Zara India posts loss of Rs 41 crore for FY 2020-21

By Maverick Martins 22 June 2021

Fast fashion retailer Zara India reported a loss of Rs 41 crore ($5.6 million) for the financial year 2020-21, as against a net profit of Rs 104 crore it had reported in the previous financial year.

The company’s revenue for the fiscal year was down by 28 percent to Rs 1,126 crore, as compared to Rs 1,571 crore it reported in the last fiscal year.

Zara operates in India through Inditex Trent Retail India Private Limited (ITRIPL), a JV between the brand’s parent company Inditex and Tata Group company Trent Limited. The Inditex group of Spain owns 51 percent, while Trent has 49 percent.

“During the year under review, the Zara entity recorded revenues of Rs 1,126 crore and loss after tax of Rs 41 crore. The incremental store openings for Zara continue to be calibrated with focus on presence only in very high-quality retail spaces," Trent Ltd said in its earnings statement.

ITRIPL currently operates 21 Zara stores in India across 11 cities. Trent Ltd has two separate associations with Inditex — one to operate Zara stores , and the other for Massimo Dutti stores in India.