	460.11
	496.32	**517.92**
	948.72	**764.56**

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, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Opening balance	**404.95**	**378.24**
Provision (reversed / utilised) / created during the year	(12.24)	2.27
Interest expense during the year	24.95	24.44
Closing balance	**417.66**	**404.95**

(b) The management has estimated the provisions for pending disputes, claims and demands relating to indirect taxes based on it's assessment of probability for these demands crystallizing\ against the Group in due course.

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Opening balance	**57.81**	**36.47**
Provision (reversed / utilised) / created during the year	(21.60)	21.60
Paid during the year	-	(0.26)
Closing balance *	**36.21**	**57.81**

* Net of deposits as at March 31, 2023 ₹ 24.26 Lakhs (March 31, 2022: ₹ 29.26 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. The Group has reversed the excess liability in the books.

The Group has also been making provision for service tax on rent from October 2011 onwards, the balance whereof as on March 31, 2023 is ₹ 460.11 Lakhs (March 31, 2022: ₹ 460.11 Lakhs).

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Balance at the start of the year	460.11	1,183.05
Provision reversed during the year (refer above)	-	(722.94)
Closing balance	**460.11**	**460.11**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

20. REVENUE FROM OPERATIONS

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Revenue from contract with customers		
Sale of goods	2,55,697.44	2,38,572.22
Sale of concessionaire products	3,516.56	2,950.06
Total	2,59,214.00	2,41,522.28
Less: Goods & Services Tax	(22,369.36)	(17,944.32)
Less: Cost of goods sold for concessionaire products	(2,768.61)	(4,377.92)
	2,34,076.03	**2,19,200.04**
Other operating revenue		
-Display Income	6,749.07	6,351.43
-Others	4,433.07	4,417.15
Total revenue from contract with customers	**2,45,258.17**	**2,29,968.62**

21. OTHER INCOME

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Interest income on		
- Bank deposits	18.69	28.53
- Security deposits	432.05	488.03
- Others	125.78	9.62
Gain on sale of investments	76.43	174.96
Fair value gain on investments measured at FVTPL	84.34	3,789.15
Reversal of net liability on termination of lease	1,575.73	370.12
Covid - 19 related rent concessions [refer note 2.2(p) & 30]	75.18	827.76
Miscellaneous income *	869.78	1,997.88
	3,257.98	**7,686.05**
* includes provision / liabilities no longer required written back.		

22. COST OF RAW MATERIALS CONSUMED

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Inventories at the beginning of the year	48.11	60.76
Purchases during the year	730.05	663.76
	778.16	724.52
Less: Inventories at the end of the year	57.51	48.11
	720.65	**676.41**

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Inventories at the beginning of the year	25,614.47	26,332.27
Less: Inventories at the end of the year	26,108.42	25,614.47
	(493.95)	**717.80**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

24. EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2023	For the year ended March 31, 2022
	₹ in Lakhs	₹ in Lakhs
Salaries, wages and bonus *	17,804.51	16,872.46
Gratuity defined benefit plan [refer note 35]	148.29	132.93
Contribution to provident and other funds	1,240.83	1,113.33
Staff welfare expenses	666.32	763.81
	19,859.95	**18,882.53**

* Net of ₹ 108.00 Lakhs (March 31, 2022 : ₹ 138.55 Lakhs) claimed as subsidy under National Apprenticeship Promotion Scheme (NAPS).

25. OTHER EXPENSES

	For the year ended March 31, 2023		For the year ended March 31, 2022	
		₹ in Lakhs		₹ in Lakhs
Power and fuel		5,834.47		5,028.08
Freight		725.87		930.63
Rent [refer note 2.2(p) & 30]		3,222.17		2,707.04
Repairs and maintenance				
- Buildings		429.71		307.89
- Others		3,902.41		3,513.93
Insurance		182.60		232.67
Rates and taxes		595.59		486.98
Advertisement and selling expenses		4,305.40		3,807.34
Packing materials consumed		823.70		746.39
Travelling and conveyance		591.76		753.46
Communication expenses		542.14		706.77
Printing and stationery		361.18		323.38
Legal and consultancy expenses		990.40		713.04
Housekeeping expenses		2,635.40		2,546.28
Security expenses		1,972.78		1,830.82
Provision for doubtful store lease deposit		46.72		14.78
Provision for bad & doubtful debts (net) - Bad debts written off	2,516.83		833.70	
- (Adjustment) / Creation: Provision for bad and doubtful debt	(2,456.49)	60.34	(845.37)	(11.67)
Loss on sale of property, plant and equipment (net)		87.14		71.63
Miscellaneous expenses		1,764.98		1,683.44
		29,074.76		**26,392.88**

26. DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31, 2023	For the year ended March 31, 2022
	₹ in Lakhs	₹ in Lakhs
Depreciation of property, plant and equipment (refer note 3)	3,381.28	3,532.24
Depreciation on right-of-use assets (refer note 30)	9,499.24	8,699.41
Amortisation of other intangible assets (refer note 4)	292.32	343.35
	13,172.84	**12,575.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

27. FINANCE COSTS

	For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Interest expense on		
- Borrowings	3,948.11	2,862.05
- Lease liabilities (refer note 30)	6,687.11	6,172.89
- Non-cumulative non-convertible redeemable preference shares	11.42	10.39
- Decommissioning liability	24.95	24.44
- Others	41.48	23.14
Other costs	808.39	603.70
	11,521.46	**9,696.61**

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, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
Loss for the year (A) (₹ in Lakhs)	(21,039.68)	(12,146.04)
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 of ₹ 5 each) (₹)		
- Basic (A) / (B)	(23.34)	(13.48)
- Diluted (A) / (C)	(23.37)	(13.49)

(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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ 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	36.91	475.30
(ii) Claims against the Group not acknowledged as debt	4,738.01	4,452.45

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(b) Commitments

		As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(i)	Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	336.85	141.01
(ii)	for Investments - Others	67.50	97.50

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, 2023 ₹ in Lakhs	Buildings As at March 31, 2022 ₹ in Lakhs
Opening Balance	54,819.29	53,482.61
Additions [refer note (i) below]	20,164.79	12,028.06
Deletions [refer note (ii) below]	(1,671.57)	(1,991.97)
Depreciation (refer note 26)	(9,499.24)	(8,699.41)
Closing Balance	**63,813.27**	**54,819.29**

(i) Includes ₹ 735.57 Lakhs (March 31, 2022 : ₹ 698.86 Lakhs) on account of prepaid expenses on fair valuation of security deposits.

(ii) Includes ₹ 79.47 Lakhs (March 31, 2022 : ₹ 121.58 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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Opening Balance	70,771.02	68,911.22
Additions	19,415.36	11,329.20
Interest expenses incurred for the year (refer note 27)	6,687.11	6,172.89
Deletions	(3,167.83)	(2,240.51)
Covid - 19 related rent concessions [refer note (iii) below]	(75.17)	(827.76)
Payment of lease liabilities [refer note (iv) below]	(13,722.28)	(12,574.02)
Closing Balance	**79,908.21**	**70,771.02**

(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 ₹ 75.18 Lakhs (March 31, 2022 : ₹ 827.76 Lakhs) in "Other income" (refer note 21).

The Group has further adjusted rent concessions amounting to ₹ 2.92 Lakhs (March 31, 2022 : ₹ 92.33 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 ₹ 6,687.11 Lakhs (March 31, 2022 : ₹ 6,172.89 Lakhs) on account of interest expenses.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

30. IND AS - 116 LEASES (continued)

(v) The following is the break-up of current and non-current lease liabilities

Lease Liabilities :

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Current lease liabilities	9,649.44	8,719.53
Non-current lease liabilities	70,258.77	62,051.49
Total	**79,908.21**	**70,771.02**

(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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Less than one year	16,524.96	14,606.67
One to five years	46,253.66	41,524.58
More than five years	69,532.63	60,128.85
Total	**1,32,311.25**	**1,16,260.10**

(vii) The effective discount rate for lease liabilities is 9.28% p.a. - 10.00% p.a.

(viii) The table below provides details of amount recognised in Statement of profit and loss :

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Depreciation on Right-of-use assets (refer note 26)	9,499.24	8,699.41
Interest expenses on lease liabilities (refer note 27)	6,687.11	6,172.89
Rental expenses (excluding taxes) recorded for short term leases (refer note 25)	393.63	339.60
Rental expenses (excluding taxes) recorded for variable leases (refer note 25)	2,118.34	1,685.53
Total	**18,698.32**	**16,897.43**

(ix) The Group had total cash outflows for leases of ₹ 16,234.25 Lakhs for the year ended March 31, 2023 (March 31, 2022 - ₹ 14,599.15 Lakhs).

31. INFORMATION RELATING TO MICRO AND SMALL ENTERPRISES (MSMEs):

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ 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	602.08	488.91
Interest	12.72	5.70
(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	140.56	198.73
Interest	5.68	4.92

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars		As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(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.	39.22	28.60
(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	54.99	39.22

32. CONTRACT BALANCES UNDER IND AS 115

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Trade receivables	1,976.03	2,662.96
Contract liabilities	1,499.09	1,482.74

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, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
(a)	**Deferred tax relating to assets and liabilities:**		
	-Deferred tax liabilities		
	Property, plant & equipment and other intangible assets	(1,884.38)	(1,831.96)
	Unamortised borrowings costs	(65.87)	(49.20)
	Fair value gain on investment	(2,100.63)	(2,074.84)
	Right-of-use assets	(21,552.28)	(18,565.74)
	Total	**(25,603.16)**	**(22,521.74)**
	-Deferred tax assets		
	Carry forward business losses / unabsorbed depreciation	54,914.44	51,593.97
	Disallowance under Tax Laws	661.33	553.82
	Lease Liabilities	26,939.11	23,908.50
	MAT (Minimum Alternative Tax) credit entitlement	141.34	141.34
	Others	1,467.62	2,456.74
	Total	**84,123.84**	**78,654.36**
	-Deferred tax assets (net)	**58,520.68**	**56,132.62**
	-Unrecognised Deferred tax assets (net)*	**60,566.81**	**58,217.88**
	-Recognised Deferred tax asset/ (liability) as per consolidated balance sheet**	**(2,046.13)**	**(2,085.26)**

* 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)

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
As at the beginning of the year	**(2,085.26)**	**(2,133.70)**
(Charged)/credited:		
- to Consolidated Statement of Profit & Loss	39.13	48.44
As at the end of the year	**(2,046.13)**	**(2,085.26)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

33. DEFERRED TAX ASSETS/(LIABILITIES) (NET) (Contd.)

		For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
(b)	**Tax expenses recognised in the Consolidated Statement of Profit & Loss**		
	Current Tax:		
	Current Tax on taxable income for the year	-	-
	Deferred tax	39.13	48.44
	Total income tax expense	**39.13**	**48.44**
(c)	**Reconciliation of tax expense and the accounting profit**		
	Loss before tax	(21,078.81)	(12,194.48)
	Tax rate applicable to the Group	34.94%	34.94%
	Tax amount computed using applicable tax rate	(7,365.78)	(4,261.24)
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Expenses Disallowed under Income Tax Laws	65.98	31.29
	Difference in tax rate for certain entities of the group	335.44	215.59
	Deferred Tax assets not recognised	6,925.23	3,965.92
	Total income tax expense	**(39.13)**	**(48.44)**
	Effective Tax rate	**0.19%**	**0.40%**

(d) The Group has tax losses of ₹ 93,001.41 Lakhs (March 31, 2022 : ₹ 87,024.22 Lakhs) and unabsorbed depreciation of ₹ 73,056.00 Lakhs (March 31, 2022 : ₹ 69,276.37 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 11 years (March 31, 2022: 12 years).

34. SEGMENT INFORMATION

The Group has a single operating segment i.e. organised retailing. The Group at present operates only in India and therefore the analysis of geographical segment is not applicable to the Group. There are no customers contributing more than 10% of Revenue from operations.

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 amounts recognised in the balance sheet and the movements in the net defined benefit obligation are as follows :

		For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
(a)	**Reconciliation of present value of defined benefit obligations**		
	Balance at the beginning of the year	**988.97**	**713.46**
	Current service cost	146.96	132.93
	Interest cost	54.64	42.68
	Benefits paid	(171.69)	(209.47)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

35. ASSETS AND LIABILITIES RELATING TO EMPLOYEE DEFINED BENEFITS (continued)

		For the year ended March 31, 2023 ₹ in Lakhs	For the year ended March 31, 2022 ₹ in Lakhs
	Actuarial loss on defined benefit obligations	150.88	309.37
	Balance at the end of the year	**1,169.76**	**988.97**
(b)	**Reconciliation of fair value of plan assets**		
	Balance at the beginning of the year	**301.17**	**291.59**
	Interest income	17.32	19.54
	Contributions by employer	153.56	206.55
	Benefits paid	(171.69)	(209.47)
	Actuarial gain / (loss)	(48.80)	(7.04)
	Balance at the end of the year	**251.56**	**301.17**
(c)	**Net defined benefit liabilities**		
	Present value of defined benefit obligations	1,169.76	988.97
	Fair value of plan assets	(251.56)	(301.17)
	Net defined benefit liabilities [refer note 19]	**918.20**	**687.80**
(d)	**Expense recognised in Statement of Profit or Loss**		
	Current service cost	146.96	132.93
	Interest cost	54.64	42.68
	Interest income	(17.32)	(19.54)
		184.28	**156.07**
(e)	**Remeasurement recognised in Other Comprehensive Income**		
	Actuarial loss on defined benefit obligations	150.88	309.37
	Actuarial (gain) / loss on plan assets	48.80	7.04
		199.68	**316.41**
(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	7.00% to 7.40%	5.80% to 7.10%
	Expected rate of return on assets	7.00% to 7.40%	6.95% to 7.10%
	Future compensation growth	5.00% to 6.00%	4.60% to 6.00%
	Average expected future service	27 to 29 years	27 to 30 years
	Employee turnover	Ranging grade wise from 10% to 86%	Ranging grade wise from 8% to 71%

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 ₹ 156.37 Lakhs (March 31, 2022 : ₹ 246.97 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:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

35. ASSETS AND LIABILITIES RELATING TO EMPLOYEE DEFINED BENEFITS (continued)

Change in rate		As at March 31, 2023		As at March 31, 2022	
		Increase	Decrease	Increase	Decrease
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
(i)	Discount rate (0.5% movement)	(18.21)	19.11	(17.50)	16.58
(ii)	Future salary (0.5% movement)	19.65	(18.89)	17.05	(18.10)
(iii)	Mortality (10% movement)	(0.10)	0.24	(1.01)	(0.55)
(iv)	Attrition rate (0.5% movement)	(1.45)	0.45	(1.55)	(0.02)

(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, 2023	As at March 31, 2022
	₹ in Lakhs	₹ in Lakhs
Within 12 months	356.54	246.97
Between 1 to 5 years	770.43	776.40
Between 6 to 10 years	612.79	663.90
Beyond 10 years	675.75	443.49
	2,415.50	**2,130.76**

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 ₹ 1,022.38 Lakhs (March 31, 2022 : ₹ 908.26 Lakhs) in the Consolidated Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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) Au Bon Pain Café India Limited
2) Bowlopedia Restaurants India Limited
3) CESC Limited
4) First Source Solutions Limited
5) Guiltfree Industries Limited
6) RPSG Ventures Limited
7) Open Media Network Private Limited
8) Integrated Coal Mining Limited
9) PCBL Limited (Formerly known as Phillips Carbon Black Limited)
10) Quest Properties India Limited
11) RPG Power Trading Co. Limited
12) RPSG Resource Private Limited (previously known as Accurate Commodeal Private Limited)
13) Saregama India Limited
14) Eminent Electricty Distribution Limited
15) RPSG Sports Private Limited
16) Haldia Energy Limited
17) Great Wholesale Club Limited - Gratuity fund
18) ATK - Mohan Bagan Private Limited
19) Herbolab India Private Limited
20) Noida Power Company Limited
21) Woodland Multispeciality Hospitals Private Limited
22) PCBL (TN) Limited

(iii) Key Managerial Personnel

1) Sanjiv Goenka - Non-Executive Director and Chairman
2) Shashwat Goenka - Non-Executive Director
3) Utsav Parekh - Independent Director
4) Pratip Chadhuri - Independent Director
5) Rekha Sethi - Independent Director
6) Debanjan Mandal - Independent Director
7) Rahul Nayak - Whole-time Director
8) Rama Kant - Company Secretary (upto October 10, 2022)
9) Neelesh Bothra - Chief Financial Officer (w.e.f. February 09, 2022)
10) Vikash Kumar Agarwal - Company Secretary (w.e.f. February 14, 2023)
11) Anuj Singh - Chief Executive Officer & Managing Director (w.e.f. March 22, 2023)
12) Devendra Chawla - Chief Executive Officer & Managing Director (upto January 20, 2023)

(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, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Transactions :						
Sale of goods	765.31	539.65	-	-	-	-
Purchases of stock-in-trade	216.90	262.15	-	-	-	-
Rendering of services	1,131.62	1,173.17	-	-	-	-
Contribution for Gratuity fund	158.98	200.00	-	-	-	-
Receiving of services	48.18	20.66	-	-	-	-
Remittance	92.63	238.16	-	-	-	-
Electricity expenses	367.97	302.70	-	-	-	-
License fees	59.40	59.00	-	-	-	-
Recovery of expenses incurred	-	5.57	-	-	-	-
Rent expenses	1,055.83	904.74	-	-	-	-
Balances written back	-	31.57	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(iv) Details of transactions entered into with the related parties (Contd.):

₹ 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, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Balances written off	-	38.04	-	-	-	-
Short term employee benefits	-	-	1,265.85	1,103.41	-	-
Retirement benefits	-	-	50.34	32.94	-	-
Reimbursement of expenses	16.38	-	58.18	42.60	-	-
Sitting fees to directors	-	-	50.00	45.50	-	-

₹ in Lakhs

Balances outstanding :	Entities under common control		Key Managerial Personnel		Parent under de facto control as defined in Ind AS - 110	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Balances outstanding :						
Receivable against sale of goods	22.17	49.36	-	-	-	-
Payable for purchases of stock-in-trade	45.01	38.29	-	-	-	-
Receivable against reimbursement	-	11.52	-	-	-	-
Payable for services received	1.28	0.25	-	-	-	-
Advance for goods and services	-	34.20	-	-	-	-
Payable for Remittances	117.78	242.95	-	-	-	-
Security deposit receivable	150.53	151.20	-	-	-	-

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 ₹ 6.80 Lakhs (March 31, 2022 :₹ 14.94 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).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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 has created an Spencer's Employee Benefit Trust (ESOP Trust). The Parent Company purchases equity shares from the open market under the ESOP Trust. Such equity shares held by the ESOP Trust are treated as treasury shares in the consolidated financial statements.

A Details of period within which options will be vested

Period within which options will vest	% of options that will vest
End of 12 months from date of grant	25%
End of 24 months from date of grant	25%
End of 36 months from date of grant	25%
End of 48 months from date of grant	25%

B. Measurement of Fair Values

Equity-settled share based payment arrangements

The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plan are as follows:

Particulars	As at March 31, 2023 ₹	As at March 31, 2022 ₹
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	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 :

₹ in Lakhs

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

37. SHARE BASED PAYMENTS (Contd.)

Outstanding as on April 01, 2021	-	-
Granted during the year	83.57	1,20,000
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding as on March 31, 2022	83.57	1,20,000
Exercisable as on March 31, 2022	-	-
Vested as on March 31, 2022	83.57	30,000

D. Expenses arising from equity settled share based payments transactions :

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	₹ in Lakhs	₹ in Lakhs
Amount recognised in statement of profit and loss	6.80	14.94

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, 2023				As at March 31, 2022			
	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	-	7,335.42	-	**7,335.42**	-	7,261.62	-	**7,261.62**
- Government Securities	31.92	-	-	**31.92**	31.92	-	-	**31.92**
- Mutual Fund	-	2,021.05	-	**2,021.05**	-	2,077.68	-	**2,077.68**
Trade receivables	1,976.03	-	-	**1,976.03**	2,662.96	-	-	**2,662.96**
Cash and cash equivalents	1,316.77	-	-	**1,316.77**	1,685.14	-	-	**1,685.14**
Bank balances other than cash and cash equivalents	445.54	-	-	**445.54**	123.01	-	-	**123.01**
Other financial assets	5,142.38	-	-	**5,142.38**	5,528.93	-	-	**5,528.93**
Total financial assets	**8,912.64**	**9,363.83**	**1.00**	**18,277.47**	**10,031.96**	**9,346.66**	**1.00**	**19,379.62**
Financial liabilities								
Preference shares	125.68	-	-	**125.68**	114.26	-	-	**114.26**
Borrowings	54,150.43	-	-	**54,150.43**	36,089.79	-	-	**36,089.79**
Lease liabilities	79,908.21	-	-	**79,908.21**	70,771.02	-	-	**70,771.02**
Trade payables	34,358.23	-	-	**34,358.23**	33,336.87	-	-	**33,336.87**
Other financial liabilities	2,569.03	-	-	**2,569.03**	3,086.36	-	-	**3,086.36**
Total financial liabilities	**1,71,111.58**	-	-	**1,71,111.58**	**1,43,398.30**	-	-	**1,43,398.30**

(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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

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, 2023				As at March 31, 2022			
	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	-	-	7,335.42	**7,335.42**	**-**	-	7,261.62	**7,261.62**
- Mutual Fund	2,021.05	-	-	**2,021.05**	2,077.68	-	-	**2,077.68**
	2,021.05	**-**	**7,343.78**	**9,364.83**	**2,077.68**	**-**	**7,269.98**	**9,347.66**

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

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

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, 2023 and March 31, 2022, respectively.

(d) Reconciliation of fair value measurement of investments (categorised as level 3 above) classified as FVTPL/FVTOCI asset :

₹ in Lakhs

Particulars	FVTOCI	FVTPL	FVTPL
	Equity shares (unquoted)	Equity shares (unquoted)	Alternative Investment Fund
As at April 01, 2021	**1.00**	**7.36**	**3,452.63**
Invested during the year			75.00
Gain on sale of investments	-	-	88.48
Proceeds during the year	-	-	(143.64)
Fair Value gain recognised in Statement of profit and loss	-	-	3,789.15
As at March 31, 2022	**1.00**	**7.36**	**7,261.62**
Invested during the year	-	-	30.00
Gain on sale of investments	-	-	(18.74)
Proceeds during the year	-	-	-
Fair Value gain recognised in Statement of profit and loss	-	-	62.54
As at March 31, 2023	**1.00**	**7.36**	**7,335.42**

(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

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

through a structured process of identification, assessment and prioritisation of risks followed by co-ordinated efforts to monitor, minimize and mitigate the impact of such risks on its financial performance and capital. For this purpose, the 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.

Trade receivables :

The Group operates on business model of primarily cash and carry, credit risk from receivable perspective is insignificant. Customer credit risk is managed basis established policies of Group, procedures and controls relating to customer credit risk management. Outstanding receivables are regularly monitored.

Moreover, the Group's customer base is large and diverse limiting the risk arising out of credit concentration.

Other remaining financial assets :

Investments, in the form of fixed deposits, of surplus funds are made generally with banks & financial institutions and within credit limits assigned to each counterparty.

Credit risk in respect for security deposit given for premises taken on lease are tracked by carrying specific analysis of all parties at each reporting period. Historically loss on security deposits are immaterial. Therefore, based on past and forward-looking information available with management and to the best estimate of management, the Group believes that exposure to credit risk on other remaining financial assets is not material.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner. The Management regularly monitors rolling forecasts of the Group's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements. The surplus cash generated, over and above the operational fund requirement is invested in bank deposits and mutual fund schemes of highly liquid nature to optimize cash returns while ensuring adequate liquidity for the Group. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The Group believes that cash generated from operations, working capital management and available sources from raising funds (including additional borrowings, if any) as needed will satisfy its cash flow requirement through at least the next twelve months.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

38. FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENTS AND RISK MANAGEMENT (continued)

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted:

₹ in Lakhs

Financial liabilities	Contractual cash flows				
	Carrying Value	Within 1 year	1 to 5 years	More than 5 years	Total
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	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**
As at March 31, 2022					
Preference shares	114.26	-	-	500.00	500.00
Borrowings	36,089.79	23,415.83	12,420.83	400.00	36,236.66
Trade payables	33,336.87	33,336.87	-	-	33,336.87
Lease liabilities	70,771.02	14,606.67	41,524.58	60,128.85	1,16,260.10
Other financial liabilities	3,086.36	3,086.36	-	-	3,086.36
	1,43,398.30	**74,445.73**	**53,945.41**	**61,028.85**	**1,89,419.99**

(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, 2023	As at March 31, 2022
Borrowings bearing variable rate of interest	54,150.43	36,089.79

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, 2023	As at March 31, 2022
50 bp increase- decrease in profits	(270.75)	(180.45)
50 bp decrease- increase in profits	270.75	180.45

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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.

40. GOING CONCERN

The Group has incurred a net loss after tax of ₹ 21,039.68 lakhs for the year ended 31st March 2023 and its current liabilities, including current borrowings, exceeds current assets by ₹ 49,455.26 lakhs as at 31st March 2023 . 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), 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, 2023		For the year ended March 31, 2023		For the year ended March 31, 2023		For the year ended March 31, 2023	
	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	(68)%	10,182.90	73%	(15,323.47)	99%	(197.90)	73%	(15,521.37)
Subsidiaries :								
1. Omnipresent Retail India Private Limited	(7)%	1,048.25	1%	(122.61)	2%	(4.77)	1%	(127.38)
2. Natures Basket Limited	53%	(7,944.40)	27%	(5,637.18)	(2)%	3.00	27%	(5,634.18)
Consolidation adjustment	122%	(18,333.62)	0%	43.58	0%	-	0%	43.58
Total	**100%**	**(15,046.87)**	**100%**	**(21,039.68)**	**100%**	**(199.67)**	**100%**	**(21,239.35)**

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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.

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 or statements filed by the Group, where applicable, with the banks or financial institutions are in agreement with the books of accounts.

43. Figures for the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.

For S.R. Batliboi & Co. LLP	**For and on behalf of Board of Directors**		
Chartered Accountants			
Firm registration number - 301003E/E300005			
Navin Agrawal	**Anuj Singh**	**Shashwat Goenka**	**Sanjiv Goenka**
Partner	Chief Executive Officer and Managing Director	Director	Chairman
Membership number - 056102	DIN: 09547776	DIN: 03486121	DIN: 00074796
	Place : Kolkata	Place : Kolkata	Place : Kolkata
	Rahul Nayak	**Vikash Kumar Agarwal**	**Neelesh Bothra**
	Whole-time Director	Company Secretary	Chief Financial Officer
	DIN: 06491536		
	Place : Kolkata	Place : Kolkata	Place : Kolkata
Place : Kolkata			
Date : May 22, 2023	Date : May 22, 2023		

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 Rs.)

Sl.No.	Particulars	1	2
	Name of Subsidiary	Omnipresent Retail India Private Limited	Natures Basket Limited
1	The date since when subsidiary was acquired	26-Sep-17	4-Jul-19
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	57,318.00
5	Reserves and Surplus	(7,561.41)	(65,262.40)
6	Total Assets	1,261.82	23,342.83
7	Total Liabilities	1,261.82	23,342.83
8	Investments	-	39.28
9	Turnover	2,077.24	27,441.25
10	Loss before Taxation	(122.61)	(5,637.18)
11	Provision for Taxation	-	-
12	Profit after Taxation	(122.61)	(5,637.18)
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
Director
DIN: 03486121
Place : Kolkata

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Rahul Nayak
Whole-time Director
DIN: 06491536
Place : Kolkata

Vikash Kumar Agarwal
Company Secretary
Place : Kolkata

Neelesh Bothra
Chief Financial Officer
Place : Kolkata

Date : May 22, 2023

Spencer's Retail Limited

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

Phone: (033) 2487 1091 / 6625 7600

CIN: L74999WB2017PLC219355

Email: spencers.secretaial@rpsg.in
Website: www.spencersretail.com