June 19, 2021

National Stock Exchange of India Limited
Symbol: ABFRL & ABFRLPP1

Sub.: **Discrepancies in Audited Standalone & Consolidated Financial Results for the quarter and year ended March 31, 2021 of Aditya Birla Fashion and Retail Limited** ["the Company"]

Ref.:
1. **Regulation 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**;
2. **Our submission dated May 28, 2021;** and
3. **ISIN: INE647O01011 & IN9647O01027.**

Dear Sir/ Madam,

We refer to your email dated June 16, 2021 in connection with submission of legible Audited Standalone & Consolidated Financial Results for the quarter and year ended March 31, 2021 ["Audited Financial Results"] approved by the Board of Directors of the Company at its meeting held on May 28, 2021.

In this regard, please find attached the Audited Financial Results along with the Auditors' Reports for your records.

We hope you will find the same in order.

Thanking you.

Sincerely,
For **Aditya Birla Fashion and Retail Limited**

Geetika Anand
Digitally signed by Geetika Anand
Date: 2021.06.19 19:19:18 +05'30'

Geetika Anand
Company Secretary & Compliance Officer

Encl.: As above

ADITYA BIRLA FASHION & RETAIL

Aditya Birla Fashion and Retail Limited

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

₹ in Crore

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2021 (Audited) (Refer note 4 & 19)	December 31, 2020 (Unaudited)	March 31, 2020 (Audited) (Refer note 4 & 19)	March 31, 2021 (Audited) (Refer note 19)	March 31, 2020 (Audited) (Refer note 19)
I	Revenue from operations	1,821.58	2,076.19	1,831.88	5,248.92	8,787.86
II	Other income (Refer note 8)	17.66	13.59	16.62	73.40	65.30
III	**Total income (I + II)**	1,839.24	2,089.78	1,848.50	5,322.32	8,853.16
IV	**Expenses**					
	(a) Cost of materials consumed	164.50	114.71	222.71	421.25	785.59
	(b) Purchases of stock-in-trade	633.67	524.28	806.75	1,526.72	3,800.77
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	46.67	349.73	(137.53)	614.99	(362.21)
	(d) Employee benefits expense	241.21	206.88	279.78	865.39	1,068.08
	(e) Finance costs	120.91	110.60	119.46	502.60	424.71
	(f) Depreciation and amortisation expense	253.29	231.06	233.24	962.75	885.31
	(g) Rent expense (Refer note 8)	86.90	109.79	105.95	10.67	487.02
	(h) Other expenses	413.32	362.89	403.96	1,255.15	1,796.78
	Total expenses	1,960.47	2,009.94	2,034.32	6,159.52	8,896.05
V	Profit/(loss) before Share in Profit/(loss) of Joint Venture and Tax (III - IV)	(121.23)	79.84	(185.82)	(837.20)	(32.89)
VI	Add : Share in Profit/(loss) of Joint Venture (Refer note 15)	(0.34)	-	-	(0.34)	-
VII	**Profit/ (loss) before tax (V+VI)**	(121.57)	79.84	(185.82)	(837.54)	(32.89)
VIII	Income tax expense					
	(a) Current tax (Refer note 6 and 7)	39.73	-	0.01	40.12	0.01
	(b) Deferred tax (Refer note 6 and 18)	34.56	21.40	(39.24)	(141.66)	132.12
IX	**Net profit/ (loss) after tax (VII - VIII)**	(195.86)	58.44	(146.59)	(736.00)	(165.02)
X	**Other comprehensive income**					
	Items that will not be reclassified to profit or loss					
	(a) Re-measurement gains/ (losses) on defined benefit plans	4.68	(0.52)	(2.27)	2.89	4.37
	Income tax effect on above	(1.18)	0.13	0.47	(0.73)	(1.27)
	(b) Fair value gains/ (losses) on equity instruments	-	-	-	(0.50)	2.95
	Income tax effect on above	-	-	-	0.13	(0.74)
	Items that will be reclassified to profit or loss					
	(a) Exchange differences on translation of foreign operations	0.03	-	(0.03)	0.02	(0.06)
	Income tax effect on above	-	-	-	-	0.01
	Total other comprehensive income	3.53	(0.39)	(1.83)	1.81	5.26
XI	**Total comprehensive income (IX + X)**	(192.33)	58.05	(148.42)	(734.19)	(159.76)
XII	**Profit/ (loss) attributable to**					
	- Owners of the Company	(137.64)	59.40	(146.08)	(672.51)	(163.01)
	- Non-controlling interest	(58.22)	(0.96)	(0.51)	(63.49)	(2.01)
		(195.86)	58.44	(146.59)	(736.00)	(165.02)
XIII	**Other comprehensive income attributable to**					
	- Owners of the Company	3.45	(0.39)	(1.74)	1.67	5.29
	- Non-controlling interest	0.08	-	(0.09)	0.14	(0.03)
		3.53	(0.39)	(1.83)	1.81	5.26
XIV	**Total comprehensive income attributable to**					
	- Owners of the Company	(134.19)	59.01	(147.82)	(670.84)	(157.72)
	- Non-controlling interest	(58.14)	(0.96)	(0.60)	(63.35)	(2.04)
		(192.33)	58.05	(148.42)	(734.19)	(159.76)
XV	Paid-up equity share capital (Face value of ₹ 10/- each)	915.05	819.55	773.95	915.05	773.95
XVI	Other equity (excluding share suspense)	-	-	-	1,728.72	293.92
XVII	Earnings per equity share (of ₹ 10/- each) (not annualised) (including share suspense) (Refer note 10 and 12)					
	(a) Basic (₹)	(1.57)	0.73	(1.89)	(8.23)	(2.10)
	(b) Diluted (₹)	(1.57)	0.69	(1.89)	(8.23)	(2.10)

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AUDITED CONSOLIDATED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

₹ in Crore

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2021 (Audited) (Refer note 4 & 19)	December 31, 2020 (Unaudited)	March 31, 2020 (Audited) (Refer note 4 & 19)	March 31, 2021 (Audited) (Refer note 19)	March 31, 2020 (Audited) (Refer note 19)
I	**Segment revenue**					
	Madura Fashion & Lifestyle	1,254.99	1,263.10	1,243.77	3,473.17	5,479.58
	Pantaloons	596.54	811.27	626.01	1,858.58	3,513.51
	Total segment revenue	**1,851.53**	**2,074.37**	**1,869.78**	**5,331.75**	**8,993.09**
	Less: Inter-segment revenue	29.95	(1.82)	37.90	82.83	205.23
	Revenue from operations	**1,821.58**	**2,076.19**	**1,831.88**	**5,248.92**	**8,787.86**
II	**Segment results [Profit/ (loss) before finance costs and tax]**					
	Madura Fashion & Lifestyle	20.50	83.17	(22.70)	(214.13)	225.92
	Pantaloons	(22.57)	89.05	(39.37)	(144.50)	184.49
	Total segment results	**(2.07)**	**172.22**	**(62.07)**	**(358.63)**	**410.41**
	Less: Inter-segment results	(7.89)	(17.48)	5.05	(24.51)	22.65
	Net segment results before finance costs, tax and share in Profit/ (loss) of Joint Venture	**5.82**	**189.70**	**(67.12)**	**(334.12)**	**387.76**
	Less: i) Finance costs	120.91	110.60	119.46	502.60	424.71
	ii) Other unallocable expenditure/ (income) - net	6.14	(0.74)	(0.76)	0.48	(4.06)
	Add: i) Share in Profit/ (loss) of Joint Venture	(0.34)	-	-	(0.34)	-
	Profit/ (loss) before tax	**(121.57)**	**79.84**	**(185.82)**	**(837.54)**	**(32.89)**
III	**Segment assets**	**As at March 31, 2021 (Audited) (Refer note 4 & 19)**	**As at December 31, 2020 (Unaudited)**	**As at March 31, 2020 (Audited) (Refer note 4 & 19)**	**As at March 31, 2021 (Audited) (Refer note 19)**	**As at March 31, 2020 (Audited) (Refer note 19)**
	Madura Fashion & Lifestyle	5,974.74	5,321.13	5,679.87	5,974.74	5,679.87
	Pantaloons	3,324.03	3,319.31	3,769.05	3,324.03	3,769.05
	Total segment assets	**9,298.77**	**8,640.44**	**9,448.92**	**9,298.77**	**9,448.92**
	Inter-segment eliminations	(124.53)	(127.37)	(157.60)	(124.53)	(157.60)
	Investment in Joint Venture	66.93	-	-	66.93	-
	Unallocated corporate assets	930.30	452.52	474.24	930.30	474.24
	Total assets	**10,171.47**	**8,965.59**	**9,765.56**	**10,171.47**	**9,765.56**
IV	**Segment liabilities**	**As at March 31, 2021 (Audited) (Refer note 4 & 19)**	**As at December 31, 2020 (Unaudited)**	**As at March 31, 2020 (Audited) (Refer note 4 & 19)**	**As at March 31, 2021 (Audited) (Refer note 19)**	**As at March 31, 2020 (Audited) (Refer note 19)**
	Madura Fashion & Lifestyle	4,127.35	3,384.95	3,674.45	4,127.35	3,674.45
	Pantaloons	2,016.08	1,774.17	2,117.50	2,016.08	2,117.50
	Total segment liabilities	**6,143.43**	**5,159.12**	**5,791.95**	**6,143.43**	**5,791.95**
	Inter-segment eliminations	(89.82)	(84.50)	(98.11)	(89.82)	(98.11)
	Unallocated corporate liabilities (including borrowings)	1,441.59	2,844.68	2,983.93	1,441.59	2,983.93
	Total liabilities	**7,495.20**	**7,919.30**	**8,677.77**	**7,495.20**	**8,677.77**

Note:

The business of the Group is divided into two business segments – Madura Fashion & Lifestyle and Pantaloons. These segments are the basis for management decision and hence the basis for reporting.

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Notes:

1 Consolidated Balance Sheet

₹ in Crore

	Particulars	As at March 31, 2021 (Audited) (Refer note 19)	As at March 31, 2020 (Audited) (Refer note 19)
A	**ASSETS**		
I	**Non-current assets**		
	(a) Property, plant and equipment	574.71	642.89
	(b) Capital work-in-progress	37.60	44.08
	(c) Right-of-use assets	2,141.42	2,206.85
	(d) Investment property	1.92	-
	(e) Goodwill	1,997.26	1,983.06
	(f) Other intangible assets	699.65	107.20
	(g) Intangible assets under development	-	3.54
	(h) Financial assets		
	(i) Investment in Joint Venture	66.93	-
	(ii) Other Investments	6.66	7.16
	(iii) Loans	2.59	3.43
	(iv) Security deposits	308.95	300.89
	(v) Other financial assets	0.46	0.39
	(i) Deferred tax assets	333.92	194.96
	(j) Non-current tax assets (net)	24.89	22.48
	(k) Other non-current assets	71.92	77.75
	Total - Non-current assets	**6,268.88**	**5,594.68**
II	**Current assets**		
	(a) Inventories	1,846.96	2,366.78
	(b) Financial assets		
	(i) Current Investments	344.31	7.04
	(ii) Loans	6.54	7.13
	(iii) Security deposits	100.90	108.33
	(iv) Trade receivables	730.47	840.46
	(v) Cash and cash equivalents	246.13	266.80
	(vi) Bank balance other than cash and cash equivalents	15.62	0.14
	(vii) Other financial assets	211.17	177.97
	(c) Other current assets	400.49	396.23
	Total - Current assets	**3,902.59**	**4,170.88**
	TOTAL - ASSETS	**10,171.47**	**9,765.56**
B	**EQUITY AND LIABILITIES**		
I	**Equity**		
	(a) Equity share capital	915.05	773.95
	(b) Other equity	1,728.74	293.94
	Equity attributable to owners of the Company	**2,643.79**	**1,067.89**
	(c) Non-controlling interest	32.48	19.90
	Total - Equity	**2,676.27**	**1,087.79**
II	**Non-current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	814.37	856.93
	(ii) Lease liabilities	1,754.13	1,820.83
	(iii) Deposits	167.28	109.78
	(iv) Other financial liabilities	427.11	60.13
	(b) Deferred tax liabilities	0.31	7.25
	(c) Provisions	95.84	100.10
	(d) Other non-current liabilities	11.44	12.29
	Total - Non-current liabilities	**3,270.48**	**2,967.31**
III	**Current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	4.00	1,511.88
	(ii) Lease liabilities	709.27	680.97
	(iii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	26.89	99.39
	(b) Total outstanding dues of creditors other than micro enterprises small enterprises	2,346.55	2,190.53
	(iv) Deposits	130.73	153.40
	(v) Other financial liabilities #	801.50	879.38
	(b) Provisions	91.98	88.73
	(c) Other current liabilities	113.80	106.18
	Total - Current liabilities	**4,224.72**	**5,710.46**
	TOTAL - EQUITY AND LIABILITIES	**10,171.47**	**9,765.56**

Includes current maturities of non-current borrowings - ₹ 318.01 (March 31, 2020 - ₹ 414.22)

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2 Consolidated Statement of Cash Flows

₹ in Crore

	Particulars	Year ended March 31, 2021 (Audited) (Refer note 19)	Year ended March 31, 2020 (Audited) (Refer note 19)
I	**Cash flows from operating activities**		
	Loss before tax	**(837.54)**	**(32.89)**
	Adjustments for:		
	Depreciation and amortisation expense	962.75	885.31
	Finance costs	500.38	421.96
	Gain on retirement of right-of-use assets	(21.74)	(12.93)
	Rent concession on lease rentals	(343.72)	-
	Loss on sale/ discard of property, plant and equipment	0.72	2.77
	Share-based payment to employees	11.70	20.02
	Interest income	(2.42)	(0.38)
	Liabilities no longer required written back	(3.83)	-
	Net gain on sale of current investments	(3.29)	(4.85)
	Net unrealised exchange (gain)/loss	1.46	(2.64)
	Expense/ (income) on financial assets/ liabilities that is designated as at fair value through profit or loss	(27.08)	(24.26)
	Provision for doubtful debts, deposits and advances	14.22	11.01
	Bad debts written off	1.89	0.06
	Share of (profits)/loss of Joint Venture	0.34	-
	Operating profit/ (loss) before working capital changes	**253.84**	**1,263.18**
	Changes in working capital:		
	(Increase)/ decrease in trade receivables	102.43	(63.07)
	(Increase)/ decrease in inventories	611.14	(431.56)
	(Increase)/ decrease in other assets	(6.05)	(112.55)
	Increase/ (decrease) in trade payables	69.33	(138.56)
	Increase/ (decrease) in provisions	(7.64)	(12.37)
	Increase/ (decrease) in other liabilities	83.57	145.47
	Cash generated from/ (used in) operations	**1,106.62**	**650.54**
	Income taxes paid (net of refund)	(2.82)	(6.50)
	Net cash flow from/ (used in) operating activities	**1,103.80**	**644.04**
II	**Cash flows from investing activities**		
	Purchase of property, plant and equipment, intangible assets and capital advance	(161.26)	(318.44)
	Consideration received/(paid) on acquisition of/ investment in Subsidiaries, net of cash acquired	15.56	(136.25)
	Drawings by minority holder LLP	(316.24)	-
	Investments in joint ventures	(67.18)	-
	Purchase of current investments	(12,410.75)	(6,859.51)
	Proceeds from renunciation of rights by ESOP trust	(3.97)	(100.49)
	Proceeds from sale of property, plant and equipment and intangible assets	2.74	6.15
	Proceeds from sale/ maturity of current investments	12,083.44	6,857.32
	Interest received	2.44	0.33
	Net cash flow used in investing activities	**(855.22)**	**(550.89)**
III	**Cash flows from financing activities**		
	Proceeds from issue of equity shares	0.50	7.23
	Proceeds from Rights Issue (net off charges)	738.66	-
	Proceeds from Preferential issue (net off charges)	1,499.63	-
	Proceeds from non-current borrowings (net off charges)	692.32	1,044.77
	Proceeds from sale of property, plant and equipment under sale and leaseback arrangement	28.65	47.93
	Proceeds/ (Repayment) from current borrowings (net)	(1,513.38)	1,036.62
	Repayment of non-current borrowings	(833.67)	(1,007.21)
	Repayment of lease liabilities	(406.10)	(588.60)
	Interest paid	(475.87)	(424.28)
	Net cash flow from/ (used in) financing activities	**(269.25)**	**116.46**
	Net increase/ (decrease) in cash and cash equivalents	**(20.67)**	**209.61**
	Cash and cash equivalents at the beginning of the year	266.80	57.19
	Cash and cash equivalents at the end of the year	**246.13**	**266.80**

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Notes:

3. The above consolidated financial results, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors at its meeting held on May 28, 2021.

4. The figures for the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and March 31, 2020 and the unaudited published year-to-date figures upto December 31, 2020 and December 31, 2019 respectively, being the date of the end of the third quarter of the financial year which was subjected to limited review.

5. The audit as required under Regulation 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Auditors of the Company and the related report is being submitted to the concerned Stock Exchanges.

6. During the year ended March 31, 2020, the Group decided to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Group recognised provision for income taxes based on the rate prescribed in the aforesaid section. Further, management reviewed the components of deferred tax assets/ liabilities leading to a reassessment of its estimates compared to earlier periods. Such re-measurement and change in rate of tax resulted in one-time additional tax charge of ₹ 129.59 Crore.

7. Current Tax includes a one-time tax of ₹ 39.69 Crore on deemed capital gains on reconstitution of Sabyasachi Calcutta LLP ("the LLP") relating to existing partners arising from the induction of the Company as a partner in the LLP. This is entirely attributable to the Non-Controlling interest in LLP and not to the Company.

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8. The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116 - Leases, by inserting a practical expedient w.r.t. "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 with effect from April 01, 2020. The Group has accounted the unconditional rent concessions of ₹ 18.92 Crore (including ₹ Nil pertaining to periods after March 31, 2021) during the quarter ended March 31, 2021 and ₹ 343.72 Crore (including ₹ 0.48 Crore pertaining to periods after March 31, 2021) during the year ended March 31, 2021.The same has been accounted as a reduction of rent expenses in the Statement of Profit and Loss. Till quarter ended December 31, 2020, the Company had accounted the rent concessions under "Other Income" in the Statement of Profit and Loss, which has now been regrouped as reduction of rent expenses. Comparative periods have been regrouped to conform to the current period's classification. Rent concession for the quarter and nine months ended December 31, 2020 amounted to ₹ 43.35 Crore and ₹ 324.80 Crore, respectively.

9. COVID-19 pandemic has had a significant impact on the business operations and the financial results of the Group for the quarter and year ended March 31, 2021.The Group has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results, in determination of the recoverability and carrying value of financial assets and non-financial assets. The impact of the current surge in COVID-19 pandemic on the overall economic environment is uncertain and may affect the underlying assumptions and estimates used to prepare the Group's financial results, whereby actual outcome may differ from those assumptions and estimates considered as at the date of approval of these financial results. The Group will continue to closely monitor any material changes to future economic conditions. The Group continues to take various precautionary measures to ensure health and safety of its customers, employees and their families from COVID-19.

10. ESOP Share Allotment: The Stakeholders Relationship Committee of the Board of Directors allotted fully paid-up Equity Shares of ₹ 10/- each pursuant to the exercise of Restricted Stock Units by eligible employees as mentioned hereunder:

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Employee Stock Options Scheme - 2013

- Nil equity shares during the quarter ended March 31, 2021.
- 37,840 equity shares during the year ended March 31, 2021.

Employee Stock Options Scheme - 2017

- 35,801 equity shares during the quarter ended March 31, 2021.
- 4,64,601 equity shares during the year ended March 31, 2021.

11. On effectiveness of the Composite Scheme of Arrangement amongst the Company, erstwhile Aditya Birla Nuvo Limited ("ABNL"), Madura Garments Lifestyle Retail Company Limited ("MGLRCL") and their respective Shareholders and Creditors under Section 391 to 394 of the Companies Act, 1956, the Company had issued 67,98,19,778 Equity Shares to the Shareholders of ABNL and MGLRCL ("said Shares"). Out of the said Shares, 67,60,37,600 Equity Shares were allotted to the Shareholders of ABNL and MGLRCL on January 27, 2016. However, pursuant to Clause 21 of the Composite Scheme, allotment of 37,82,178 Equity Shares to 3,475 Non-Resident Shareholders, including 4 Overseas Corporate Bodies ("OCBs") of ABNL ("NRE Shareholders") was kept pending until receipt of applicable regulatory approvals. Thereafter, from time to time, the Company has allotted 37,65,325 Equity Shares to 3,471 NRE Shareholders in terms of applicable laws. Accordingly, out of the said Shares, 16,853 Equity Shares held by 4 OCBs remain pending for allotment until receipt of Regulatory approvals.

12. Rights Issue: **a)** The Board of Directors of the Company on May 27, 2020 approved fund raising by way of a Rights Issue and on June 25, 2020 approved issue of 9,04,65,693 equity shares of face value of ₹ 10 each (the "Rights Equity Shares") at a price of ₹ 110 per Rights Equity Share (including premium of ₹ 100 per Rights Equity Share), aggregating to ₹ 995.12 Crore, in the ratio of 9 Rights Equity Shares for every 77 existing fully-paid shares held by the eligible equity shareholders as on the Record Date i.e. July 1, 2020. On July 28, 2020, the Company approved allotment of 9,02,77,042 Rights Equity shares of face-value ₹ 10 each to the eligible applicants. The Rights Equity Shares were allotted as partly paid-up for an amount of ₹ 55 per Rights Equity Share received on application (of which ₹ 5 was towards face value and ₹ 50

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towards premium). The allotment of 1,88,651 Rights Equity Shares has been kept in abeyance pending regulatory/ other clearances.

b) On January 11, 2021, the Company called for the 1st call money of ₹ 27.50 per partly paid shares ("PPS") [of which ₹ 2.50 is towards face value and ₹ 25 towards premium]. It received the due amount in respect of 8,99,09,500 PPS. However, due to non-payment of the 1st call money, in accordance with the Articles of Association, the Company forfeited 3,67,542 PPS.

c) The final call of ₹ 27.50 (of which ₹ 2.50 shall be towards face value and ₹ 25 towards premium) per Rights Equity Share would be made in July 2021.

d) There has been no deviation in the use of proceeds of the Rights Issue, from the objects stated in the Offer document.

e) Pursuant to IND AS 33, basic and diluted earnings per share for the previous periods have been restated for the bonus element in respect of the aforesaid Rights Issue.

13. Preferential Issue: On October 23, 2020, the Board of Directors approved issuance of equity shares on a preferential basis to Flipkart Investments Private Limited ("Flipkart"), a foreign portfolio investor, duly registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, aggregating upto ₹ 1,500 Crore ("Preferential Issue"). The Company received the approval of shareholders by way of Postal Ballot on November 22, 2020 and received the approval of Competition Commission of India on January 20, 2021. On January 28, 2021, post completion of the closing conditions under the Investment Agreement, the Board of Directors approved allotment of 7,31,70,731 fully paid-up equity shares to Flipkart at ₹ 205 per Equity Share (of which ₹ 10 is towards face value and ₹ 195 towards premium) on receipt of the consideration. There has been no deviation in the use of proceeds of the Preferential Issue, from the objects stated in the Investment agreement.

14. Acquisition of 51% stake in Sabyasachi Calcutta LLP: On January 27, 2021, the Board of Directors approved the acquisition of 51% stake in Sabyasachi Calcutta LLP [formerly M/s. Sabyasachi Couture, a partnership firm ("Sabyasachi") by entering into a Framework Agreement. On February 24, 2021, post completion of the customary closing conditions under the Agreement, the Company concluded the acquisition. Considering the terms of the Agreement, investment in Sabyasachi is considered as a subsidiary of the

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Company. In respect of the balance 49% held by promoter of the LLP, the Company has accounted the same as non-current financial liability considering the put option provided to the promoter.

15. Acquisition of 33.50% stake in Goodview Fashion Private Limited: On February 24, 2021, the Board of Directors approved the acquisition of 33.50% stake in Goodview Fashion Private Limited [formerly known as Goodview Properties Private Limited] ["GFPL"], by way of entering into a 'Share Purchase and Subscription agreement' ["SPSA"] along with a 'Shareholders Agreement'. On March 19, 2021, post completion of the customary closing conditions under the said SPSA, the Company concluded the acquisition. Considering the terms of the SPSA and Shareholders' Agreement, the investment in GFPL is considered as a Joint Venture.

16. Acquisition of 80% stake in a Indivinity Clothing Retail Private Limited: On February 24, 2021, the Board of Directors approved the acquisition of 80% stake in Indivinity Clothing Retail Private Limited ["ICRPL"] by way of entering into 'Share Subscription and Shareholders Agreement' ["SSSA"]. On March 26, 2021, post completion of the customary closing conditions under the said SSSA, ICRPL became a subsidiary of the Company.

17. Remuneration paid to managerial personnel for the year ended March 31, 2021 is in excess of the limits available under section 197 of the Companies Act, 2013 ("Act") read with Schedule V of the Act by ₹ 0.56 Crore. The Company shall obtain necessary approvals for the same from the shareholders at the forthcoming general meeting.

18. The Finance Act, 2021 has amended section 32 of the Income Tax Act, 1961, whereby effective from April 1, 2020, goodwill of a business is not considered as a depreciable asset and depreciation on goodwill is not allowed as deductible expenditure. Consequent to such amendment, in accordance with the requirements of Ind AS 12 - Income Taxes, the Company has recognised a one-time net deferred tax expense amounting to ₹ 68.84 Crore pertaining to net deferred tax liability ('DTL') arising from difference between the carrying value of goodwill as per books of account and as per updated tax written down value of NIL resulting from the aforementioned amendment.

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In view of the amendments introduced by the Finance Act, 2021 to the Income Tax Act, 1961 and considering the opinion received by the Company from a senior legal counsel, as at March 31, 2021, the Company recorded deferred tax asset of ₹ 243.11 Crore on the carry forward unabsorbed depreciation pertaining to goodwill pertaining to earlier years arising from demerger, and consequent deferred tax liability of the same amount pertaining to difference between the carrying value of goodwill as per books of account and as per tax books.

The reversal of the aforesaid DTL and cash outflow on this account is deemed unlikely as the value of associated goodwill is expected to be recovered through value in use.

19. The consolidated financial results for the quarter and year ended March 31, 2021 are not comparable with quarter and year ended March 31, 2020 and quarter ended December 31, 2020, in view of the matter stated in note 14, 15 and 16 above.

20. Previous periods' figures have been regrouped/ rearranged wherever necessary to conform to the current period's classification(s).

Place: Bengaluru
Date: May 28, 2021

Ashish Dikshit
Managing Director

Aditya Birla Fashion and Retail Limited
Reg Office: Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070
CIN: L18101MH2007PLC233901 E-mail: secretarial@abfrl.adityabirla.com
Tel: (+91) 86529 05000 | Fax: (+91) 86529 05400 Website: www.abfrl.com

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S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Aditya Birla Fashion and Retail Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Aditya Birla Fashion and Retail Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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 reports of the other auditors on separate audited financial statements/ financial information of the subsidiaries and joint venture, the Statement:

i. includes the results of the following entities:

Holding Company:

(i) Aditya Birla Fashion and Retail Limited

Subsidiaries:

(i) Jaypore E-commerce Private Limited
(ii) Jaypore Inc.
(iii) TG Apparel & Décor Private Limited
(iv) Finesse International Design Private Limited
(v) Sabyasachi Calcutta LLP
(vi) Sabyasachi Inc.
(vii) Indivinity Clothing Retail Private Limited

Joint venture:

(i) Goodview Fashion Private Limited

ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and

iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive loss and other financial information of the Group and joint venture for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

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Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, and joint venture 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 9 of the Statement, which describes management's assessment of the impact of the COVID 19 pandemic on the Group's and joint venture's operations and carrying value of assets as at March 31, 2021. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net loss and other comprehensive income and other financial information of the Group and joint venture in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint venture 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 Statement 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 Statement by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 and its joint venture 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 Statement 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 and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its joint venture of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, 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.

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We communicate with those charged with governance of the Holding Company and such other entities included in the Statement 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

The accompanying Statement includes the audited financial results/statements and other financial information, in respect of:

(i) Six subsidiaries, whose financial results/statements include total assets of Rs. 991.90 Crore as at March 31, 2021, total revenues of Rs. 29.84 Crore and Rs. 50.79 Crore, total net loss after tax of Rs. 56.20 Crore and Rs. 69.63 Crore, total comprehensive loss of Rs. 56.18 Crore and Rs. 69.68 Crore, for the quarter and the year ended on that date, respectively, and net cash inflows of Rs. 62.06 Crore for the year ended March 31, 2021, as considered in the Statement which have been audited by their respective independent auditors.

(ii) a joint venture, whose financial results/statements include Group's share of net loss of Rs. 0.34 Crore and Group's share of total comprehensive loss of Rs. 0.25 Crore for the quarter and for the year ended March 31, 2021, as considered in the Statement whose financial results/financial statements, other financial information has been audited by its independent auditors.

The independent auditors of one subsidiary in their audit report have reported that the consolidated financial statements of such subsidiary includes unaudited financial results /statements and other unaudited financial information in respect of a downstream subsidiary, whose financial results/statements and other financial information reflect total assets of Rs. 12.28 Crore as at March 31, 2021, and total revenues of Rs. Nil, total net loss after tax of Rs. 0.28 Crore, total comprehensive loss of Rs. 0.26 Crore, for the quarter and the year ended on that date and cash inflows of Rs. 0.37 Crore for the period ended March 31, 2021. Such unaudited financial statements/ financial information/ financial results have been approved and furnished to the other auditors by the Management and the other auditor's opinion, in so far as it relates to the amounts and disclosures included in respect of such subsidiary is based solely on unaudited financial statements/ financial information/financial results. The other auditors have reported that in their opinion and according to the information and explanations given by the Management, the financial statements/ financial information/financial results of such downstream subsidiary are not material to the entity.

The other auditor's opinion on the financial statements/financial results is not modified in respect of the above matter with respect to their reliance on the financial results/financial information certified by the Management.

The independent auditor's report on the financial statements/financial results/financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

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Chartered Accountants

Our opinion on the Statement 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.

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382
UDIN: 21208382AAAABS5291

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Bengaluru
May 28, 2021

ADITYA BIRLA
FASHION & RETAIL

Aditya Birla Fashion and Retail Limited

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

₹ in Crore

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31,2021 (Audited) (Refer note 4)	December 31, 2020 (Unaudited)	March 31, 2020 (Audited) (Refer note 4)	March 31, 2021 (Audited)	March 31, 2020 (Audited)
I	Revenue from operations	1,783.59	2,059.00	1,817.43	5,181.14	8,742.53
II	Other income (Refer note 8)	20.21	14.10	16.88	72.64	65.09
III	**Total income (I + II)**	**1,803.80**	**2,073.10**	**1,834.31**	**5,253.78**	**8,807.62**
IV	**Expenses**					
	(a) Cost of materials consumed	163.21	114.22	222.60	419.23	783.03
	(b) Purchases of stock-in-trade	626.86	517.19	803.27	1,508.83	3,781.52
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	42.50	350.89	(140.28)	609.56	(358.79)
	(d) Employee benefits expense	220.44	200.18	271.48	823.91	1,045.95
	(e) Finance costs	119.59	109.54	118.63	498.39	422.73
	(f) Depreciation and amortisation expense	246.97	227.09	232.47	945.00	876.82
	(g) Rent expense (Refer note 8)	86.88	109.74	106.16	10.67	486.92
	(h) Other expenses	386.70	355.46	398.15	1,214.63	1,778.53
	Total expenses	**1,893.15**	**1,984.31**	**2,012.48**	**6,030.22**	**8,816.71**
V	**Profit/ (loss) before tax (III - IV)**	**(89.35)**	**88.79**	**(178.17)**	**(776.44)**	**(9.09)**
VI	Income tax expense					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax (Refer note 7 and 18)	45.49	22.40	(37.88)	(126.80)	136.10
VII	**Net profit/ (loss) after tax (V - VI)**	**(134.84)**	**66.39**	**(140.29)**	**(649.64)**	**(145.19)**
VIII	**Other comprehensive income**					
	Items that will not be reclassified to profit or loss					
	(a) Re-measurement gains/ (losses) on defined benefit plans	4.49	(0.52)	(2.07)	2.63	4.55
	Income tax effect on above	(1.13)	0.13	0.52	(0.66)	(1.31)
	(b) Fair value gains/ (losses) on equity instruments	-	-	-	(0.50)	2.95
	Income tax effect on above	-	-	-	0.13	(0.74)
	Total other comprehensive income	**3.36**	**(0.39)**	**(1.55)**	**1.60**	**5.45**
IX	**Total comprehensive income (VII + VIII)**	**(131.48)**	**66.00**	**(141.84)**	**(648.04)**	**(139.74)**
X	Paid-up equity share capital (Face value of ₹ 10/- each)	915.05	819.55	773.95	915.05	773.95
XI	Other equity (excluding share suspense)	-	-	-	1,769.51	311.90
XII	Earnings per equity share (of ₹ 10/- each) (not annualised) (including share suspense) (Refer note 10 and 12)					
	(a) Basic (₹)	(1.54)	0.81	(1.81)	(7.95)	(1.87)
	(b) Diluted (₹)	(1.54)	0.77	(1.81)	(7.95)	(1.87)

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Notes:

1 **Standalone Balance Sheet**

₹ in Crore

	Particulars	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)
A	**ASSETS**		
I	**Non-current assets**		
	(a) Property, plant and equipment	534.50	638.10
	(b) Capital work-in-progress	34.64	40.06
	(c) Right-of-use assets	2,066.89	2,174.43
	(d) Goodwill	1,859.60	1,859.60
	(e) Other intangible assets	45.33	56.22
	(f) Intangible assets under development	-	3.54
	(g) Financial assets		
	(i) Investment in equity of subsidiaries and joint venture	682.87	162.85
	(ii) Other investments	6.66	7.16
	(iii) Loans	2.59	3.43
	(iv) Security deposits	303.74	298.99
	(v) Other financial assets	145.84	0.34
	(h) Deferred tax assets (net)	321.23	194.96
	(i) Non-current tax assets (net)	21.55	22.25
	(j) Other non-current assets	64.97	76.14
	Total - Non-current assets	**6,090.41**	**5,538.07**
II	**Current assets**		
	(a) Inventories	1,742.93	2,349.40
	(b) Financial assets		
	(i) Current Investments	299.53	-
	(ii) Loans	6.49	7.12
	(iii) Security deposits	99.79	107.69
	(iv) Trade receivables	722.40	840.19
	(v) Cash and cash equivalents	164.26	264.91
	(vi) Bank balance other than cash and cash equivalents	0.28	0.14
	(vii) Other financial assets	253.82	190.31
	(c) Other current assets	382.75	391.10
	Total - Current assets	**3,672.25**	**4,150.86**
	TOTAL - ASSETS	**9,762.66**	**9,688.93**
B	**EQUITY AND LIABILITIES**		
I	**Equity**		
	(a) Equity share capital	915.05	773.95
	(b) Other equity	1,769.53	311.92
	Total - Equity	**2,684.58**	**1,085.87**
II	**Non-current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	802.09	855.02
	(ii) Lease liabilities	1,695.10	1,791.67
	(iii) Deposits	167.28	109.78
	(iv) Other financial liabilities	198.85	60.13
	(b) Provisions	89.44	97.04
	(c) Other non-current liabilities	11.44	12.29
	Total - Non-current liabilities	**2,964.20**	**2,925.93**
III	**Current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	0.06	1,507.78
	(ii) Lease liabilities	690.47	675.68
	(iii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	26.74	97.73
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,306.95	2,175.61
	(iv) Deposits	130.63	153.40
	(v) Other financial liabilities #	794.04	877.11
	(b) Provisions	84.91	87.91
	(c) Other current liabilities	80.08	101.91
	Total - Current liabilities	**4,113.88**	**5,677.13**
	TOTAL - EQUITY AND LIABILITIES	**9,762.66**	**9,688.93**

 # Includes Current maturities of non-current borrowings - ₹ 315.77 (March 31, 2020 - ₹ 413.52)

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2 **Standalone Statement of Cash Flows**

₹ In Crore

	Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
I	**Cash flows from operating activities**		
	Loss before tax	(776.44)	(9.09)
	Adjustments for:		
	Depreciation and amortisation expense	945.00	876.82
	Finance costs	496.17	419.98
	Gain on retirement of right-of-use assets	(20.54)	(12.93)
	Rent concession on lease rentals	(340.43)	-
	Loss on sale/ discard of property, plant and equipment	0.67	2.92
	Fair value changes in derivative financial instrument (net)	0.39	-
	Share-based payment to employees	11.88	19.86
	Interest income	(3.40)	(0.77)
	Liabilities no longer required written back	(3.83)	-
	Net gain on sale of current investments	(3.20)	(4.71)
	Net unrealised exchange (gain)/ loss	1.46	(2.64)
	Expense/ (income) on financial assets/ liabilities that is designated as at fair value through profit or loss	(26.84)	(24.28)
	Provision for doubtful debts, deposits and advances	14.17	10.81
	Operating profit/ (loss) before working capital changes	**295.06**	**1,275.97**
	Changes in working capital:		
	(Increase)/ decrease in trade receivables	110.32	(67.12)
	(Increase)/ decrease in inventories	606.47	(428.12)
	(Increase)/ decrease in other assets	(151.17)	(112.62)
	Increase/ (decrease) in trade payables	68.19	(132.59)
	Increase/ (decrease) in provisions	(8.00)	(12.99)
	Increase/ (decrease) in other liabilities	228.53	145.28
	Cash generated from/ (used in) operations	**1,149.40**	**667.81**
	Income taxes paid (net of refund)	0.87	(6.13)
	Net cash flow from/ (used in) operating activities	**1,150.27**	**661.68**
II	**Cash flows from investing activities**		
	Purchase of property, plant and equipment, intangible assets and capital advance	(147.53)	(313.46)
	Consideration paid for acquisition of/ investment in subsidiaries and joint venture	(523.07)	(159.30)
	Purchase of current investments	(12,359.02)	(6,811.30)
	Inter-corporate deposits to subsidiaries	(26.86)	(14.99)
	Investment in treasury shares held by ESOP trust	(3.97)	(100.49)
	Proceeds from sale of property, plant and equipment and intangible assets	2.71	6.00
	Proceeds from sale/ maturity of current investments	12,069.35	6,816.01
	Repayment of Inter-corporate deposits by subsidiaries	0.60	2.83
	Interest received	3.17	0.57
	Net cash flow used in investing activities	**(984.62)**	**(574.13)**
III	**Cash flows from financing activities**		
	Proceeds from issue of equity shares	0.50	7.23
	Proceeds from Rights Issue (net off charges)	738.66	-
	Proceeds from Preferential Issue (net off charges)	1,499.63	-
	Proceeds from non-current borrowings (net off charges)	683.36	1,044.77
	Proceeds from sale of property, plant and equipment under sale and leaseback arrangement	28.65	47.93
	Proceeds/ (repayments) of current borrowings (net)	(1,507.72)	1,032.34
	Repayment of non-current borrowings	(834.04)	(1,004.64)
	Repayment of lease liabilities	(402.87)	(584.90)
	Interest paid	(472.47)	(422.56)
	Net cash flow from/ (used in) financing activities	**(266.30)**	**120.17**
	Net increase/ (decrease) in cash and cash equivalents	**(100.65)**	**207.72**
	Cash and cash equivalents at the beginning of the year	264.91	57.19
	Cash and cash equivalents at the end of the year	**164.26**	**264.91**

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Notes:

3. The above standalone financial results, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors at its meeting held on May 28, 2021.

4. The figures for the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and March 31, 2020 and the unaudited published year-to-date figures upto December 31, 2020 and December 31, 2019 respectively, being the dates of the end of the third quarters of the financial year which were subjected to limited review.

5. The audit as required under Regulation 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Auditors of the Company and the related report is being submitted to the concerned Stock Exchanges.

6. The segment information as per Ind AS 108 "Operating Segments" is provided on the basis of consolidated financial results, hence the same is not provided separately for the standalone financial results.

7. During the year ended March 31, 2020, the Company decided to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company recognised provision for income taxes based on the rate prescribed in the aforesaid section. Further, management reviewed the components of deferred tax assets/ liabilities leading to a reassessment of its estimates compared to earlier periods. Such re-measurement and change in rate of tax resulted in one-time additional tax charge of ₹ 130.38 Crore.

8. The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116 - Leases, by inserting a practical expedient w.r.t. "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 with effect from April 01, 2020. The Company has accounted the unconditional rent concessions of ₹ 18.51 Crore (including

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₹ Nil Crore pertaining to periods after March 31, 2021) during the quarter ended March 31, 2021 and ₹ 340.43 Crore (including ₹ 0.48 Crore pertaining to period after March 31, 2021) during the year ended March 31, 2021. The same has been accounted as a reduction of rent expenses in the Statement of Profit and Loss. Till quarter ended December 31, 2020, the Company had accounted the rent concessions under "Other Income" in the Statement of Profit and Loss, which has now been regrouped as reduction of rent expenses. Comparative periods have been regrouped to conform to the current period's classification. Rent concession for the quarter and nine months ended December 31, 2020 amounted to ₹ 42.87 Crore and ₹ 321.92 Crore, respectively.

9. COVID-19 pandemic has had a significant impact on the business operations and the financial results of the Company for the quarter and for the year ended March 31, 2021. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results, in determination of the recoverability and carrying value of financial assets and non-financial assets. The impact of the current surge in COVID-19 pandemic on the overall economic environment is uncertain and may affect the underlying assumptions and estimates used to prepare the Company's financial results, whereby actual outcome may differ from those assumptions and estimates considered as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions. The Company continues to take various precautionary measures to ensure health and safety of its customers, employees and their families from COVID-19.

10. ESOP Share Allotment: The Stakeholders Relationship Committee of the Board of Directors allotted fully paid-up Equity Shares of ₹ 10/- each pursuant to the exercise of Restricted Stock Units by eligible employees as mentioned hereunder:

Employee Stock Options Scheme - 2013

- Nil equity shares during the quarter ended March 31, 2021.
- 37,840 equity shares during the year ended March 31, 2021.

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Employee Stock Options Scheme - 2017

- 35,801 equity shares during the quarter ended March 31, 2021.
- 4,64,601 equity shares during the year ended March 31, 2021.

11. On effectiveness of the Composite Scheme of Arrangement amongst the Company, erstwhile Aditya Birla Nuvo Limited ("ABNL"), Madura Garments Lifestyle Retail Company Limited ("MGLRCL") and their respective Shareholders and Creditors under Section 391 to 394 of the Companies Act, 1956, the Company had issued 67,98,19,778 Equity Shares to the Shareholders of ABNL and MGLRCL ("said Shares"). Out of the said Shares, 67,60,37,600 Equity Shares were allotted to the Shareholders of ABNL and MGLRCL on January 27, 2016. However, pursuant to Clause 21 of the Composite Scheme, allotment of 37,82,178 Equity Shares to 3,475 Non-Resident Shareholders, including 4 Overseas Corporate Bodies ("OCBs") of ABNL ("NRE Shareholders") was kept pending until receipt of applicable regulatory approvals. Thereafter, from time to time, the Company has allotted 37,65,325 Equity Shares to 3,471 NRE Shareholders in terms of applicable laws. Accordingly, out of the said Shares, 16,853 Equity Shares held by 4 OCBs remain pending for allotment until receipt of Regulatory approvals.

12. Rights Issue: **a)** The Board of Directors of the Company on May 27, 2020 approved fund raising by way of a Rights Issue and on June 25, 2020 approved issue of 9,04,65,693 equity shares of face value of ₹ 10 each (the ""Rights Equity Shares"") at a price of ₹ 110 per Rights Equity Share (including premium of ₹ 100 per Rights Equity Share), aggregating to ₹ 995.12 Crore, in the ratio of 9 Rights Equity Shares for every 77 existing fully-paid shares held by the eligible equity shareholders as on the Record Date i.e. July 1, 2020. On July 28, 2020, the Company approved allotment of 9,02,77,042 Rights Equity shares of face-value ₹ 10 each to the eligible applicants. The Rights Equity Shares were allotted as partly paid-up for an amount of ₹ 55 per Rights Equity Share received on application (of which ₹ 5 was towards face value and ₹ 50 towards premium). The allotment of 1,88,651 Rights Equity Shares has been kept in abeyance pending regulatory/ other clearances.

b) On January 11, 2021, the Company called for the 1st call money of ₹ 27.50 per partly paid shares (""PPS"") [of which ₹ 2.50 is towards face value and ₹ 25 towards premium]. It received the due amount in respect of 8,99,09,500

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PPS. However, due to non-payment of the 1st call money, in accordance with the Articles of Association, the Company forfeited 3,67,542 PPS.

c) The final call of ₹ 27.50 (of which ₹ 2.50 shall be towards face value and ₹ 25 towards premium) per Rights Equity Share would be made in July 2021.

d) There has been no deviation in the use of proceeds of the Rights Issue, from the objects stated in the Offer document.

e) Pursuant to IND AS 33, basic and diluted earnings per share for the previous periods have been restated for the bonus element in respect of the aforesaid Rights Issue.

13. Preferential Issue: On October 23, 2020, the Board of Directors approved issuance of equity shares on a preferential basis to Flipkart Investments Private Limited ("Flipkart"), a foreign portfolio investor, duly registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, aggregating up to ₹ 1,500 Crore ("Preferential Issue"). The Company received the approval of shareholders by way of Postal Ballot on November 22, 2020 and received the approval of Competition Commission of India on January 20, 2021. On January 28, 2021, post completion of the closing conditions under the Investment Agreement, the Board of Directors approved allotment of 7,31,70,731 fully paid-up equity shares to Flipkart at ₹ 205 per Equity Share (of which ₹ 10 is towards face value and ₹ 195 towards premium) on receipt of the consideration. There has been no deviation in the use of proceeds of the Preferential Issue, from the objects stated in the Investment agreement.

14. Acquisition of 51% stake in Sabyasachi Calcutta LLP: On January 27, 2021, the Board of Directors approved the acquisition of 51% stake in Sabyasachi Calcutta LLP [formerly M/s. Sabyasachi Couture, a partnership firm ("Sabyasachi")] by entering into a Framework Agreement. On February 24, 2021, post completion of the customary closing conditions under the Agreement, the Company concluded the acquisition. Considering the terms of the Agreement, investment in Sabyasachi is considered as a subsidiary of the Company.

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15. Acquisition of 33.50% stake in Goodview Fashion Private Limited: On February 24, 2021, the Board of Directors approved the acquisition of 33.50% stake in Goodview Fashion Private Limited [formerly known as Goodview Properties Private Limited] ["GFPL"], by way of entering into a 'Share Purchase and Subscription agreement' ["SPSA"] along with a 'Shareholders Agreement'. On March 19, 2021, post completion of the customary closing conditions under the said SPSA, the Company concluded the acquisition. Considering the terms of the SPSA and Shareholders' Agreement, the investment in GFPL is considered as a Joint Venture.

16. Acquisition of 80% stake in a Indivinity Clothing Retail Private Limited: On February 24, 2021, the Board of Directors approved the acquisition of 80% stake in Indivinity Clothing Retail Private Limited ["ICRPL"] by way of entering into 'Share Subscription and Shareholders Agreement' ["SSSA"]. On March 26, 2021, post completion of the customary closing conditions under the said SSSA, ICRPL became a subsidiary of the Company.

17. Remuneration paid to managerial personnel for the year ended March 31, 2021 is in excess of the limits available under section 197 of the Companies Act, 2013 ("Act") read with Schedule V of the Act by ₹ 0.56 Crore. The Company shall obtain necessary approvals for the same from the shareholders at the forthcoming general meeting.

18. The Finance Act, 2021 has amended section 32 of the Income Tax Act, 1961, whereby effective from April 1, 2020, goodwill of a business is not considered as a depreciable asset and depreciation on goodwill is not allowed as deductible expenditure. Consequent to such amendment, in accordance with the requirements of Ind AS 12 - Income Taxes, the Company has recognised a one-time net deferred tax expense amounting to ₹ 68.84 Crore pertaining to net deferred tax liability ('DTL') arising from difference between the carrying value of goodwill as per books of account and as per updated tax written down value of NIL resulting from the aforementioned amendment.

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In view of the amendments introduced by the Finance Act, 2021 to the Income Tax Act, 1961 and considering the opinion received by the Company from a senior legal counsel, as at March 31, 2021, the Company recorded deferred tax asset of ₹ 243.11 Crore on the carry forward unabsorbed depreciation pertaining to goodwill pertaining to earlier years arising from demerger, and consequent deferred tax liability of the same amount pertaining to difference between the carrying value of goodwill as per books of account and as per tax books.

The reversal of the aforesaid DTL and cash outflow on this account is deemed unlikely as the value of associated goodwill is expected to be recovered through value in use.

19. Additional disclosures as per Regulation 63 read with Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Debt equity ratio (times)1	0.24	2.31
Debt service coverage ratio (times)2	(0.67)	0.28
Interest service coverage ratio (times)3	(1.83)	0.96
Net worth (₹ in Crore)	2,684.58	1,085.87
Net profit/ (loss) after tax (₹ in Crore)	(649.64)	(145.19)

Ratios have been computed as follows:

1. Debt equity ratio = Debt / Net worth; (Net worth: Equity share capital + Other equity)

Debt comprises Non-current borrowings, Current borrowings, Current maturities of non-current borrowings, net off Cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

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2. Debt service coverage ratio = Earnings before interest* and tax / [Finance cost* + Principal repayment of non-current borrowings (netted off to the extent of non-current borrowings availed during the same period for the repayments)]

3. Interest service coverage ratio = Earnings before interest* and tax / Finance cost*

* Finance cost/ interest comprises of Interest expense on borrowings and excludes interest expense on lease liabilities and interest charge on fair value of financial instruments.

Details w.r.t. the unsecured, rated, redeemable, Non-Convertible Debentures ("NCDs") issued by the Company are as follows:

- The credit rating by CRISIL for the NCDs continues to be AA (Stable).
- The non-convertible debt securities of the Company are unsecured.
- The previous due date(s) for payment of interest and repayment of principal:

Redemption of Series 3 NCDs issued by the Company in the year 2016 was due on April 20, 2020. Accordingly, the redemption amount has been duly paid.

- The next due dates for the payment of interest and repayment of principal:

NCDs issued by the Company in the year 2018, under Series 5, are Zero Coupon and payment of the redemption amount is due on August 14, 2021;

NCDs issued by the Company in the year 2019, under Series 6, are Zero Coupon and payment of the redemption amount is due on November 11, 2022;

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NCDs issued by the Company in the year 2020, under Series 7, at Coupon rate of 8.75% p.a. Coupon payment is due annually commencing from May 22, 2021 and payment of the redemption amount is due on May 22, 2023;

- Details of the outstanding redeemable preference shares are as under:

  500,000, 8% Cumulative redeemable preference shares of ₹ 10/- each, redeemable at any time after completion of 15 years from March 31, 2009; and 500, 6% Cumulative redeemable preference shares of ₹ 100/- each, redeemable at any time after completion of 15 years from October 14, 2009.

20. Previous periods' figures have been regrouped/ rearranged wherever necessary to conform to the current period's classification(s).

Place: Bengaluru
Date: May 28, 2021

Ashish Dikshit
Managing Director

Aditya Birla Fashion and Retail Limited
Reg Office: Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070
CIN: L18101MH2007PLC233901 E-mail: secretarial@abfrl.adityabirla.com
Tel: (+91) 86529 05000 | Fax: (+91) 86529 05400 Website: www.abfrl.com

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BY
S R B C & CO LLP
MUMBAI

S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Aditya Birla Fashion and Retail Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Aditya Birla Fashion and Retail Limited (the "Company") for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

i. is presented in accordance with the requirements of the Listing Regulations in this regard; and

ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 9 of the Statement, which describes management's assessment of the impact of COVID 19 pandemic on the Company's operations and carrying value of assets as at March 31, 2021. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in

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compliance with Regulation 33 and 52 of the Listing Regulations. 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 results 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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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.

Other Matter

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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

per Aditya Vikram Bhauwala
Partner
Membership Number: 208382
UDIN: 21208382AAAABR7047

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Bengaluru
May 28, 2021