

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001. Stock Code : 532638	National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. Stock Symbol : SHOPERSTOP
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Dear Sir / Madam,

Sub: Intimation under Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) - Approval of investment in Pahadi Goodness Private Limited

We are pleased to inform you that the Board of Directors of Shoppers Stop Limited (“the Company”) at its Meeting held today on July 31, 2023 have inter-alia approved an investment in Pahadi Goodness Private Limited (“Pahadi Local”) of upto Rs. 4 Crores (Rupees Four Crores), by way of subscription to 40,000 Optionally Convertible Debentures at face value of Rs. 1000 (Rupees one thousand) each and shall be entering into a subscription agreement with Pahadi Local for the same. The Company shall further have an option to acquire an additional 17.67% of the Equity Capital of Pahadi Local in June, 2025, at a post money valuation of Rs. 20 Crores.

Pahadi Local: is a start-up engaged in the business of manufacturing, distributing, marketing and selling of skincare, wellness and other similar items under the brand name “PAHADILocal”. It sources its skincare products from the Himalayas and operates in the “Clean Beauty” space, with products consisting of a range of Oil, Powder, Paste and Mist SKU’s. It has its plant in Parwanoo, Himachal Pradesh with an in-house R&D.

Beauty is one of our Strategic Pillar and our vision is to be the “Most Loved Beauty Shopping Destination for Customers”. Through this investment, the Company proposes to make a strategic investment in a start-up in the wellness and skin care segment, which is a key category in Beauty strategy. The skin care category is in its infancy and growing rapidly, and this investment will help us to grow the same. This would also enable distribution of Pahadi Local products by the Company (and its wholly owned subsidiary), which are sourced from Himalayas and are natural. This will also achieve our ESG goal i.e. promote MSME and sustainable products.

Details in respect of the proposed investment, as required under Regulation 30(6) read with Schedule III Part A Para A (1) of the Listing Regulations and the SEBI circular CIR/CFD/CMD/4/2015 dated 9 September 2015 are enclosed as Annexure.

We request you to take the above information on record.

Thank you.
Yours faithfully,

For **Shoppers Stop Limited**

Vijay Kumar Gupta
Vice President – Legal, CS & Compliance Officer
ACS No: 14545

Shoppers Stop Limited

Registered & Service Office : Umang Tower, 5th Floor, Mindspace, Off. Link Road, Malad (W), Mumbai 400 064, Maharashtra.
T 022- 42497000 CIN : L51900MH1997PLC108798. Email : customercare@shoppersstop.com Website: www.shoppersstop.com
Toll Free No.:1800-419-6648 (9 am to 9 pm).

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Annexure

Acquisition (including agreement to acquire):

Sr. No.	Particulars	Details
1	Name of the target entity, details in brief such as size, turnover etc.;	<ul style="list-style-type: none"> Pahadi Goodness Private Limited (“Pahadi Local”) During FY 22-23, turnover is Rs. 1,83,98,156(unaudited)
2	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arms length”	<ul style="list-style-type: none"> No, the transaction is not related to the promoter / promoter group / group companies of the Company. Arm’s Length – Not applicable
3	Industry to which the entity being acquired belongs;	Manufacturing, distributing, marketing and selling of skincare and wellness products under the brand name “PAHADI LOCAL”
4	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	<ul style="list-style-type: none"> Through this investment, the Company proposes to make a strategic investment in a start-up in the wellness and skin care segment, which is its stated long-term strategy. The strategic investment would enable distribution of Pahadi Local products by the Company, which are sourced from Himalayas and are natural. The same goes well-with the ESG goals of the Company to promote MSME and sustainable products. The object is in-line with the beauty products business of the Company.
5	Brief details of any governmental or regulatory approvals required for the acquisition;	None
6	Indicative time period for completion of the acquisition;	<ul style="list-style-type: none"> The acquisition of OCD (as defined hereinbelow) will be completed by Q2 2023. The conversion into equity or redemption of OCD is expected to be completed by December, 2025. The additional investment (if any) for acquiring additional 17.67% equity stake shall be completed by December, 2025.
7	Nature of consideration - whether cash consideration or share swap and details of the same;	Cash consideration

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8	Cost of acquisition or the price at which the shares are acquired;	<ul style="list-style-type: none"> Rs. 4 Crores, for 40,000 0.2% Optionally Convertible Debentures (OCDs) of the face value of Rs.1000, to be subscribed at par and secured by hypothecation of current assets and plant & machinery of Pahadi Local. The additional investment for 17.67% Equity Stake shall be at a post money valuation of Rs.20 Crores.
9	Percentage of shareholding / control acquired and / or number of shares acquired;	<ul style="list-style-type: none"> Upon conversion of OCD's (subject to achievement of performance KPI's by Pahadi Local) into Equity on or before June 2025, Company shall hold 33.33% of equity capital of Pahadi Local. On failure to achieve performance KPI's, the OCD's shall be redeemed at face value in December, 2025. Further on exercise of addition option to purchase additional 17.67% of Pahadi Local in June, 2025, the Company shall hold 51% of equity capital of Pahadi Local
10	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<ul style="list-style-type: none"> Pahadi Goodness Private Limited ("Pahadi Local"), was incorporated on April 03, 2017 Pahadi Local is a start-up engaged in the business of manufacturing, importing, distributing, marketing and selling of skincare, wellness and other similar items under the brand name "PAHADI LOCAL". It sources its skincare products from the Himalayas and operates in the "Clean Beauty" space, with products consisting of a range of Oil, Powder, Paste and Mist SKU's. It has its plant in Parwanoo, Himachal Pradesh with an in-house R&D. Turnover of last 3 years: FY 2022-23 – Rs. 1,83,98,156 (unaudited) FY 2021-22 – Rs. 2,48,42,135 FY 2020-21 – Rs. 2,13,41,278 FY 2019-20 – Rs. 80,86,788

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