

# Avenue Supermarts

## 1<sup>st</sup> Quarter April to June 2022 (Quarterly Results Analysis)

### Avenue Supermarts reports around 7-fold jump in Q1 consolidated net profit

With good recovery in overall sales, Avenue Supermarts has reported around 7-fold jump in its consolidated net profit at Rs 642.89 crore for the first quarter ended June 30, 2022 as compared to Rs 95.36 crore for the same quarter in the previous year. Consolidated total income of the company increased by 93.06% at Rs 10,067.21 crore for Q1FY23 as compared Rs 5,214.58 crore for the corresponding quarter previous year.

### Revenue from operations

Revenue from operations of the company jumped 93.67% to Rs 10,038.07 crore in the first quarter ended June 30, 2022 as against Rs 5,183.12 crore in the corresponding quarter previous year.

### Other income

The company's other income however declined 7.37% to Rs 29.14 crore in the first quarter ended June 30, 2022 as compared to Rs 31.46 crore in the corresponding quarter previous year.

### Total expenses

Total expenses of the company surged 81.04% to Rs 9,191.79 crore in Q1FY23 as against Rs 5,077.22 crore in the corresponding quarter previous year, on the back of higher purchases of stock-in-trade, employee benefits expense, finance costs and depreciation and amortisation expense.

### EBITDA

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) in Q1FY23 stood at Rs 1,008 crore, as compared to Rs 224 crore in the corresponding quarter of last year. EBITDA margin stood at 10.0% in Q1FY23 as compared to 4.3% in Q1FY22.

### Standalone performance of Q1

The company has reported around 6-fold jump in its net profit at Rs 679.64 crore for the quarter under review as compared to Rs 115.13 crore for the same quarter in the previous year. Total income of the company increased by 94.24% at Rs 9,843.80 crore for Q1FY23 as compared Rs 5,067.96 crore for the corresponding quarter previous year.

### Management comments

**Neville Noronha, CEO & Managing Director, Avenue Supermarts Limited, said:** "We ended Q1 FY 2023 with growth across all key financial parameters. There has been a very good recovery of overall sales. However, this quarter's performance is not comparable to the same period last year due to the second wave of Covid-19 during that time. We

cumulatively opened 110 stores over the last 3 financial years which never got an opportunity to operate in normal circumstances over the last 2 years. These are stores that are larger, better designed and have capacity to handle larger scale of revenue. These stores have done extremely well in this quarter. This is also the first full quarter of zero disruption from Covid-19 pandemic. Q1 like Q3 is a good revenue as well as profit enhancing period due to back to school/college season and the onset of the monsoons.”

He added: “General Merchandise and Apparel categories saw relatively better traction than the previous quarter but still has some overhang of the Covid-19 led disruptions and acute inflationary impact. Our discretionary contribution mix of this quarter is yet to reach the pre-pandemic levels but is getting better. High inflation over the last two years hides the possible stress in volume growth for discretionary categories of mass consumption. Value growth through positive volume growth of discretionary products in relatively older stores is the best reflection of the strength of the DMart business, competitive impact and the local economy. We have made good progress in this area during the quarter. We will need another quarter of uninterrupted operations to understand this better.”

Rs.in Millions									
	Quarter ended			Year to Date			Year ended		
	Jun 22	Jun 21	% Var			%Var	Mar 22	Mar 21	% Var
<b>Sales</b>	98068.90	50317.50	94.90	-	-	-	303525.00	237872.00	27.60
<b>Other Income</b>	369.10	362.10	1.93	-	-	-	1408.70	2089.00	-32.57
<b>PBIDT</b>	10448.00	2574.30	305.86	-	-	-	26423.90	19506.30	35.46
<b>Interest</b>	116.60	84.10	38.64	-	-	-	396.00	344.80	14.85
<b>PBDT</b>	10331.40	2490.20	314.88	-	-	-	26027.90	19161.50	35.83
<b>Depreciation</b>	1233.40	927.30	33.01	-	-	-	4210.60	3713.60	13.38
<b>PBT</b>	9098.00	1562.90	482.12	-	-	-	21817.30	15447.90	41.23
<b>TAX</b>	2301.60	411.60	459.18	-	-	-	5655.60	3794.80	49.04
<b>Deferred Tax</b>	36.00	7.40	386.49	-	-	-	129.40	37.00	249.73
<b>PAT</b>	6796.40	1151.30	490.32	-	-	-	16161.70	11653.10	38.69
<b>Equity</b>	6477.70	6477.70	0.00	-	-	-	6477.70	6477.70	0.00

Note :  
P to L :- Profit To Loss  
L to P :- Loss To Profit