

# SHOPPERS STOP

SEC/33/2023-24

June 30, 2023

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

**Sub: Disclosure under Regulations 30, 34 & 42 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and other applicable regulations - Intimation of Notice of 26th Annual General Meeting (26th AGM), Annual Report 2022-23 and Book Closure.**

Please be informed that 26th AGM is scheduled to be held on Monday, July 24, 2023 at 11.30 a.m. IST through Video Conferencing / Other Audio Visual Means, to transact the businesses as set out in the Notice, pursuant to the relevant circulars issued by Ministry of Corporate Affairs and SEBI (Listing Obligations Disclosure Requirement) Regulations, 2015 (Listing Regulations) in this regard as per details given below:

1.	Date/Time	Monday, July 24, 2023 at 11.30 a.m.
2.	Mode	Through video conferencing (VC) / Other audio visual means (OVAM)
3.	Book Closure	Tuesday, July 18, 2023 to Monday, July 24, 2023
4.	Cut-off Date	Monday, July 17, 2023
5.	Remote E-Voting	Wednesday, July 19, 2023 from 9.00 a.m. IST and ends on Sunday, July 23, 2023, at 5.00 p.m. IST

Pursuant to Regulations 30 and 34 of the Listing Regulations, please find enclosed herewith Annual Report for the Financial Year 2022-23 and the Notice convening 26th AGM of the Company.

The aforesaid documents are available on the corporate website of the Company at <https://corporate.shoppersstop.com/investors/annual-report/> and are being dispatched electronically to shareholders whose email addresses are registered with the Company and Depositories.

Kindly take the same on record.

Thank you.

Yours truly,

For **Shoppers Stop Limited**

**Vijay Kumar Gupta**

**Vice President- Legal, Company Secretary & Compliance Officer**

ACS No: 14545

Encl: A/a

**Shoppers Stop Limited**

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

# SHOPPERS STOP

## SHOPPERS STOP LIMITED

CIN: L51900MH1997PLC108798

**Reg. Office:** Umang Tower, 5th Floor, Mindspace, off. Link Road, Malad (W), Mumbai-400064.

**Tel no.:** 022-42497000, Email: [company.secretary@shoppersstop.com](mailto:company.secretary@shoppersstop.com) **Website:** [www.shoppersstop.com](http://www.shoppersstop.com)

### NOTICE

**NOTICE** is hereby given that the 26th (Twenty Sixth) Annual General Meeting of the Members of Shoppers Stop Limited will be held on Monday, July 24, 2023 at 11.30 a.m. Indian Standard Time ("IST"), through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") facility (herein after called as "26th AGM or e-AGM"), to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a) the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon; and
  - b) the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 and the report of the Auditors thereon.
2. To appoint a Director in place of Mr. Ravi C. Raheja (DIN: 00028044), who retires by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

3. Re-appointment of Mr. Venugopal G. Nair (DIN: 00046163) as the Managing Director & CEO of the Company and approval of his remuneration.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of Association of the Company and such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Venugopal G. Nair

(DIN: 00046163) as the Managing Director & CEO of the Company (being a director not liable to retire by rotation) for a period of 3 (three) years commencing from November 06, 2023 to November 05, 2026 on the terms and conditions, including remuneration, as set out in the Explanatory Statement annexed to this Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination, Remuneration and Corporate Governance Committee) of the Company to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit, subject to applicable provisions of the Act.

**RESOLVED FURTHER THAT** notwithstanding anything contained in Section 196, 197 and 198 read together with Schedule V of the Act or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year during the term of appointment of Mr. Venugopal G. Nair, Managing Director & CEO, the salary, perquisites and statutory benefits, more particularly as approved by the Members by this resolution, (as more particularly set out in the explanatory statement which forms a part of this resolution), be paid as minimum remuneration with the liberty to the Board/Committee to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Managing Director & CEO, subject to receipt of requisite approvals, if any.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, Mr. Karunakaran Mohanasundaram, Chief Financial Officer and Mr. Vijay Kumar Gupta, Vice President- Legal, CS & Compliance Officer, be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution,

including filing of the necessary forms with the Ministry of Corporate Affairs and intimating any other concerned authority or such other regulatory body and for matters connected therewith or incidental thereto."

4. To approve remuneration payable to Non-Executive Directors of the Company by way of Commission.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 149, 197 & 198, read together with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder, applicable provisions of the SEBI (Listing Obligations and Disclosures Requirement), Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force), the applicable provisions of the Articles of Association of the Company, the Company's Policy on Appointment & Remuneration – Directors and Senior Management, and subject to such other approval(s), as may be required, consent of the members of the Company be and is hereby accorded to the payment of remuneration (including commission, but excluding sitting fee, other permissible reimbursements and services rendered of a professional nature as provided under Section 197(4) of the Act) to the Non-Executive Directors of the Company (i.e. Directors other than Managing Director/ Whole-time Directors) for a period of 3 (three) years, commencing from Financial Year 2023-24, as may be decided by the Board of Directors from time to time, provided that the total remuneration payable to the Non-Executive Directors, per annum shall not exceed one percent of the net profits of the Company for that financial year, as computed in the manner specified under Section 198 of the Act, with

Authority to the Board to determine the manner and proportion in which the amount be distributed among the Non-Executive Directors.

**RESOLVED FURTHER THAT** during the aforesaid term of 3 (three) years, starting from the Financial Year 2023-24, in the event of absence of profits or inadequate profits in any financial year, the Non-Executive Directors may be paid remuneration within the ceiling as specified in Schedule V- Part II- Section II A of the Act, including any statutory amendments, modifications or re-enactments thereof, as may be made thereto and for the time being in force.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, Mr. Karunakaran Mohanasundaram, Chief Financial Officer and Mr. Vijay Kumar Gupta, Vice President-Legal, CS & Compliance Officer, be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution, including filing of the necessary forms with the Ministry of Corporate Affairs and intimating any other concerned authority or such other regulatory body and for matters connected therewith or incidental thereto."

By Order of the **Board of Directors**  
**of Shoppers Stop Limited**

**Vijay Kumar Gupta**

Vice President-Legal, CS &  
Compliance Officer

ACS No: 14545

Place: Mumbai  
Date: April 26, 2023

## NOTES:

- 1. Explanatory Statement:** The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item No. 3 to 4 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company was of the opinion that the ordinary and special business under Item No. 3 to 4, being considered unavoidable, be transacted at 26th Annual General Meeting ("AGM / 26th AGM/ e-AGM") of the Company.
- 2. Holding of AGM through VC/OAVM:** Ministry of Corporate Affairs ("MCA") has vide its Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021, May 05, 2022 and December 28, 2022. and the SEBI vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 05, 2023 (collectively referred to as "Applicable Circulars") permitted holding of the AGM through VC/OAVM, without the physical presence of the Member at a common venue.  
  
In compliance with the applicable provisions of the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") read with the Applicable Circulars, the Company has decided to convene the 26th AGM as e-AGM and the Members can attend and participate in 26th AGM through VC/ OAVM through log in credentials provided to them for the same. The deemed venue for 26th AGM shall be the Registered Office of the Company.
- 3.** Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
- 4.** Your Company has appointed KFin Technologies Limited ("KFin") to provide facility for voting through remote e-Voting, e-Voting during e-AGM and for participation in 26th AGM through VC/OAVM Facility.
- 5. Book Closure:** Pursuant to the provisions of Section 91 of the Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and Regulation 42 of the Listing Regulations, the Register of Members and the Share Transfer Books will remain closed from Tuesday, July 18, 2023 to Monday, July 24, 2023 (both days inclusive).

- 6. Appointment / Re-appointment of Director:** Pursuant to the provisions of 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings ('SS-2'), the relevant information in respect of the Directors seeking appointment / re-appointment at the AGM is attached as an Annexure and forms an integral part of this Notice.
- 7. Dispatch of Annual Report through Electronic Mode and Procedure for obtaining the Annual Report, AGM Notice and e-voting instructions by Members whose email addresses are not registered with the Depositories/not submitted to the RTA:**

Pursuant to Section 101 and Section 136 of the Act read with the relevant rules thereunder, to support the "Green Initiative", announced by the Government of India; read with Applicable Circulars, the Annual Report 2022-23 including Notice of e-AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members who have not registered their email address and mobile numbers including address and bank details (including any changes thereof) may please contact and validate/ update their details with the Company's RTA or the Depository Participant, by following the procedure given below.

- A.** Members holding shares in demat form, who have not registered their email address and mobile numbers including address and bank details (including any changes thereof) may please contact and validate/update their details with the Depository Participant.
- B.** Members holding shares in physical form may register/update their email address and mobile number with the Company's RTA- KFin Technologies Limited ("KFin") by sending an e-mail request at the email ID [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual Report, AGM Notice and the e-voting instructions or alternatively sending Form ISR-1 (available on the website of the Company <https://corporate.shoppersstop.com/investors/investors-service-request/>) to the RTA of the Company.

- C. In case of any queries, shareholder may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

Further, the Annual Report 2022-23 including Notice of 26th AGM will be available on the Company's corporate website at <https://corporate.shoppersstop.com>. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of KFin at <https://evoting.kfintech.com>

8. **Proxy & Authorized Representative:** Pursuant to Section 105 of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company. In terms of the Applicable Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for 26th AGM, and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

However, in pursuance of Section 112 and Section 113 of the Act, Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The said Resolution/Authorization should be sent electronically through their registered email address to the Scrutinizer at [kaushaldalalcs@gmail.com](mailto:kaushaldalalcs@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and [company.secretary@shoppersstop.com](mailto:company.secretary@shoppersstop.com).

9. **Attending the AGM: Pursuant to the provisions of the circulars of AGM on the VC / OAVM:**

- A. Members can attend the meeting through log in credentials provided to them to connect to Video Conferencing. Physical attendance of the Members at the Meeting venue is not required.
- B. The Members can join e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

- C. As per the Applicable Circulars upto 1,000 Members will be able to join e-AGM on a first-come-first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination, Remuneration & Corporate Governance Committee and Stakeholders Relationship Committee, Auditors, etc. can attend e-AGM without any restriction on account of first-come-first-served principle.

- D. Member's log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record of attendance of such member for e-AGM and such Member attending the Meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

10. **Procedure / Instructions for Joining the e-AGM through VC / OAVM**

- A. Member will be provided with a facility to attend the e-AGM through Video Conferencing platform provided by KFin, which can be accessed at <https://emeetings.kfintech.com/> by clicking "Video Conference" and login by using the remote e-voting credentials. The link for e-AGM will be available in 'shareholders / members' login where the EVENT and the Name of the Company can be selected.
- B. 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.
- C. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
- D. Further, Members will be required to allow Camera, when they speak and hence Members are requested to use Internet with a good speed to avoid any disturbance during the meeting.
- E. Please note that 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.

- F. Members who will be present in the e-AGM and have not cast their vote through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting at the e-AGM. Please use your login credentials for accessing both the remote e-voting and e-AGM through VC /OAVM platform. If you forget your password, you can reset your password by using "Forgot user details/Password" option available on <https://evoting.kfintech.com>.

#### 11. Procedure to raise questions / seek clarifications with respect to the Annual Report

- A. **Submission of Questions / queries prior to e-AGM:** Members desiring any additional information with regard to Accounts/ Annual Reports or having any question or query are requested to write to the Company Secretary on the Company's email-id i.e. [company.secretary@shoppersstop.com](mailto:company.secretary@shoppersstop.com) at least 2 days before the date of the e-AGM so as to enable the Management to keep the information ready. Please note that, members questions will be answered only if they continue to hold the shares as of cut-off date. Alternatively, Members holding shares as on cut-off date may also visit <https://evoting.kfintech.com> and click on the tab "Post Your Queries Here" to post their queries/ views/questions in the window provided, by mentioning their name, demat account number/ folio number, email ID, mobile number. The window shall be activated during the remote e-voting period and shall be closed 24 hours before the time fixed for the e-AGM.
- B. **Speaker Registration before e-AGM:** Members who wish to register as speakers are requested to visit <https://emeetings.kfintech.com/loginv2.aspx> and click on 'Speaker Registration' during this period. Only those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the e-AGM and may have to allow camera access during the e-AGM. In addition to above, speaker registration may also be allowed during

the remote e-voting period. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Members shall be provided with a 'queue number' before the e-AGM. Members are requested to remember the same and wait for their turn to be called by the Chairman of the meeting during the Question Answer Session.

- C. Due to limitations of transmission and coordination during the e-AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. in advance as provided hereinabove. Please note that, Members' questions will be answered only if they continue to hold shares as on the cut-off date.

12. **Electronic voting:** Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with Applicable Circulars, the Company is providing "remote e-Voting" facility to its Members in respect of the business to be transacted at 26th AGM. The instructions for remote e-voting are mentioned herein.

As per the SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

13. **Remote E-Voting:** The remote e-voting period commences on **Wednesday, July 19, 2023 from 9.00 a.m. IST and ends on Sunday, July 23, 2023, at 5.00 p.m. IST** and Members holding shares either in physical form or in dematerialized form, as on cut-off date, may cast their votes electronically. The remote e-voting module shall be disabled thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.




14. **Voting during the e-AGM:** Only those Members, who will be attending the e-AGM and who have not already cast their votes by remote e-voting prior to the meeting and are otherwise not barred from doing so, shall be eligible to vote through remote e-voting system at e-AGM. Members who have cast their votes by remote e-voting prior to the meeting, may attend e-AGM but shall not be entitled to cast their votes again at the meeting. Kindly refer remote e-voting instruction to understand e-voting during the e-AGM.
15. Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on **the cut-off date i.e. Monday, July 17, 2023**. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date, i.e. Monday, July 17, 2023, only shall be entitled to avail the facility of remote e-voting provided to cast votes or for participation and voting in the e-AGM.
16. **Instructions for Voting through electronic means (Remote e-voting)**

## INSTRUCTIONS FOR REMOTE E-VOTING

### A. THE PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING THROUGH DEPOSITORIES/DP (FOR DEMAT AND PHYSICAL SHAREHOLDERS) ARE AS UNDER:

In case a Member receives an e-mail from KFin Technologies Limited (KFin) [for Members whose email IDs are registered with the Company / Depository Participant(s) / Depositories/ KFin] informing them of their User Id and Password:

#### Individual Shareholders (holding securities in DEMAT mode) - Login through Depositories.

NATIONAL SECURITIES DEPOSITORY LIMITED ("NSDL")	CENTRAL DEPOSITORY SERVICES LIMITED ("CDSL")
<b>1. User already registered for IDeAS facility:</b>	<b>1. Existing user who have opted for Easi / Easiest</b>
I. URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>	I. URL: <a href="https://web.cdslindia.com/myeasinew/home/login">https://web.cdslindia.com/myeasinew/home/login</a> II. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>
II. Click on the "Beneficial Owner" icon under 'IDeAS' section.	III. Click on New System Myeasi
III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"	IV. Login with user id and password.
IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	V. Option will be made available to reach e-Voting page without any further authentication.
	VI. Click on e-Voting service provider name to cast your vote.
<b>2. User not registered for IDeAS e- Services</b>	<b>2. User not registered for Easi/Easiest</b>
I. To register click on link <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>	I. Option to register click on link: <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a>
II. Select "Register Online for IDeAS" or click on <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>	II. Proceed with completing the required fields.
III. Proceed with completing the required fields.	
<b>3. By visiting the e-Voting website of NSDL</b>	<b>3. By visiting the e-Voting website of CDSL</b>
I. URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>	I. URL: <a href="https://www.evotingindia.com/">https://www.evotingindia.com/</a> or URL: <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>
II. Click on the icon "Login" which is available under 'Shareholder/Member' section.	II. Provide demat Account Number and PAN
III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.	III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.
IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.	IV. After successful authentication, user will be provided link for the respective E-voting Service Provider where the e-Voting is in progress.
V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	
VI. Shareholders/Members can also download NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience	
<p>NSDL Mobile App is available on</p>   	
<b>Important note:</b>	
Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned websites	
Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL	
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43.



**Individual Shareholders (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. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

**B. LOGIN METHOD FOR NON-INDIVIDUAL SHAREHOLDERS AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL FORM**

- a. Initial Password is provided in the body of the email.
- b. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- c. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No. /DP ID Client ID will be your User ID. Take the following steps to login thereafter :
  - I. After entering the details appropriately, click on LOGIN.
  - II. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - III. You need to login again with the new credentials.
- d. Alternatively, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes. If you are already registered and have forgotten your password, you may click 'Forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password, which shall be sent to your

email ID registered against your Folio No. / DP ID Client ID.

- e. On successful login, the system will prompt you to select the EVENT i.e. Shoppers Stop Limited
- f. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- g. Click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- h. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- i. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who is/are authorized to vote, to the Scrutinizer through email at [kaushaldalalcs@gmail.com](mailto:kaushaldalalcs@gmail.com) and [company.secretary@shoppersstop.com](mailto:company.secretary@shoppersstop.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Shoppers Stop - Annual General Meeting 2023."
- j. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and evoting manual available at <https://evoting.kfintech.com> under help section or call on 1800 309 4001 (toll free). All grievances connected with the facility for voting by electronic means may be addressed to KFin by sending an email to [evoting@kfintech.com](mailto:evoting@kfintech.com) or call 1800 309 4001 (Toll Free).

- k. In case of Joint holders, login ID/User Id and password details shall be sent to the first holder of the shares. Accordingly, the vote using user ID and Password sent to first holder is recognized on behalf of all the joint holders as the shareholder who casts the vote through the remote e-voting services of KFin, is doing so on behalf of all joint holders. First holder shall mean the holder of shares, whose name is first registered against the shares held.

**C. OTHER INSTRUCTIONS:**

- a. Once the vote on resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- b. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- c. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and evoting manual available at <https://evoting.kfintech.com> under help section or call on 1800 309 4001 (toll free). All grievances connected with the facility for voting by electronic means may be addressed to KFin by sending an email to [evoting@kfintech.com](mailto:evoting@kfintech.com) or call 1800 309 4001 (Toll Free).

In case of any query and/or grievance, in respect of voting by electronic means, Members are requested to contact:

Name & Designation:

Mr. S. V. Raju, Deputy General Manager or  
Mr. Balaji Reddy, Senior Manager

E-mail IDs: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com); [evoting@kfintech.com](mailto:evoting@kfintech.com) ; [balajireddy.s@kfintech.com](mailto:balajireddy.s@kfintech.com)

Address: Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032.

Contact details:

Phone No. 040 6716 2222,

Fax No. 040 2342 0814,

Toll Free No. 1800 309 4001

- d. In case of Joint holders, login ID/User Id and password details shall be sent to the first holder of the shares. Accordingly, the vote using user ID and Password sent to first holder is recognized on

behalf of all the joint holders as the shareholder who casts the vote through the remote e-voting services of KFin, is doing so on behalf of all joint holders. First holder shall mean the holder of shares, whose name is first registered against the shares held.

- e. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- f. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date i.e. Monday, July 17, 2023 may obtain the User ID and Password in the manner as mentioned below:
  - i. If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD Folio No. or DP ID Client ID to +91 9212993399. In case of physical holding, prefix Folio No. with EVEN.

Example for NSDL:

MYEPWD IN12345612345678

Example for CDSL:

MYEPWD 1402345612345678

Example for Physical:

MYEPWD XXX1234567890

- ii. If email ID of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click 'Forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password.
- iii. Members may send an email request to [evoting@kfintech.com](mailto:evoting@kfintech.com) If the Member is already registered with the KFin e-voting platform then such Member can use his / her existing User ID and password for casting the vote through remote e-voting.
- g. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC/OAVM. The e-voting window shall be activated upon instructions of the Chairman of the AGM during the AGM. E-voting during the

AGM is integrated with the VC/OAVM platform and no separate login is required for the same.

to be passed on the meeting date i.e. Monday, July 24, 2023.

## General Information

17. **Documents for inspection:** The relevant documents referred to in this Notice are available for inspection by the Members through electronic mode. The Members may write to the Company at [company.secretary@shoppersstop.com](mailto:company.secretary@shoppersstop.com) in that regard, by mentioning "Request for Inspection" in the subject of the Email.

The Register of Directors and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act and the Certificate from Secretarial Auditors of the Company in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, will also be made available for inspection by the Members on request made as above.

18. The Board of Directors of the Company has appointed M/s. Kaushal Dalal & Associates, Practicing Company Secretaries, Mumbai, as the Scrutinizer to scrutinize the voting including remote e-voting process in a fair and transparent manner, and that he has communicated his willingness for appointment as such and be available for the purpose.
19. The Scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast vide e-voting at the e-AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company, and make a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, and submit the same to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of voting forthwith.
20. Once declared, the Results along with the consolidated Scrutinizer's report will be placed on the Company's website at [www.shoppersstop.com](http://www.shoppersstop.com) and website of KFin at <https://evoting.kfintech.com>. The Company shall forward the results to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed, within 2 working days from the conclusion of the meeting. The Results on resolutions shall be declared not later than 2 working days from the conclusion of the meeting of the Company and subject to the receipt of requisite number of votes, the resolutions shall be deemed

21. **Submission of PAN:** The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or to KFin.
22. **Transfer of Shares (held in Physical Form):** Members may note that, as mandated by SEBI, request for effecting transfer of securities held in physical mode is prohibited effective April 01, 2019, unless the securities are held in dematerialized form. In this regard, Members are requested to dematerialize their shares held in physical form, at the earliest possible. The Company has also complied with the SEBI vide its circulars dated November 03, 2021, December 14, 2021 and March 16, 2023 which has introduced common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination and forms for the same can be downloaded from the Company's corporate website at <https://corporate.shoppersstop.com/>
23. **Nomination:** Pursuant to Section 72 of the Act read with the Rules made thereunder, Members holding shares in single name may avail the facility of nomination in respect of shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-13 to KFin. Members holding shares in electronic form may contact their respective DPs for availing this facility. The Nomination form can be downloaded from the Company's corporate website at <https://corporate.shoppersstop.com/>
24. **Investor Education and Protection Fund (IEPF):** As per Section 124 of the Act and the applicable rules, the dividend remaining unpaid / unclaimed for a period of 7 (seven) consecutive years from the date of transfer to the Company's unpaid dividend account is to be transferred to IEPF. Further, equity shares in respect whereof dividend remains unpaid / unclaimed (i.e. underlying shares) for 7 (seven) consecutive years will also be transferred to IEPF. Accordingly, the Company has transferred unpaid/unclaimed dividend and underlying shares thereto up to the financial years 2014-15 to IEPF Authority.

25. **Unclaimed Dividend and underlying Equity Shares:**

Unpaid/unclaimed dividend and underlying shares thereto for the financial year 2015-16 is due to be transferred to IEPF Authority and in this regard, as required and permitted under the applicable law, an electronic notice has been published by the Company in the leading newspaper in English and regional language having wide circulation on January 16, 2023 and is also available on the Company's corporate website at <https://corporate.shoppersstop.com/Investors/UnclaimedDividendN.aspx> giving details of concerned Members along with number of shares due to be transferred to IEPF.

Members who have not encashed/claimed their dividend pertaining to the financial years beginning

from 2015-16 till 2018-19 are advised to write to the Company or KFin immediately, claiming dividends declared by the Company, in order to avoid transfer of both dividend and underlying shares thereto to IEPF, if any, for the financial year 2015-16. Any person whose shares and unclaimed dividend has been transferred to IEPF, may claim them pursuant to the process prescribed under IEPF Rules.

26. **Gift distribution:** The Company does not give gifts, gift coupons or cash in lieu of gifts to its Members and also does not offer its products at discounted rates. However, the Company is committed to the Members' wealth maximization through superior performance reflected in corporate benefits like dividend and increased market capitalization.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, sets out all the material facts relating to the items of ordinary / special business mentioned in this Annual General Meeting Notice:

**Item No. 3:**

The Board of Directors, upon the recommendation of the Nomination, Remuneration and Corporate Governance Committee, at its meeting held on October 16, 2020, appointed Mr. Venugopal G. Nair, (DIN: 00046163) as an Additional Director of the Company w.e.f. November 06, 2020, pursuant to provisions of Section 161 of the Companies Act, 2013, to hold the office upto the date of the Annual General Meeting.

He was also appointed as the Managing Director & Chief Executive Officer of the Company, subject to approval of the Shareholders of the Company and such other approvals as may be necessary for a period of 3 (three) years w.e.f. November 06, 2020 on terms and conditions including remuneration as recommended by the Nomination, Remuneration and Corporate Governance Committee of the Board and approved by the Board of Directors. His appointment was thereafter approved by the Members, at the 24th AGM held on July 29, 2020.

Based on the recommendation of the Nomination, Remuneration and Corporate Governance Committee, the Board has at their meeting held on April 26, 2023, re-appointed Mr. Venugopal G. Nair as the Managing Director & CEO of the Company w.e.f. November 06, 2023 for period of 3 (three) years, subject to approval of Members.

A brief profile of Mr. Venugopal G. Nair is annexed to this Notice.

Broad particulars of the terms of re-appointment and remuneration payable to Mr. Nair are as under:

- a. Period : 3 (three) Years w.e.f. November 06, 2023 with a liberty to either party to terminate the appointment by serving 6 (six) months advance written notice to each other or compensation equivalent to 6 (six) months' salary in lieu thereof.

- b. Remuneration per annum (FY 23-24):

Particulars	₹
Salary	1,48,40,000
Perquisites and Allowances	2,51,03,744

The perquisites and allowances, as aforesaid, may include accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof; or house maintenance allowance together with reimbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs, medical insurance, car facility, hard furnishing and other allowances/ benefit, perquisites as per policy of the Company, from time to time. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder including any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost incurred by the Company.

- c. Medical Insurance for self, spouse and child (below 25 years of age) in terms of Company Group Medclaim Policy, in accordance with the Rules of the Company or as agreed by the Board.
- d. Performance Linked Bonus: Performance Linked Bonus of ₹2,26,80,700 per annum payable to Mr. Nair for FY 23-24, shall be based on performance of the Company and certain performance criteria and such other parameters as may be mutually agreed with the Board / the Committee thereof. The said Performance Linked Bonus shall be in addition to the above Remuneration. An indicative list of factors that may be considered for determination of remuneration by way of Performance Linked Bonus by the Board / Committee are:
  - The Company's performance on certain defined qualitative and quantitative parameters, as may be decided by the Board and / or the Committee, from time to time.
  - Industry benchmarks of remuneration.
  - Performance of the individual.
- e. Participation in Employee Stock Option Plan / Scheme (ESOP) or Restricted Stock Units (RSU) or Stock Appreciation Rights (SAR) or such other schemes as may be evolved by the Company, from time to time. Mr. Nair was granted 310,208 ESOP's and 143,091 RSU during the FY 23. The same shall vest over a period of four years.

It is clarified that employees stock options / RSU granted / to be granted / SAR to Mr. Nair, from time to time, shall not be considered as a part of perquisites under (b) above and that the perquisite value of stock options / RSU exercised / SAR shall be in addition to the remuneration under (b) above.

- f. The Company's contribution to provident fund, superannuation or annuity fund, gratuity payment and encashment of leave, as per the service rules of the Company, shall be in addition to the above Remuneration.
- g. Increment in Salary, Perquisites & Allowances (including annual increment) and revision in Performance Link Bonus & Long-Term Incentive Plan as may be determined by the Board / the Committee, shall be an addition to the above Remuneration.
- h. The aggregate of the remuneration, Performance Linked Bonus, Perquisites and Allowances as aforesaid in any financial year shall not exceed the limit from time to time under Sections 197 & 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V to the Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible subject to the law.
- i. When in any financial year, the Company has no profits or its profits are inadequate, the Remuneration including the performance linked bonus and perquisites and allowances as aforesaid will be paid to Mr. Nair as minimum remuneration for that year and in accordance with the applicable provisions of the Act, Rules thereunder and Schedule V to the Act, and subject to the approval of the Central Government, if required and subject to such conditions and modifications as may be prescribed or imposed by the Central Government while granting such approval, as applicable.
- j. General :
  - Mr. Nair shall perform such duties as shall from time to time be entrusted to him, subject to overall supervision, guidance and control of the Board of Directors of the Company.
  - Mr. Nair shall be entitled to reimbursement of expenses actually and properly incurred by him for and in connection with the business of the Company.
  - Mr. Nair shall not be entitled to receive any sitting fees for attending the meetings of the Board of Directors or the Committee(s) thereof.
  - Mr. Nair shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

- Mr. Nair shall adhere to the Company's Code of Conduct and policies framed by the Company from time to time.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The requisite details and information pursuant to Regulation 36(3) of the Listing Regulations, the Act and the Secretarial Standards as on date of Notice, are provided in this Explanatory Statement and Annexure to this Notice.

Except Mr. Nair, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in the Resolution set out in Item No. 3 of this Notice.

The Board firmly believes that Mr. Venugopal G. Nair's deep understanding of the Retail Industry, his leadership qualities and ability to nurture and grow business, positions him well to expand the operations of the Company. Further under his leadership, the Company was able to sustain well during the Covid-19 period and has thereafter performed exceptionally. In view of the above, the Board of Directors of the Company (upon the recommendation of the Nomination, Remuneration and Corporate Governance Committee), at their meeting held on April 26, 2023, have re-appointed Mr. Venugopal G. Nair as the Managing Director & CEO of the Company w.e.f. November 06, 2023 for period of 3 (three) years, and recommends the Special Resolution as set out in Item No. 3 for approval by Members.

#### **Item No. 4:**

The members of the Company at its 24th Annual General Meeting held on July 24, 2021, had approved the payment of remuneration to Non-Executive Directors of the Company, of a sum not exceeding 1% of the net profits of the Company for each year for a period of three years commencing from April 1, 2021. Further in terms of Section 149(9) and 197(3) of the Act, read with Schedule V therein, during the term, in a year that the Company had inadequate or no profits, remuneration may be paid within the ceiling as specified in Schedule V- Part II – Section II A of the Act, subject to compliance of conditions specified therein.

It is proposed that the Company continue to pay remuneration to Non-Executive Director, of a sum not exceeding 1% of the net profits of the Company for each year for the three years commencing from Financial Year

2023-24; and further in case in any year where there are inadequate profits or no profits, remuneration may be paid within the ceiling as specified in Schedule V - Part II - Section II A of the Companies Act, 2013, including any statutory amendments, modifications or re-enactments thereof, as may be made thereto and for the time being in force. Such payment will be in addition to the sitting fees for attending Board/Committee meetings, other permissible reimbursements and services rendered of a professional nature as provided under Section 197(4) of the Act.

In order to retain and attract the best talent to the Board of your Company, it is felt necessary that apart from the managerial personnel, the non-executive directors are suitably compensated in years of inadequate or no profits.

The same would enhance their level of involvement with the Company. In view of the same, considering the Company's operations, its expanding activities, rich experience and expertise brought to the Board by Non- Executive

Directors, the Company seeks approval from members for payment of remuneration to non-executive directors as aforesaid, for a period of 3 (three) years commencing from FY 2023-24. The Nomination, Remuneration & Corporate Governance Committee and the Board of Directors of the Company recommend the passing of the resolution as an Ordinary Resolution.

All the Non-Executive Directors of the Company along with their respective relatives, are deemed to be concerned or interested (financially or otherwise) in this resolution, to the extent of remuneration or fees that may be received by them pursuant to the Resolution mentioned in Item No. 4 of the notice. Save and except for them, none of the Directors, Key Managerial Personnel are interested in the resolution.

## Annexure

### Details of Directors seeking Appointment / Re-appointment at the Meeting

Particulars	Mr. Ravi C. Raheja	Mr. Venugopal G. Nair
Appointment/ Reappointment	Re-appointment	Re-appointment
DIN No	00028044	00046163
Date of Birth & Age	September 23, 1971 / 51 years	October 10, 1967 / 55 years
Qualifications	MBA from the London Business School	Bachelor of Technology (Hon) from NIT, Calicut and an MBA in Marketing from S.P. Jain Institute of Management and Research, Mumbai.
Experience (including expertise in specific functional area/skills) / Brief Resume/ Brief Profile	<p>Mr. Ravi C. Raheja is an alumnus of the London Business School, Ravi has over 28+ years of comprehensive experience across real estate, retail and hospitality.</p> <p>He has spearheaded business development for the real estate arm of the Group and played a significant role in guiding the teams of corporate strategy, finance and planning for the Group's retail and hospitality divisions. At the helm of the most significant growth strategies, Ravi is actively involved in charting the future growth of K Raheja Corp and each of its businesses and has been a catalyst in the Company's evolution from a family-owned business to a well-diversified conglomerate.</p> <p>Ravi is an active contributor to the industry through premier forums such as Young President's Organization (YPO) where he plays an active role as a Member Engagement Officer, and, Indian Green Building Council, where he served as the Chairman (Mumbai chapter) and as an evangelist for the green cause, spearheaded the signing of the memorandum of understanding with CII-Green Building Council to construct green buildings in 2007.</p> <p>He was member of Board of Trade, Ministry of Industries and Finance and the World Economic Forum.</p> <p>He plays a key role in the Group's philanthropic initiatives through the K. Raheja Foundation, Sadhana Education Society and S. L. Raheja Hospital.</p> <p>He is the recipient of the EY Entrepreneur of the Year Award 2020 for the Energy, Real Estate and Infrastructure category, along with his brother Mr. Neel Raheja.</p>	<p>Mr. Venugopal G. Nair, is the Managing Director and Chief Executive Officer of Shoppers Stop. He is an International Retail Leader with a rich and varied experience in the Retail &amp; Apparel Industry across South Asia &amp; Europe. Venu joined Shoppers Stop in the second half of 2020, and is leading the company's growth, rebounding from the impact of the pandemic, and transforming itself into an omnichannel retailer.</p> <p>Prior to joining Shoppers Stop, Venu was the CEO (Westside) at Trent Limited. where he was responsible for the growth of the brand across the country for over 3 years. For a large part of his tenure at Trent, he was also responsible for the operations of Zudio and Landmark. From 2012 to 2017, he was Managing Director - Marks &amp; Spencer Reliance Pvt. Ltd, where he spearheaded its growth. During his tenure, the turnover of the business tripled and the number of stores under operations, more than doubled, with a significant growth in local sourcing.</p> <p>Venu had a long stint of over 8 years, working in London, with various retailers. While working for M&amp;S in London, he took the opportunity to convince the M&amp;S plc board to venture into India, and thus brought the M&amp;S brand into India. He moved back to India as the Director of Marks &amp; Spencer, India, to set up Buying Offices for the global M&amp;S business in South Asia, headquartered in India, with country offices set up Sri Lanka and Bangladesh. In this role, he was responsible for sourcing of over \$ 1bn of merchandise for Marks &amp; Spencer PLC.</p>
Terms and Conditions of Re-appointment and Appointment	<p>As per the resolution passed by the shareholders at the Annual General Meeting held on August 13, 2020.</p> <p>Mr. Ravi C. Raheja was re-appointed as a Non-Executive Director, liable to retire by rotation.</p>	<p>As per the resolution passed by the shareholders at the Annual General Meeting held on July 29, 2021 for period of 3 years.</p> <p>As per the special business no. 3 of the Notice of the Meeting read with explanatory statement thereto.</p>
Remuneration last paid (if applicable)	₹ 12.25 Lacs (₹ 5 Lacs as Commission and ₹ 7.25 lacs as Sitting Fees)	₹5.88 Crores (Gross Salary and Allowances) and ₹39.35 Lakhs (Perquisites). This does not include the value of ESOP's granted / vested and ESOP Perquisite.



Particulars	Mr. Ravi C. Raheja	Mr. Venugopal G. Nair
Remuneration proposed to be paid	He shall be entitled to sitting fees for attending Board Meetings and / or Committee Meetings and Commission, if paid, for succeeding financial years.	As per the special business no. 3 of the Notice of the Meeting read with explanatory statement thereto.
Date of first appointment on the Board	June 16, 1997	November 06, 2020
Number of Board Meetings attended during FY 2022-2023	5 of 5	5 of 5
Chairman/Member of the Committee of the Board of Directors of the Company	<ul style="list-style-type: none"> <li>Member-Audit Committee</li> <li>Chairman- Stakeholders Relationship Committee</li> </ul>	<ul style="list-style-type: none"> <li>Member-Stakeholders Relationship Committee</li> </ul>
Directorships in other Listed entities/ Companies/ Positions in other entities	<ul style="list-style-type: none"> <li>Chalet Hotels Limited- Non-Executive Director</li> <li>K. Raheja Corp Investment Managers LLP, Manager of Mindspace Business Parks REIT- Non-Executive Member</li> </ul>	None
Details of Memberships/ Chairmanships of Committees* of other Boards	<ul style="list-style-type: none"> <li>Chalet Hotels Limited -Stakeholders Relationship Committee-Member</li> <li>Chalet Hotels Limited -Audit Committee -Member</li> <li>K Raheja Corp Investment Managers LLP (acting as Investment Manager of Mindspace Business Parks REIT – Stakeholders Relationship Committee-Member</li> </ul>	None
Listed entities from which the Director resigned in the past three years	None	None
Relationship between Directors inter se and Key Managerial Personnel of the Company	Mr. Ravi C. Raheja, is the elder brother of Mr. Neel C. Raheja, Non-Executive Director & Promoter. He is not related to any Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel of the Company.
Shareholding in the Company (including shareholding as a beneficial owner)	Holds 12,60,601 equity shares and 7,05,13,934 equity shares along with Relatives. (includes beneficial ownership)	Holds 39,364 Equity shares.

\*In terms of the provisions of Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships / Chairmanships in only two committees viz. Audit Committee and Stakeholders Relationship Committee (known by whichever name) are considered.

INSPIRING  
INDIA TO  
LOOK GOOD  
& FEEL  
CONFIDENT



# SHOPPERS STOP

ANNUAL REPORT  
2022-23

## Contents

### PERFORMANCE REVIEW

Message from the Chairman .....	3
Message from the MD & CEO .....	6

### ABOUT SHOPPERS STOP

Scale .....	9
At a Glance .....	10
Business Model .....	11
Board of Directors .....	12
Management Team .....	18

### CUSTOMER IN FOCUS

Strategic Initiatives .....	21
Private Brands .....	24
Beauty .....	38
Retail Stores .....	40
Digital Platforms .....	42
Customer Connect .....	44
Performance of KPIs .....	46

### DRIVING VALUE

People and Culture .....	49
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### STATUTORY REPORTS

Management Discussion and Analysis .....	52
Directors' Report .....	70
Corporate Governance Report .....	91
Business Responsibility and Sustainability Reporting .....	119

### FINANCIAL STATEMENTS

Standalone .....	146
Consolidated .....	214



# INSPIRING INDIA TO LOOK GOOD & FEEL CONFIDENT

**Shoppers Stop is all about inspiring India to look good and feel confident. Our focus on individuality and diversity allows us to empower people to express themselves through fashion.**

With a carefully curated range of trendy brands and our commitment to staying updated with the latest fashion trends, we have become a trusted destination for fashion enthusiasts nationwide.

Every visit to our stores or online platform is an exciting opportunity for our customers to explore and discover their unique style. We take pride in providing exceptional service, ensuring that the shoppers feel valued and supported throughout their shopping journey.

By handpicking new brands and staying ahead of emerging trends, we make sure that our valued buyers have access to the most up-to-date and stylish offerings. We encourage people to embrace their style, express themselves and celebrate their uniqueness.

Our goal is to create an unforgettable shopping experience. We understand the transformative power of fashion and how it can enhance confidence and self-expression. By inspiring individuals across India to look good, feel confident, and embrace their individuality, we have become a beacon of style, fashion, and empowerment.

# PERFORMANCE REVIEW



## Message from the Chairman

# INSPIRING INDIA'S FASHION REVOLUTION

*Dear Shareholders,*

**India's fashion trends are constantly evolving, and Shoppers Stop is at the forefront of this change!**

Understanding the new-age fashion trends along with the prevalent ones, is quite a difficult task and we have been able to do that for several years now. That has catapulted us to become one of the most successful fashion retailers in India. Furthermore, we want to instil confidence into this ever-evolving generation and make the nation look good as a whole.

While doing so, Shoppers Stop has been able to make significant strides on all strategic fronts, resulting in the highest-ever sales, margin, and EBITDA figures. Our private brands have experienced exceptional growth, showcasing a surge of 70% compared to the previous fiscal year. I am also thrilled to announce the launch of our Beauty Distribution business, which grants us exclusive distribution rights for popular international brands, including Clarins, NARS and select L'Oréal International Division brands. This strategic expansion will provide access to a diverse range of beauty products.

We have also embarked on a journey of expanding and upgrading our Shoppers Stop and SSBeauty Standalone stores, creating spaces that will provide an immersive shopping experience.



Moreover, the beauty market in India is at the cusp of breaking out into rapid growth. We have been the pioneers of bringing premium beauty into the country; today we have the largest physical presence and sales of premium beauty in India. We have a large customer base and we will build on this through a combination of beauty brands in Shoppers Stop stores, and the standalone SSBeauty stores and app. We have a couple of exciting new stores that are in the pipeline, which are due to open in FY24, which we believe will redefine the way beauty is retailed in the country.

In the next five years, the retail landscape will transform the emergence of omnichannel shopping. Customers will predominantly start their shopping journey online, discovering and researching products and brands. They will subsequently visit the stores to physically interact with the products before making their purchase decision, which can be accomplished either online or in-store. This seamless fusion of digital and physical realms will persistently expand, shaping the future of consumer behaviour and revolutionising the shopping experience.

## Shoppers Stop has an extensive opportunity for expansion as it sets its sights on new cities.

Our digital journey will help us serve our customers 24X7 through [shoppersstop.com](https://www.shoppersstop.com), [SSBeauty.in](https://www.ssbeauty.in) and the integration of all our stores to the delivery system to be hyperlocal. With the burgeoning middle-class population, we are well-positioned to tap into the potential of Tier 2 and 3 cities, fostering substantial growth in our customer base. In the recent fiscal year, Shoppers Stop has taken significant strides in this direction, with the majority of new store openings focused on Tier 2 markets. This trend is set to continue into the upcoming fiscal year. We continue to strive to deliver the best shopping experience to our First Citizens club members who have supported us over the last 3 decades in our sustained journey and growth.

To conclude, I would like to thank our customers, business partners, suppliers, bankers, and shareholders for their continued support during the year. Your support has been instrumental in our growth and success. We are committed to providing you with the best possible shopping experience, both online and offline.

**B.S. NAGESH**  
Customer Care Associate  
and Non-Executive Chairman



In the coming years, Shoppers Stop has set ambitious targets and goals across various aspects of its operations:

### National Brands:

- Introduce new-age brands, exclusive lines, and categories.
- Enhance product diversity and appeal.
- Cater to the evolving preferences of customers.

### Beauty Distribution:

- Bridge the gap between lifestyle and luxury markets.
- Onboard prestigious international brands.
- Offer a broader range of beauty products and experiences.

### Beauty Standalone Luxury Experience:

- Create exclusive spaces for luxurious beauty experiences.
- Provide personalised services to discerning customers.
- Elevate the overall luxury quotient in the beauty segment.

### Expansion in Private Brands:

- Develop and expand the portfolio of private-label products.
- Ensure exceptional quality and value for customers.
- Establish a distinctive brand identity.

## Message from the MD & CEO

# THRIVING IN FASHION, INNOVATING THE SHOPPING EXPERIENCE

Dear Shareholders,

It gives me immense joy to share with you that Shoppers Stop has had a record-breaking performance on Sales and Profits, in the year under review.



The Company's total sales reached ₹ 5,066 crores\*, representing an impressive growth rate of 63% compared to the previous fiscal year (FY22). This growth was driven by several factors, including strong demand for the Company's private label brands and expansion of the Company's store network, with the addition of 11 new departmental stores and 12 new beauty stores in FY23. Further, increased investment in marketing and advertising helped to drive brand awareness and sales as well.

As a House of Brands, Shoppers Stop aims to expand its brand portfolio and has forged fresh partnerships with several leading brands.

\* Non-GAAP

We have also partnered with new D2C brands, becoming their exclusive partners for offline retail sales. Shoppers Stop's strong performance in FY23 reflects the Company's commitment to providing customers with a superior shopping experience. We are well-positioned to continue our success in the Indian fashion market, which is expected to grow at a CAGR of 10% over the next five years.

The success that we have seen this year, is a result of the robust strategy that we have in place, which is built upon our strategic pillars with enablers identified. This approach has allowed us to lay a strong foundation for sustained growth and performance.

Let me elaborate further on the performance of our strategic pillars:

### Private Brands

Our Private Brands had enormous growth and now contribute to over 20% of our total apparel sales. We now have two Private Brands generating over ₹ 100+ crores in Sales. To enhance our private brand portfolio across categories, we have introduced footwear and Plus Size Clothing this year. This allows us to cater to a wider range of customers and fulfil their aspirations in the area of fashion.

Looking ahead, our plans for private brands are ambitious and geared towards further growth.

**To diversify our portfolio in private brands, we are focused on strengthening our present brands' performance against our competitors. This is going to enable us to cater to a wider range of customer preferences and establish our private brands as formidable players in the retail industry.**

We aim to make our private brands strong and establish them as independent and recognised brands in this nation. Further, we intend to introduce new brands, to fill white spaces in the market.

### Beauty

While our partnership with ELC Brands, continues to hold strong, onboarding of international beauty brands such as L'Oréal, Clarins and NARS has proven to be fruitful for us. Our wholly-owned subsidiary, Global SS Beauty Brands Limited, has forayed into the Distribution of Beauty Products and has signed eight L'Oréal International Distribution Brands - Ralph Lauren, Valentino, Prada, and Maison Margiela to name a few. During the year, we also signed an exclusive partnership with NARS, which is a part of the Shiseido group of Japan. This strategic move allows us to expand the prestige beauty market in India. Our long-term goal is to develop and establish such luxury brands enabling them to thrive in this market. We are specifically focusing on bringing in prestigious international brands in beauty, to cater to the growing demand in this sector.

To further strengthen our presence in the Beauty segment, SSBeauty our exclusive multi-brand beauty stores, will undergo significant expansion in terms of stores and online presence through the SSBeauty app and website. We will be curating premium brands, ensuring customers have access to a diverse range of high quality beauty products. Further, we are committed to delivering digital and personalised experiences both in-store and online, creating an immersive and tailored shopping journey for our valued customers.

### Expansion

We have also been strategically opening stores in newer cities to tap into the untapped markets and widen our customer base. We are capitalising on the growing middle-class population and catering to their evolving preferences by opening stores in Tier 2 and 3 cities. These store expansions have been enabling us to enhance our market presence and increase accessibility for customers across regions.

### Enhanced Digital Experience

In terms of making strides on the digital front, we have made substantial investments to upgrade our technology stack, to provide an enhanced digital experience to all our customers. We have optimised our platform, improved website functionality, and aim to offer a seamless omnichannel shopping experience. By evolving as an omnichannel retailer, we make sure that our customers have the flexibility to engage with us at their convenience, and at the same time, can have access to a wide range of brands both in-store and online. Integrating digital interventions within our physical stores has enabled us to create an immersive and wholesome shopping environment. These initiatives aim

to leverage the power of technology to improve customer engagement and make the shopping process more convenient and personalised.

Another significant initiative in the digital space has been the launch of the SSBeauty app and website. We have developed a dedicated online platform for SSBeauty, allowing customers to explore and buy a wide range of beauty products conveniently from the comfort of their homes.

In terms of the outlook for FY24, our focus remains laser sharp on implementing our established strategy and achieving profitable growth. Our key for the future is the 3C Framework: Consistency, Customer Centricity and Capital allocation. We have set key milestones to guide our progress and ensure we stay on track to deliver exceptional results and value to our stakeholders. With these strategies and milestones in place, we are confident in our ability to achieve sustainable growth, strengthen our market position, and continue providing an exceptional shopping experience for our customers.

To conclude, I would like to extend our heartfelt gratitude to our customers, business partners, suppliers, bankers, shareholders, directors, and Customer Care Associates for their invaluable support and contributions.

### VENU NAIR

Customer Care Associate and MD & CEO

# ABOUT SHOPPERS STOP



## Scale

**3.9** million sq. ft. carpet area  
RETAIL FLOOR SPACE

**270**  
RETAIL STORES  
98 Dept Stores  
10 Beauty Standalone  
132 ELCA Standalone + SIS  
7 HomeStop  
23 Airport Doors

**45.9** million  
WALK-INS IN FY2023  
OFFLINE CUSTOMER ENTRY

**104.2** million  
ONLINE CUSTOMER VISITS IN FY2023

**3.1** million  
MOBILE APP DOWNLOADS  
(CUMULATIVE 17.1 MILLION)

**52**  
CITIES

**17,000**  
PINCODES COVERED  
(90% OF INDIA - INCLUDING ECOM COVERAGE)

**9** million  
FIRST CITIZEN MEMBERS



At a Glance

# DEFYING LIMITS, INSPIRING TRENDS

Shoppers Stop experienced a transformative journey as we achieved unprecedented financial success in the year under review. Curating more accessible fashion, we have been empowering a wider audience.

Overcoming several challenges, we have managed to put innovative marketing strategies and engage with customers through digital platforms and several personalised experiences. We have remained steadfast while being committed to responsible practices and diligent financial management.

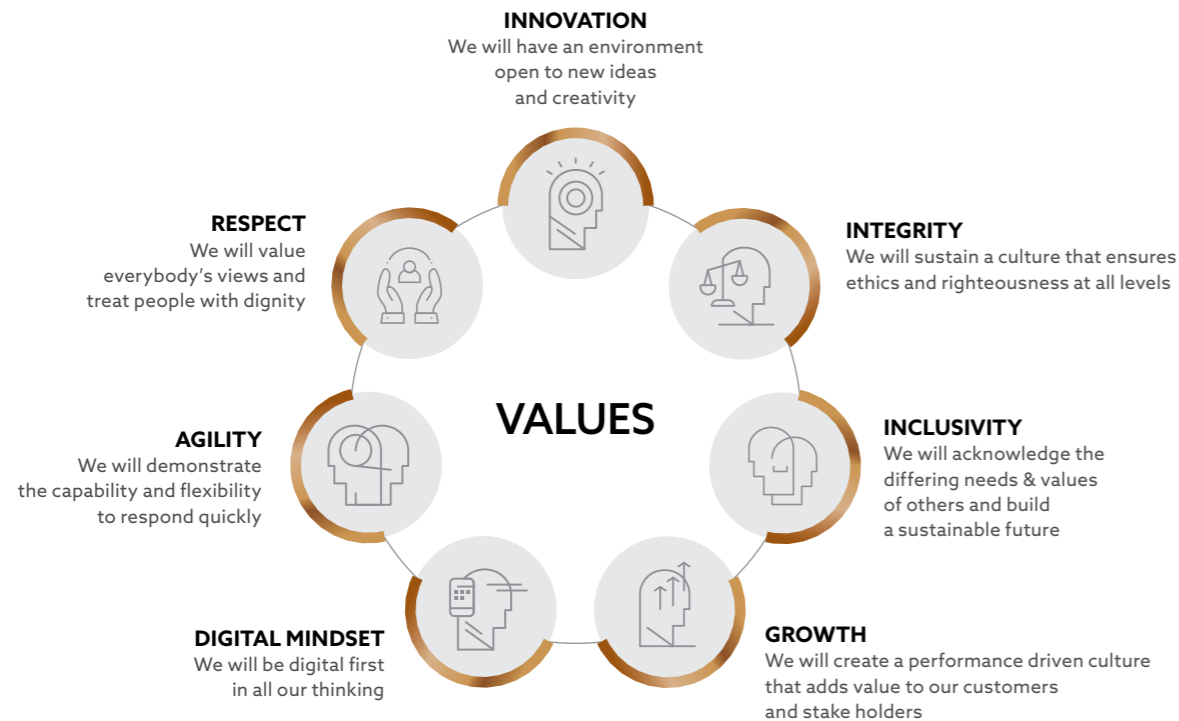
As a result, we have delivered a stellar performance, surpassing previous records and solidifying our position as a market leader in the retail industry.

We are growing our brand portfolio and expanding our product choices, catering to the customers' evolving

tastes. We are also enhancing our omnichannel capabilities by creating a more agile and responsive supply chain and enabling faster order fulfilment. The results of our strategic decisions and customer-centricity are reflected in our performance during the year.

## VISION

TO BE AN INSPIRATIONAL AND TRUSTED BRAND, TRANSFORMING CUSTOMERS' LIVES THROUGH FASHION AND A DELIGHTFUL SHOPPING EXPERIENCE EVERY TIME.



Business Model

# UNLOCKING INDIA'S MARKET PENETRATION

In a dynamic market like India, achieving year-on-year growth necessitates strategic market penetration, where business development plays a pivotal role in reaching the masses.

Our strategies centre around the following aspects:

**Expansion:**

Our primary strategy is to expand with profitability, targeting Tier 2 and Tier 3 cities and aiming to open 10-12 Departments and 15-20 Beauty stores every year. Our goal is to penetrate 92 cities, focusing on urban centres like Delhi, Noida, Ghaziabad, and Gurugram, backed by thorough demographic analysis and population and apartment growth indicators.

**Employee Engagement:**

We prioritise high-level employee engagement, fostering a growth-oriented environment that recognises individual potential. Our efforts have been recognised through awards such as Best Employer and Best Place to Work. We promote an empowering culture, striking the right balance.



**Leveraging Digitalisation:**

Throughout the year, we leveraged digital technology to create tailored purchasing experiences that cater to our customers' evolving preferences. This involved expanding our brand range and product selection, strengthening our omnichannel capabilities, and implementing Customer Lifecycle automation. These strategic choices, combined with our customer-centric approach, have yielded exceptional performance outcomes.

**KPIs for Success:**

Our success is measured through Key Performance Indicators (KPIs) that encompass expansion, data-driven strategies, store profitability, and effective documentation. These KPIs serve as a roadmap for our long-term vision.

With these comprehensive strategies in place, we are poised to successfully navigate the market and drive sustainable growth while prioritising employee satisfaction and organisational excellence.



## Board of Directors

# GUIDED BY STRATEGIC WISDOM

With their collective brilliance and resolute stewardship, the Board of Directors, along with its committees, provides clear strategic direction, exceptional leadership, and valuable guidance to our organisation and top management, propelling us towards success.



M

**B.S. NAGESH**  
Customer Care Associate,  
Chairman and Non-Executive Director

B. S. Nagesh is the Founder of a Public Charitable Trust TRRAIN (Trust for Retailers and Retail Associates of India). He has been involved with Shoppers Stop and its Group Companies since its inception in 1991, as the first employee.

As part of his personal philosophy of 'Learn, Earn and Return', he stepped out at the age of 50 from the day-to-day roles of the business as Managing Director of the Company in 2009 and founded TRRAIN.

He was the founding Chairman of Retailers Association of India. He is the first Asian retailer to be inducted into the World Retail Hall of Fame in 2008. Recently, he was awarded with the prestigious NCPEDP - Helen Keller Award, for creating livelihood opportunities for Persons with Disabilities and was recognised as a Change Maker at the SABERA Awards. He is also an Ashoka Fellow.



C C M M

**RAVI C. RAHEJA**  
Non-Executive Director

Ravi is the Group President of KRC group, and has over 28+ years of experience across the real estate, retail, and hospitality sectors. He has steered KRC group's business towards building a robust portfolio of rent-yielding assets.

An alumnus of the London Business School, Ravi is an active contributor to the industry through premier forums, such as the Indian Green Building Council, where he served as the Chairman (Mumbai Chapter) and pushed for the construction of green buildings, back in 2007.

He was member of Board of Trade, Ministry of Industries and Finance and the World Economic Forum. He has also been honored with the EY Entrepreneur of the Year Award - 2020 for the Energy, Real Estate, and Infrastructure category along with his brother, Neel Raheja. He plays a key role in KRC group's philanthropic initiatives through K. Raheja Corp Foundation, Sadhana Education Society, and S. L. Raheja Hospital.



M M

**NEEL C. RAHEJA**  
Non-Executive Director

An alumnus of Harvard Business School, with a strong background in finance and a degree in Law from the University of Mumbai, Neel has around 26 years of rich business experience. He has successfully extended the Company beyond the realms of real estate to retail, malls and hospitality. He has been instrumental in ushering the malls and department stores format in India, Inorbit Malls and Shoppers Stop being outcomes of his endeavour to bring organised retail into India.

A respected name in the Corporate World, Neel chairs several committees that shape key industry developments. He is the Chairman of CII-National Committee on Real Estate and Housing, Chairman - India Chapter of APREA, Vice President - West, NAREDCO India and Advisory Board Member - SCAI. Neel has been appointed by the Govt. of India to suggest changes in the Special Economic Zone policy and invited to be a member of 'Champions of Change', by the Hon'ble Prime Minister of India.

He is a member of B20, the official G20 dialogue forum with the global business community. He has also been invited to serve as a member of the prestigious 'India-Australia CEO's forum' constituted by Government of India. He has been awarded the EY Entrepreneur of the Year Award - 2020 for the Energy, Real Estate and Infrastructure category along with his brother, Mr. Ravi Raheja.

Neel plays an active role in the Group's philanthropic initiatives through K. Raheja Corp Foundation, Sadhana Education Society and S. L. Raheja Hospital. He also drives the Group's growth through Green Building initiatives in sustainable development.

Neel's expertise lies in building growth through effective trouble shooting and leading through people management, virtues which are instrumental in fortifying the well-curated business empire.



C# C# M#

**DEEPAK GHAIAS**  
Independent and Non-Executive Director upto March 31, 2023

Deepak, a qualified Chartered Accountant, Cost Accountant and Company Secretary and alumnus of the London Business School, leads strategy development, visioning and conceptualisation of breakthrough business models for Gencoval Group, in the field of healthcare and biotechnology. Prior to Gencoval, he served as the Vice-Chairman of Oracle Financial Services Software Limited (formerly known as i-flex Solutions Limited, India).

It was his strategic, financial and operational acumen that drove the Company to become a true Indian multinational operation. He is the first Indian Chief Financial Officer (CFO) to be felicitated with the prestigious CFO Asia award. Deepak is also a Partner in 'Exfinity'. PE Fund and is a Chairperson of IIITDM, Jabalpur and IIIT Gwalior.

C Chairman M Member

● Stakeholders Relationship Committee ● Audit Committee ● Risk Management Committee  
● Corporate Social Responsibility Committee ● Nomination, Remuneration & Corporate Governance Committee

## Board of Directors



C

**NIRVIK SINGH**  
Independent and Non-Executive Director

Nirvik brings to the Board his keen sense of marketing communications and 30+ years of experience in the industry. He is the Global COO & President International of Grey Group, a leading global marketing communications network – overseeing Europe, Latin America, Asia-Pacific, Middle East and Africa. He oversees a network of 3,500+ professionals across 28 countries in 35+ cities.

He has been credited with Grey's growth in the region. His highly regarded business acumen has led to numerous acquisitions by the Grey network in various countries, such as China, India and Korea, among others. He has also expanded Grey's presence to Vietnam, Nigeria and Ghana.



M

**MANISH CHOKHANI**  
Independent and Non-Executive Director

A Chartered Accountant and MBA from the London Business School, Manish is one of India's most respected financial experts and investors. He is a Director at Enam Holdings, the multi-billion dollar family office of the founders of Enam. He also serves on the Governing Board of Flame University, one of India's leading liberal arts universities.

He currently serves as independent director on the boards of listed companies that include Westlife Foodworld (McDonald's), Shoppers Stop, Laxmi Organic, Landmark Cars and Welspun Corp.

Mr. Chokhani is a member of the Young Presidents' Organization. He has served as a member of SEBI's Alternative Investment Promotion Advisory Committee and also as Co-Chairman of the Capital Markets Committee at the IMC. He has been a visiting faculty member at IIM-Kozhikode and has served on the International Alumni Board and scholarship panels of the London Business School.

He is a sought after speaker on CNBC, ET Now and other business/educational events.

He practices Vipassana meditation and is also a talented and trained singer. He and his wife enjoy travel, reading, theatre, music, art and fashion, cricket and tennis. His Wharton-educated son oversees the family's international investment portfolio.

From 2006 to 2011, he was CEO of Enam Securities, a leading Indian investment bank. He led its \$ 400 million merger in 2011 with Axis Bank to create Axis Capital, which he led as MD & CEO until the end of 2013. He then served as a Board member till 2018. Under his leadership, Enam/Axis mobilised ~25% of all equity funds raised in India and were the house banker to several leading Indian business groups.

From 2014 to 2016, he served as Chairman of TPG Growth in India and then till 2019 as Senior Advisor to TPG Group, one of the world's largest private equity institutions.



C\* C\* M\* M\*

**MAHESH CHHABRIA**  
Independent and Non-Executive Director

Mahesh Chhabria is the Managing Director at Kirloskar Industries Limited. In his career spanning over three decades, Mahesh has undertaken several leadership roles across private equity and investment banking firms.

He is currently driving business strategy & transformation, managing risks, capital allocations, new investments, mergers and acquisitions of Kirloskar Group led by Atul Kirloskar and Rahul Kirloskar. He mentors some members of the 5th generation of the Kirloskar Family and has been instrumental in shaping the Family Constitution & Succession Planning of this arm of the Kirloskar Group. Mahesh sits on the board of Kirloskar Group companies and is the Non-Independent Director of Kirloskar Oil Engines Ltd., Kirloskar Ferrous Industries Ltd., Kirloskar Proprietary Ltd., Kirloskar Pneumatic Company Ltd. and Arka Financial Holdings Pvt. Ltd. He is also the Nominee Director and Chairman on the board of Arka Fincap Ltd., the NBFC arm of Kirloskar Oil Engines Ltd. Mahesh is an Independent Director on the Board of ZF Commercial Vehicle Control Systems Ltd. and also chairs the Audit committee.

Mahesh's belief in the emerging India growth story and corporate India's global aspiration led him to join Actis, a long standing leading private equity fund as a Partner for Industrial and Healthcare investments. Prior to joining Actis, he was a Partner at 3i, another private equity fund for whom he was a Global Lead Partner for healthcare investing. Before 3i, Mahesh had a long stint of 13 years + at Enam, one of the leading investment banks in India, where he held multiple roles and in the last five years there, he was the Co-head of Investment Banking division. Mahesh holds a Bachelor of Commerce from the University of Mumbai and is an Associate Member of the Institute of Chartered Accountants of India. Mahesh is a relationship builder with strong communication and inter-personal skills. He has an extensive network in several sectors, and is well-known and well regarded among corporates, professional, legal and accounting firms, media and select regulatory bodies.



M M

**VENU NAIR**  
Customer Care Associate, MD and CEO

Mr. Venu Nair (Venugopal G. Nair), is the Managing Director and Chief Executive Officer of Shoppers Stop. He is an International Retail Leader with a rich and varied experience in the Retail & Apparel Industry across South Asia and Europe. Venu joined Shoppers Stop in the second half of 2020, and is leading the Company's growth, rebounding from the impact of the pandemic, and transforming itself into an omnichannel retailer.

spearheaded its growth. During his tenure, the turnover of the business tripled and the number of stores under operations, more than doubled, with a significant growth in local sourcing.

Prior to joining Shoppers Stop, Venu was the CEO (Westside) at Trent Limited, where he was responsible for the growth of the brand across the country for over 3 years. For a large part of his tenure at Trent, he was also responsible for the operations of Zudio and Landmark. From 2012 to 2017, he was Managing Director-Marks & Spencer Reliance Pvt. Ltd. where he

Venu had a long stint of over 8 years, working in London, with various retailers. While working for M&S in London, he took the opportunity to convince the M&S plc board to venture into India, and thus brought the M&S brand into India. In this role, he was responsible for sourcing of over \$ 1 billion of merchandise for Marks & Spencer plc.

Venu is a Bachelor of Technology (Hon) from NIT, Calicut and an MBA in Marketing from S.P. Jain Institute of Management and Research, Mumbai.

C Chairman M Member

● Stakeholders Relationship Committee ● Audit Committee ● Risk Management Committee  
● Corporate Social Responsibility Committee ● Nomination, Remuneration & Corporate Governance Committee

## Board of Directors



**CHRISTINE KASOULIS**  
Independent and Non-Executive Director

Christine Kasoulis is a successful omnichannel retail director with 32 years of experience, primarily at the John Lewis Partnership, where she held the position of Director for the Home Division, followed by Director for the Fashion and Beauty Division. She is currently associated with Sainsbury's as the Director of Clothing, Homewares and Furniture at Sainsbury's and Argos. Christine has a proven track record of identifying future consumer trends and delivering market-leading omnichannel propositions.

Whilst at John Lewis, she led a complete repositioning of the own brand collections and the transformation of the end-to-end customer proposition which delivered significant market outperformance.

She is also driven by the desire to make a positive social and environmental impact, with the implementation of strategies that deliver commercial and community value. She was a board trustee for the John Lewis Foundation from 2019 until 2021. Christine has an MBA degree from the Henley Business School.



**ARUN SIRDESHMUKH**  
Independent and Non-Executive Director

Arun has been associated with the Fashion business in India for 25+ years and has built some of India's largest Fashion brands and Retail businesses. A Management graduate from IIM Calcutta, Arun worked as the Group Brand Manager on brands Van Heusen, Louis Philippe, and Peter England for Madura Garments (now Aditya Birla Fashion). He worked briefly for IBM Global Services before turning entrepreneur (along with 7 other partners) to launch brands such as Scullers, Indigo Nation, and Urban Yoga for Indus-League Clothing (acquired by Future Group). Arun moved to Reliance Retail in 2006 as a Director and CEO of Reliance Trends and is credited with building India's largest Fashion retail chain, Reliance Trends, from concept to ~100 stores

by 2012. He was also a member of the Executive Council, Reliance Retail and Director of Vision Express, a JV between Reliance and Grand Vision, UK. He turned entrepreneur once again in 2012 to start India's earliest fashion e-commerce business as Co-founder and CEO of Fashionara.com with investments from Lightspeed and Helion ventures. He then joined Amazon India in 2016 as Head of Amazon Fashion and led the growth of this business to \$ 2+ billion. After that, Arun headed Ola Electric as SVP & Global Business Head and was also the CEO of Ola Cars until August, 2022. Arun now mentors/ advises startups.



**SMITA JATIA**  
Independent and Non-Executive Director

Smita Jatia is the Director of Westlife Foodworld Ltd. which owns and operates the master franchisee of McDonald's restaurants in West and South India under their wholly-owned subsidiary, Hardcastle Restaurants Pvt. Ltd. (HRPL). Smita is a business stalwart with over two decades of experience in the QSR industry. She has been at the forefront of leading the aggressive growth of McDonald's in the market and building it as one of the most loved brands in the country.

Smita joined the company as the marketing lead in 1998 and spearheaded some of the most impactful campaigns for the brand. She was integral in conceiving campaigns such as "McDonald's main hai kuch baat" and "Aap ke zamane mein baap ke zamane ke daam" that laid the growth foundation for the brand in the country. She eventually worked across functions including strategy, operations and HR, before she was given the reins of the company as the MD.

Smita's biggest strength lies in her astute understanding of commerce and customers alike. Under her leadership, McDonald's has achieved many key milestones including reaching the ₹ 1,000 crores revenue mark,

launching McCafé, bringing the brave concept of Experience of The Future (EOTF) restaurants to India and launching the innovative, new service - On the Go on their McDelivery app during the pandemic. This exemplary growth path has also been recognised by McDonald's Corporation which awarded HRPL the 'Top of the Charts' honour. The award recognised West and South India as the best-performing market in Asia - yet another strong testimony to Smita's vision and leadership.

A commerce graduate from Sydenham College, Mumbai, Smita has completed an 18-week Executive Management Program from Harvard Business School, Boston. She has also undergone a rigorous Marketing and Restaurant Leadership program at Hamburger University, USA.

She was featured in Forbes Asia's Power Businesswomen list. This list included only 25 women from across the Asia-Pacific region of which only four Indian women entrepreneurs made it to the list! This coveted recognition is one big feather in her hat. She was also recently featured in the Most Powerful Women list by Business Today.

### Board Composition

**B.S. NAGESH**  
Chairman and Non-Executive Director

**RAVI C. RAHEJA**  
Non-Executive Director

**NEEL C. RAHEJA**  
Non-Executive Director

**DEEPAK GHAIAS**  
Independent and Non-Executive Director upto March 31, 2023

**NIRVIK SINGH**  
Independent and Non-Executive Director

**MANISH CHOKHANI**  
Independent and Non-Executive Director

**MAHESH CHHABRIA**  
Independent and Non-Executive Director

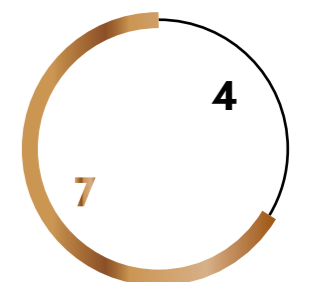
**VENU NAIR**  
Managing Director & Chief Executive Officer

**CHRISTINE KASOULIS**  
Independent and Non-Executive Director

**ARUN SIRDESHMUKH**  
Independent and Non-Executive Director

**SMITA JATIA**  
Independent and Non-Executive Director

### Board's Independence



● Independent  
○ Non-independent

Ⓒ Chairman Ⓜ Member

● Stakeholders Relationship Committee ● Audit Committee ● Risk Management Committee  
● Corporate Social Responsibility Committee ● Nomination, Remuneration & Corporate Governance Committee

## Management Team

# LEADING WITH CONVICTION

Our team of accomplished professionals possesses a blend of visionary thinking, strong managerial leadership, and a knack for seamlessly executing strategic objectives.



From left to right,  
in order of appearance:

**DEEPAK YADAV**  
CCA, Chief Business  
Development Officer

**VENKATESH RAJA**  
CCA, Chief Human  
Resource Officer

**SHWETAL BASU**  
CCA, Chief Marketing  
and Communication

**SREEKANTH CHETLUR**  
CCA, Chief E-Com Officer

**ARVIND RAJAGOPALAN**  
CCA, Chief Retail Officer

**venu NAIR**  
CCA, Managing Director  
and CEO

**BIJU KASSIM**  
CCA, Chief of Beauty

**KAVINDRA MISHRA**  
CCA, Chief Commercial  
Officer-Ext Brands & CEO  
HomeStop

**SANDEEP JABBAL**  
CCA, Chief Digital  
Transformation &  
Information Officer

**KARUNAKARAN  
MOHANASUNDARAM**  
CCA, Chief Financial Officer

**AJAY CHABLANI**  
CCA, President  
Private Brands

## CUSTOMER IN FOCUS



### Strategic Initiatives

# IGNITING PROGRESS. FUELLING RAPID EXPANSION.

Shoppers Stop's growth is fuelled by its business strategy that integrates sustainability across business operations, enabling us to deliver responsible growth. Listening to the customer, understanding their demands for quality fashion with a responsible approach and offering a response adapted to their needs at the right time and the right place has always been our model.

Based on these premises listening, identifying and making available along with the accurate and integrated functioning of all stages of the value chain design, manufacturing, logistics, store and online, we can deliver the best shopping experience for customers

before, during and after a sale takes place. In an evolving world, where digitisation and sustainability are critical for success, our progress is led by our Strategic Pillars in our true Omni Journey. Our diversified e-commerce platforms offer round-the-clock online shopping

services along with comprehensive product information to customers. In line with the new retail era, we are integrating our physical and online business presence, striving to provide a customer-centric omnichannel shopping experience.



## Strategic Initiatives

### First Citizen

Our First Citizen Loyalty Programme, serving as one of the pillars of our success, played a crucial role in driving customer engagement and strengthening brand loyalty. With over 9 million loyal members, First Citizen Members now contribute 75% of our sales.

### Private Brands and External Brands

Our Private Brands offer superior design, quality and value to the consumer. We have 12 distinctive Private Brands and over 800+ trusted external brands across categories, through which we offer our customers the best of the choices. Read more on page 24.

### Beauty

We provide an honest, scientific approach to beauty. We genuinely believe in the power of beauty and self-care to help people feel good and build confidence. Our dedication paves the way for innovative solutions and unrivalled customer experiences. Explore page 38 to discover more.

### Omnichannel

Our diversified e-commerce platforms offer round-the-clock online shopping services along with comprehensive product information to customers. In line with the new retail era, we are integrating our physical and online business presence, striving to provide a customer-centric omnichannel shopping experience.



In FY23, Shoppers Stop displayed exceptional KPI numbers. We reached our highest ever sales figures, crossing the milestone of ₹ 5,000-crores mark for the first time and delivered the highest ever EBITDA which resulted in significant higher PAT (Profit After Tax). These remarkable outcomes were the result of our well-crafted customer centric strategies, sustained focus on execution and driving key growth levers.

## Key Growth Levers



**PRIVATE BRANDS AND BEAUTY GROWTH**



**EXPANSION OF STORES**



**ONBOARDING OF NEW NATIONAL AND INTERNATIONAL BRANDS**

## Private Brands

# BEYOND ORDINARY. CAPTIVATING CREATIONS.

Shoppers Stop is a family of several Brands. All of them share the same objective: to offer our customers an inspiring and responsibly produced fashion proposal.

Our unique business model covers both National and International brands and our Private brands. Our Private Brand apparel comprises all the stages from the design of our products to their sale in our stores and online platforms. During the year under review, the Private Brand performance exceeded expectations with sales of ₹723 crores growing by 70%.

Our Private Label apparel is based on four solid pillars. The first of these is our ability to offer, season after season, a unique fashion proposal, built on creativity, emotion, innovation, quality and above all, on consistently listening to the needs and wishes of our customers. We manufacture our Private Label Apparel with state-of-the-art manufacturers. These manufacturers excel in their capacity to adapt and respond to any change in the market or the emergence of any new trend. This flexibility permits us to develop fine-tuned production processes, with short runs that are fully adapted to demand and efficiently control the entire production process. We constantly strive to give our customers access to that excellent fashion proposal through an increasingly engaging shopping experience, whether in our circa 100 stores or through online channels. We pride ourselves on having unique retail spaces in prime locations in the heart of India's major cities.

Our Private Brand Apparel share increased from 19.2% to 20.3%. Our lead Brand Stop surpassed ₹ 200 crores in sales and the second lead brand Life surpassed the ₹ 100 crores landmark. Last to last year, we launched "Bandeya", our brand for Men's Indian Wear. At the end of this fiscal, we launched the plus-size Brand "U R You". The performance of these two brands has surpassed our expectations during the year.

We further strengthened our Women's category with new ranges. On Women Indian wear, Private Brand contribution exceeds 50%. Our Western Wear brands such as Fratini, Stop and Life excelled with superior quality and freshness to our customers.

Altlife, which is an extension of Life, continues to resonate with current fashion trends for both men and women. With a focus on performance wear, co-ords, and airport looks, it has garnered substantial traction across genders, aligning seamlessly with current fashion trends. The performance of our stores in Tier 2 and 3 cities has been wonderful, with a notable contribution of 25%+ in stores such as EDM Ghaziabad, Skymark Noida, Rourkela and Udaipur. The continued success of "Insense" and our footwear launch under Brand "Fratini" further enhanced our position in the market.

The use of sustainable materials such as Viscose fibre and VCI-certified cotton across our brands is a testament to our commitment towards sustainability. We have introduced a sustainable clothing line for men's denim, emphasising our focus on environment-friendly practices.

The kids' segment witnessed a steep growth, with Karrot making an impressive jump by 191% during the year. We have redefined our offerings in this category, ranging from newborn essentials to accessories, with a clear segmentation for different age groups: 0-24 months, 3-8 years, and 9-14 years for boys and girls.

### Performance of Private Brands

**70%**  
GROWTH IN PRIVATE BRANDS

**74%**  
RISE IN SALES IN THE APPAREL SEGMENT

**191%**  
JUMP IN SALES OF KARROT

**14.3%**  
CONTRIBUTION MADE BY  
OUR PRIVATE BRANDS APPAREL  
IMPRESSIVE LAUNCH OF  
**U R You**  
(Plus size clothing)

### Top Brands

**200+ crores**  
STOP

**100+ crores**  
LIFE



# Our Private Brands Portfolio



**KASHISH** 

Kashish is an Indian occasion wear brand with both a traditional and a modern touch, making it perfect for every celebration. Identifying the need for diversification, Kashish caters to customers who like to stick to tradition as well as those who are young and inclined towards modern aesthetics.



# STOP

AT NOTHING

Stop is a store brand that caters to the everyday clothing and lifestyle needs of consumers at affordable prices. Stop offers great styles across Western and Indian formals, Men's casuals and kids' wear for both men and women.



# Life

Life presents an impressive range of denim and Western-inspired fashion, catering to the current trends for young adults and kids. It offers amazing denim and casual styles for men, women and kids.



## FRATINI

A fashion brand inspired by international styles and trends, Fratini's wide range of clothing offers casuals to formals. It is a confident and stylish brand that offers a well-curated contemporary collection of work, evening, party and desk-to-dinner. Fratini collection has smart formals, and cool casuals in beautiful colours and silhouettes.



Bandeya is our traditional ethnic menswear, suited and tailored for special occasions and cultural celebrations throughout the year, adding glamour to joyous moments. It is a brand that knows how to celebrate as India does in new and exciting ways.



**karrot**  
— Weaving in Love —

Karrot caters to the infant wear category, covering the age group of 0-24 months. The brand understands the concerns of parents and assures them of quality products that are safe and comfortable for their children.

## HAUTE *curry*

Haute Curry is a fusion of Indian and global design influences, that reflects the lifestyle of the contemporary consumer. Its combinations of silhouettes, fabrics and colours are inspired by cultural nuances to create contemporary fashion and lifestyle products.



**insense**

THE UNDER STATEMENT

Insense is our innerwear and loungewear brand that raises the bar in its category with comfortable products at affordable prices. Insense is designed for women who prioritise comfort above everything else while still seeking playful designs that reflect their youthful outlook.



**altlife**

Altlife is training and athleisurewear which is the combination of esthetic, style, comfort, and functionality. Altlife targets health-conscious customers pursuing fitness and wellness activities such as a workout, sports, and yoga.



**URyou**  
LOVE YOURSELF!

An exclusive fashion brand that offers trendy clothes to plus-sized men and women. 'U R You' is a modern fashion brand that aims to become the go-to brand for plus-size customers offering sizes from 2 XL to 7 XL. It offers a range of great quality, trendy and stylish ethnic, casual and formal fashion.



**ARCELIA**

Arcelia offers access to the latest beauty experiences and products that meet international standards and are perfectly suited to every woman's needs and preferences, offering a truly premium experience.

# MAJESTIC BEAUTY: SETTING NEW STANDARDS, BREAKING RECORDS

We are India's largest Beauty Offline Departmental Company, with sales of more than K 800 crores growing by 54%. At the heart of our Beauty Strategy, we commit to inspiring confidence and enhancing our clients' natural beauty through our expert services, exceptional customer care, and commitment to excellence.

In Shoppers Stop, we bolster our position as a one-stop beauty specialty store and strive to optimise and adjust our product portfolio strategically by introducing cosmetics products and broadening personal care products and beauty device offerings. We have more than 100 leading international and national marquee brands. These brands range from Luxury, Premium and masstige segments. We engage and interact with our customers through multiple touch points to allow them to access product information, gain first-hand experience and make orders via

preferred online or offline channels, enjoying a truly customer-centric omnichannel shopping experience.

Customer behaviour and preferences are evolving. As we move into a new era, interacting with customers through multiple points, we have 850+ Beauty consultants offering personalised Beauty advice across different brands and assisting them to choose the most suitable product. We did over 400,000 makeovers last year, helping us to have healthy growth and continuing to be the preferred destination for the beauty needs of our customers.

## Key Highlights:

**₹ 804 crores**

Highest ever annual sale

**4,29,000**

Makeovers done

**Global SSBeauty**

Launched

**11**

Beauty stores launched

**Earthi**

Exclusive brand launched



## SSBeauty.in

Our online business is a critical part of our O2O strategy. In April, 2023, we launched our SSBeauty app, along with SSBeauty.in, online platforms exclusive for Beauty, augmenting the offer in the SSBeauty stores and actively expanding online sales channels as we continue to build our portfolio of exclusive brands. Leveraging the popularity and reputation of First Citizen Loyalty, we will continue to maximise our market exposure and expand our customer base. This application is available on Android and iOS.

Our Company further strengthened its beauty portfolio by launching distribution through our 100% Subsidiary Global SSBeauty Brands Limited (GSSB). We are partnering with prestigious, premium international brands such as L'Oréal International Division (LID), Clarins and NARS (15 brands across categories). We introduced an extensive make-up range in our Private Brand Arcelia with more than 100+ SKUs.

## Arcelia

We have a Private Brand viz. Arcelia launched during COVID. Arcelia offers access to the latest in global brands, beauty experiences and products that meet international standards and are perfectly suited for every woman's needs and preferences, offering a truly premium experience.

## Way Forward:

- Enhance customer experience through Beauty Charter
- Replicate in-store experience
- Introduce Power Brands
- Enhance our product and service offering while we continue to adapt and leverage our offline store network

## Retail Stores

# EMPOWERING RETAIL SUCCESS

In our retail and operations division, we boast an extensive network consisting of 98 department stores, 10 Standalone beauty stores, 132 ELCA Standalone outlets plus SIS, 7 HomeStop outlets, and 23 airport doors.



Our top priorities revolve around delivering exceptional customer service, leveraging personalised experiences, and ensuring express delivery. Our offline store sales have witnessed significant growth, reaching 15%, as we focus on flawless execution, visual merchandising, and implementing service and merchandising excellence.

Furthermore, we emphasise driving business growth and sales achievement, utilising performance

metrics and human touch in the last mile. With the recent launch of our mobile app, we offer a seamless omnichannel shopping experience for Android and iOS users.

Safety remains paramount, with analytics supporting our continuous improvement efforts. Meanwhile, in-store renovations aim to enhance profitability, while our learning initiatives and user-friendly SOPs drive a culture of excellence and innovation. We recognise the

evolving digital landscape and, with our warm legacy of service, strive to provide the best-in-class store experiences tailored to the unique needs of Indian customers.

## HomeStop

HomeStop, a pioneering venture by Shoppers Stop, redefines the concept of premium home shopping. With its exclusive designs, superior quality, and unmatched convenience, HomeStop offers a comprehensive range of homeware and furnishings, delivering unparalleled value to customers seeking fresh and sophisticated home solutions.



We take pride in offering a curated selection of private and renowned national and international brands, all conveniently housed under one roof. Our Private brand HomeStop showcases exquisite furnishings. Discover a wide array of national brands including Soulflower's fragrant spa collections, Borosil, Wonderchef, and Bergner's top-notch cookware,



as well as luxurious bedding and furnishing from D'décor, Spread, SPACES and Noritake. Explore international brands like Corelle's premium crockery and Esprit's elegant furnishings. At HomeStop, we bring together the best of home essentials to elevate your living experience.

## Digital Platforms

# ELEVATING THE SHOPPING EXPERIENCE

With a relentless pursuit of digital advancement, Jarvis has embarked on a transformative journey, revolutionising every facet of the organisation.

From a comprehensive digital maturity assessment to a robust three-year roadmap, Jarvis is driving the organisation towards a future-ready state, leveraging automation, cloud technologies, and stringent security measures. Embracing the power of e-commerce and embedding DevSecOps, Jarvis is poised to excel in the digital era, delivering exceptional customer experiences and staying ahead in an ever-evolving landscape.

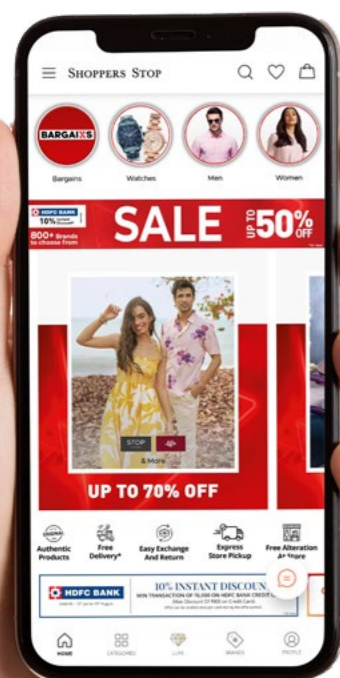
### Jarvis Implementation

- Buying and Merchandising have now clarity on store stocks.
- Integrated Supply Chain Management KPIs of Omni Fulfilment like Order-to-Ship, Ship-to-Delivery and Order-to-Deliver by integrating with ShipDelight.
- Enabled Operations to track NPS (Voice of Customer) and its ageing of open customer issues resulting in quick turnaround on key customer issues.
- Both Shoppers Stop Stores and Beauty Standalone stores now have full visibility on all their Primary KPIs - Customer Entry, Conversion, No. of Bill and IPT.

With 250 brands and close to 30,000 products, understanding the pulse of the customer has played a pivotal role in achieving our sales targets.

We have laid our focus on inventory management and express delivery, including same-day delivery till 12 noon, leveraging our extensive network. As we transition to a new platform for **shoppersstop.com** in June 2023, we are all set to embark on an exciting new journey. Our strategic partnership with Amazon continues to bear fruit, with regular leadership meetings and a strong focus on driving growth. This partnership has been a key driver of growth, fostering sustainability, scalability and profitability.

The launch of the SSBeauty application has been a milestone that we are proud of, driving aggressive marketing campaigns and establishing an omnichannel approach.



## 3.1 million

App Downloads

## 40%

Online Sales Contribution by the First Citizens Loyalty Programme

## 80%

Online Sales Contribution

## 4.5 rating

On Both Android and iOS





## Customer Connect

# CRAFTING STORIES, CURATING TRENDS

The introduction of numerous new and exclusive brands further enriched our offerings, catering to diverse customer preferences and at the same time, these expanded our reach in the market.

Our marketing strategy in FY23 centred around a well-defined and robust marketing calendar encompassing regional festivals, showcasing our sensitivity to regional preferences and brand conversations, showcasing newness, category festivals, and experiences; thus creating reasons for customers to visit the store and [shoppersstop.com](http://shoppersstop.com).

Storytelling was one of the key aspects of our strategy, as we managed to craft compelling narratives around several themes such as vacations, corporate dressing, gifting, festivals, weddings and many such occasions. We leveraged social media to engage with our very own loyal **First Citizen** members and others as well. We highlighted trending clothes and created specific looks for various occasions and moments of daily life. Influencer marketing is an important part of our social strategy.

A comprehensive 360-degree marketing campaign encompassed multiple touchpoints, as we managed to rope in Bollywood star **Sanya Malhotra** as the brand ambassador for **Fratini** and **Kashish**.



Digital marketing played a vital role in amplifying our brand presence. On the other hand, our collaboration with Bollywood actress **Yami Gautam** for festive campaigns proved highly impactful. The art of gifting came up as a crucial brand differentiator and as a result, our **Diwali Gifting Campaign** stood out – showcasing real-life moments and progressive thinking around choosing gifts for the festive season. Offering convenient gifting stations, gift-wrapping services and personal shopper connect further helped amplify the theme in stores as well. We also enhanced the shopping experience by evolving our Personal Shopper service, which added a touch of exclusivity for our valued customers.



Our presence was further strengthened by mall branding, with a particular focus on elevating our brand 'Life'. In the beauty segment, Showstoppers and monthly events inside our stores created quite a buzz around our outlets and attracted customer engagement.

Banking on advanced analytics like market basket, propensity, affinity and also the creation and usage of personas, allowed Shoppers Stop to connect with customers in a more targeted manner. Right content, along with a sharp understanding of customers, helped personalise the communication and ensure loyalty contribution at 77% with repeats at 64% (for offline channel). We also initiated personalised communication through WhatsApp and the delivery of award-winning personalised videos. We were able to re-engage with previous customers successfully, who we had lost during the pandemic. The icing on the cake – we also attracted new customers through marketing campaigns.

The Black Card programme continued to be high on focus. More reasons to stay connected with Shoppers Stop are created by curating experiences that money cannot buy; dirt-track driving, cocktail-mixing, golfing, sailing, exclusive pooja celebrations, and farm-to-fork are a few examples where customers had a great experience.

We have also continued our co-branding arrangement with HDFC Bank for its credit card services. This partnership has continued to enrich the customer shopping experience with exclusive benefits and rewards when using the HDFC Bank Shoppers Stop co-branded credit card. From earning reward points to the accessibility of special discounts or enjoying personalised services, the HDFC Bank Shoppers Stop credit card offers a seamless and rewarding shopping experience for all cardholders.

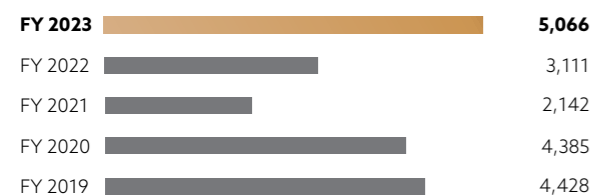
## Performance of KPIs

# UNMATCHED PERFORMANCE

Shoppers Stop's performance in FY23 is a testament to the relentless efforts that we as a team have put in. Check out the numbers below to get a brighter idea of the same.

### Key Performance Highlights\*

#### Revenue from Operations (₹ in crores)



63% Y-o-Y ▲

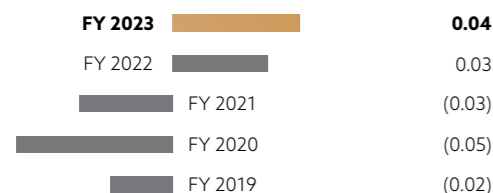
The revenue from operations increased due to increase in number of Stores, growth in same stores sales, increase in ATV and consistent performance of all other KPI's.

#### Asset Turnover (X)



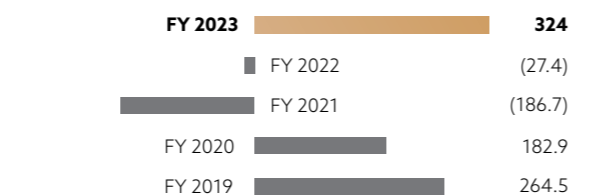
Higher sales and reduction in overall debt has lead to improved asset turnover during the year.

#### Net Debt/Equity Ratio (₹ in crores)



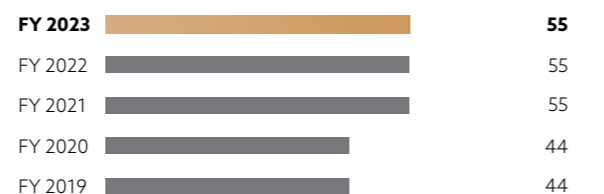
Improvement on account of repayment of loans.

#### EBITDA (₹ in crores)



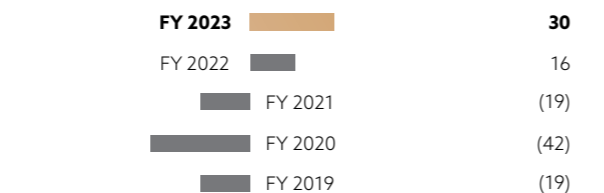
Improvement in EBITDA was majorly sales-led and having efficient cost control measures in place.

#### Share Capital (₹ in crores)



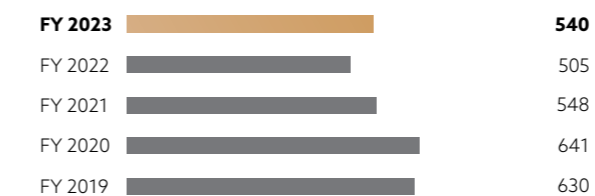
Share capital changed to the extent of ESOP Exercised and Allotted.

#### Net Debt (₹ in crores)



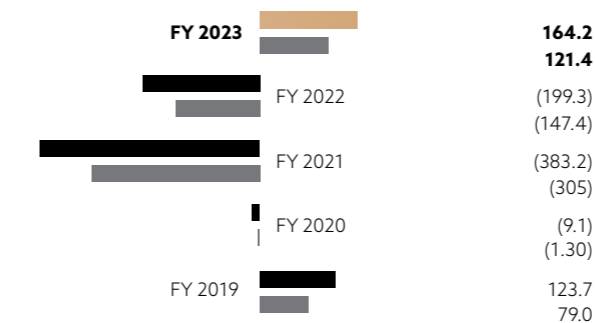
We are nearly debt free. Net debt is debt minus mutual fund investment and cash and bank balance.

#### Fixed Assets (₹ in crores)



Fixed Assets include capex additions during the year, offset by depreciation of ₹ 131.47.

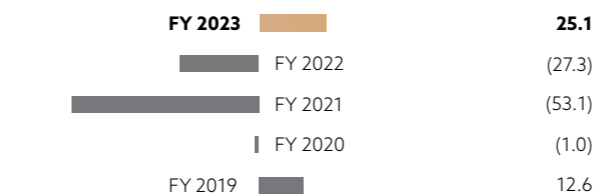
#### PBT & PAT (₹ in crores)



Higher sales with improvement in overall margin and cost efficiencies, Company reported highest ever Profitability.

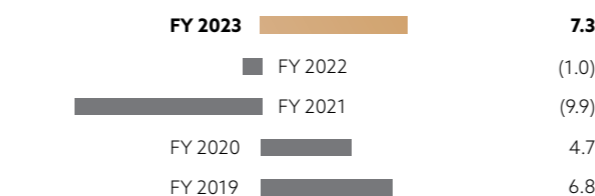
■ Profit Before Tax ■ Profit After Tax

#### RoNW (%)



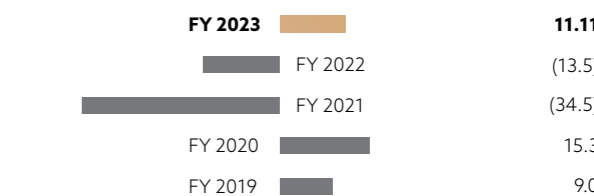
RoNW increased to 25.1% due to an increase in equity due to an increase in profits.

#### Operating Margin (%)



Operating margin improved during the year, majorly sales-led.

#### EPS (₹)



182% Y-o-Y ▲

It has increased from (13.5) to 11.11 in FY23, 182% Y-o-Y growth due to improvement in profitability in the current year.

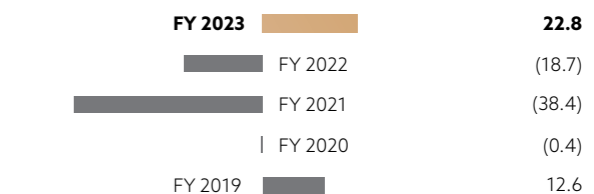
#### Net Worth (₹ in crores)



22% Y-o-Y ▲

Networth improved as PAT increased to ₹ 121 crores Vs Loss in last year.

#### RoCE (%)



RoCE improved during the year on account of healthy operational performance.

\*Performance Highlights are based on Non-GAAP numbers. Our Management regularly uses supplemental Non-GAAP financial measures internally to understand, manage and evaluate our business, make operating decisions, planning and for preparing forecasts for future periods.

DRIVING  
VALUE



## People and Culture

# NURTURING A CULTURE OF EXCELLENCE

We take pride in our people-centric culture, which solidifies the foundation of our success. With an equal focus on talent management and development, diversity and inclusion, and proper remuneration, Shoppers Stop actively nurtures the workforce.

### Talent Management

We prioritised talent management throughout FY23, as our focus remained on employee wellness and mental health. The pandemic left devastating effects, and thus it became a top priority for us. The efforts have already been recognised as Shoppers Stop was awarded the prestigious 'Great Place to Work' accolade, ranking among the top 10 companies out of 118 and being the only retail company in the Health & Wellness Category. Shoppers Stop Ltd. is also a Great Place to Work-Certified™ organisation and has been featured among the Top 10 Best Workplaces for Retail 2023.



Great Place to Work® Certification is recognised the world over by employees and employers alike and is considered the 'Gold Standard' in identifying and recognising Great Workplace Cultures.

Cultural initiatives have a vital role to play, with the coining of the organisation's seven values, which were showcased through skits

and dramas involving employee participation. Quarterly awards and a dedicated portal for rewarding and recognising achievements further enhanced workforce engagement. Shoppers Stop's commitment to creating a great workplace was validated through its inclusion in top culture study in retail, alongside industry giants like Marks & Spencer and Flipkart.

## Talent Development

To nurture future leaders, Shoppers Stop identified and developed a pool of high-potential employees to anchor the growth of this organisation. This mission-critical pool consisted of 20 individuals, 10 of whom were groomed for senior leadership roles. Succession planning and investments were made to accelerate the development of these key individuals. Initiatives such as the Baby Kangaroo programme, aimed at creating more personal shoppers, and development programmes for customer care associates, facilitated internal talent development. Career paths were outlined to guide employees on their growth journey.

## Diversity and Inclusion

Shoppers Stop actively fostered diversity and inclusion, aiming for a balanced gender ratio. Notably, the organisation achieved a female ratio of 30% in its workforce, with 40% representation in customer service roles. To promote inclusivity, each store was mandated to have two Persons with Disabilities (PwDs) manning them. The 'SHE Matters' initiative was launched to provide access to our Women's community to voice their concerns through Focus Group Discussions exclusively for Women Associates considering their Safety, Security & Awareness of Prevention of Sexual Harassment in the Workplace. We were also recognised as India's Top 100 Best Workplaces™ for Women 2022 for fostering a sense of gender equity and equality in the workplace, and by creating an empowering Workplace for Women.

**Shoppers Stop extended its diversity efforts to the LGBT community, successfully hiring and integrating diverse talents. Initiatives like the menstrual policy, allowing women to take leave during their period cycle, contributed to further empowering women in the workplace.**

## Remuneration and Talent Hiring

Shoppers Stop ensured fair remuneration through salary banding and a comprehensive appraisal process conducted on June 01. A compensation benchmarking report was utilised to ensure that every role within the organisation was adequately compensated.

On the other hand, talent hiring strategies depended on business requirements. For Private brands,

the organisation tried targeted hiring from NIFT (National Institute of Fashion Technology), while Programme Managers were brought on board from renowned institutes like XLRI and the IIMs. In FY23, Shoppers Stop aimed to recruit people from fashion backgrounds for the beauty segment and freshers with footwear backgrounds for the emerging footwear business.



# ACHIEVEMENTS UNVEILED



In FY23, Shoppers Stop has been honoured with a number of prestigious awards, acknowledging our achievements across various segments in the retail industry. These accolades serve as a testament to the dedication and tireless commitment that we pour into our work year after year.

- ★ **India Retail Champions Awards in departmental store category** for 2nd consecutive year (2022/2023)
- ★ **Financial Express Visionary Leadership Recognition** November 2022
- ★ **The Customer Fest Leadership Awards 2022** Best Loyalty Programme in Retail sector (Large/Multi brand format)
- ★ **Images Retail Awards 2022** Category: Personalisation
- ★ **11th ACF Global Customer Engagement Award** Data driven marketing – Personalisation
- ★ **India's Best Workplaces for Women 2022**
- ★ **India's Top 10 Best Workplaces for Retail 2023**
- ★ **India's Best Workplace Top 10 in Health & Wellness 2022** Across industries

# Management Discussion and Analysis

## THE COMPANY

Shoppers Stop, India's leading fashion and beauty omni-channel destination, aims to inspire customers to look good and feel confident while fulfilling their lifestyle choices in a sustainable way. With an unparalleled selection of international and national brands across fashion, accessories, beauty, perfumes, footwear, and home furnishing, Shoppers Stop caters to the diverse fashion needs of men, women, and kids.

Since its establishment in 1991, Shoppers Stop has grown into one of the largest omni-channel networks in the country, while prioritising customer centricity and creating exceptional experiences. Covering a retail floor space of 3.9 million sq. ft. and serving customers across 17,000 pincodes through 270 retail stores, Shoppers Stop continues to redefine retail excellence, all while inspiring confidence and sustainable lifestyle choices.

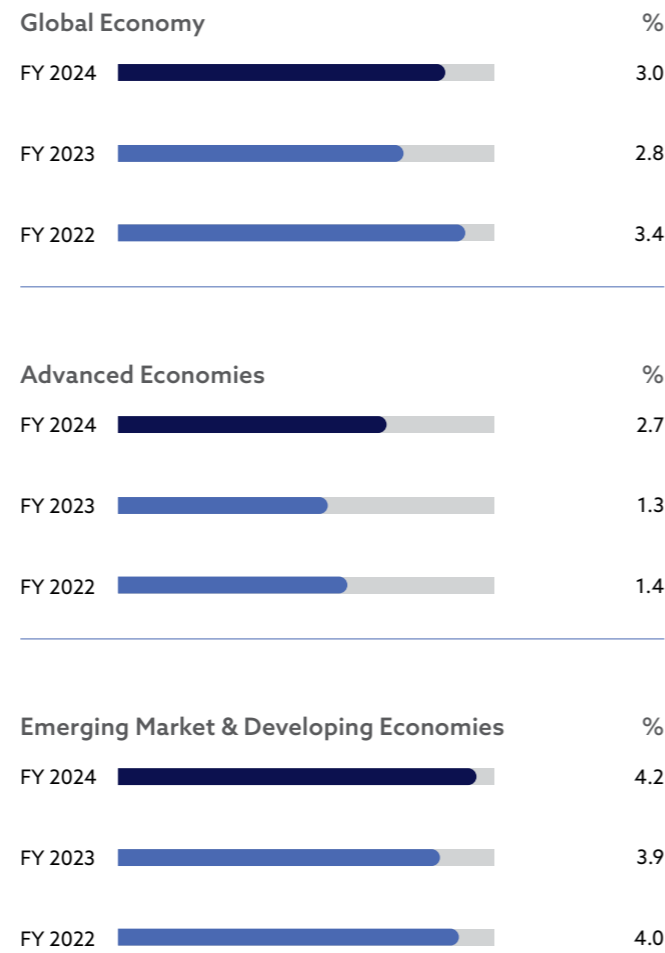
## ECONOMIC REVIEW

### Global Review

The global economy in FY 2022-23 was impacted by inflation, the Russia-Ukraine conflict, and COVID-19 resurgence in China. Global GDP grew by 3.4%, lower than the previous year's growth of 5.9%. Advanced economies experienced their highest inflation rates since 1982, while emerging markets and developing economies saw the most significant inflation since 1999. Central banks globally raised policy interest rates to tackle inflation, leading to a contraction in GDP in Q2.

However, economic growth rebounded in the second half of the fiscal year, supported by lower commodity prices, strong labour markets, robust household consumption, and business investments. Additionally, China's reopening in November 2022 contributed to the rebound in global activity.

### Growth Projections (Real GDP growth %)



Source: World Economic Outlook 2023, IMF (<https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>)

## Outlook

Inflation trends, central bank actions, and Russia's war in Ukraine are likely to shape FY24's economic growth. Global GDP is expected to grow by 2.8% in FY 2022-23 and 3.0% in FY 2023-24, led by developing economies. However, advanced economies like the US and Eurozone may experience a significant slowdown and brief recessions. Interest rates are likely to remain high due to continued inflationary pressures.

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

## India

India's economy is projected to grow by 7% in FY-23, despite inflation and supply shocks, due to the government's efforts to manage supply and demand. The government plans to invest in infrastructure and stimulate private investment to boost the economy through its various investor friendly measures (i.e. labour reforms, concessional tax rates for new domestic manufacturing units, Production Linked Incentive Schemes, etc.). The manufacturing and services sectors are expected to recover, with a revival in consumer and business confidence, as seen in the high PMI numbers.

In recent years, the private sector has made significant improvements to its balance sheet, indicating a potential increase in spending and a boost in capital expenditures when the investment cycle picks up. This, coupled with corporate deleveraging, has strengthened the banking system's balance sheets and allowed them to recover from the asset quality cycle. Additionally, the government has benefitted from high GST and direct tax collections, giving them the resources to spend and offset the impact

of the anticipated global slowdown to keep the economy afloat. Despite the challenging economic climate, affluent consumers continue to drive demand, as seen by the robust growth in the retail industry and the strong profit performance of consumer staples and discretionary companies. Recent labour market data has also shown promising signs, with increased labour force participation and job creation in certain sectors. However, to achieve sustainable demand growth, job growth must continue to improve.

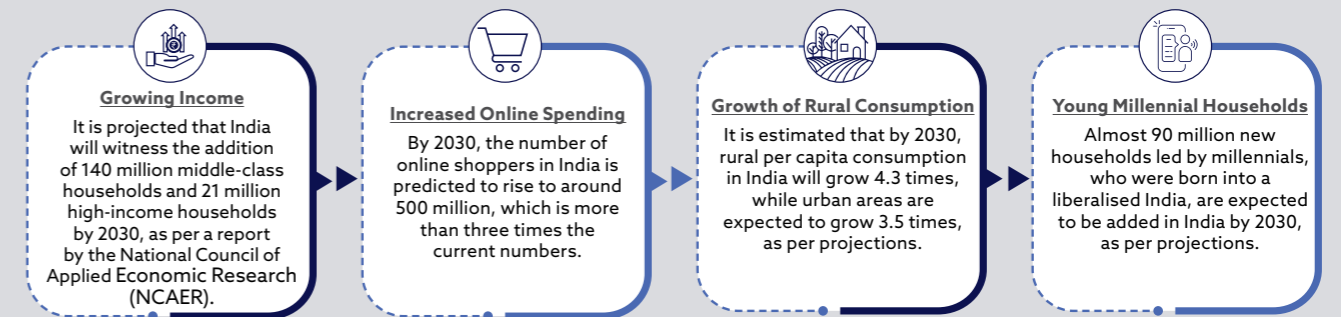
The Indian government's aim to make the country self-sufficient, or 'Atmanirbhar,' is being achieved through policies such as the Emergency Credit Line Guarantee Scheme, which has been extended till March 2023, and the Production Linked Incentive Scheme, which has a budget of ₹ 8,083 crores. These measures aim to reduce India's import dependence and support the manufacturing sector, which may benefit from multinational companies looking to reduce reliance on China.

## Outlook

Despite facing global challenges, India's economy has proven to be resilient and is positioned to surpass all major economies in growth rate, securing the top spot for the fastest-growing major economy worldwide. The economic survey forecasts a GDP growth rate of 6.5% in FY 2024-25, building on the country's already impressive growth trajectory.

Source: Economic Survey of India, 2022-2023.

## DEMAND DRIVERS



Sources :

[https://www.business-standard.com/article/economy-policy/india-s-internet-industry-to-reach-5-trillion-valuation-by-2030-123010200269\\_1.html#:~:text=Follow%20Us-,Despite%20a%20few%20hiccup%20this%20year%2C%20the%20Indian%20internet%20industry,user%20bas.](https://www.business-standard.com/article/economy-policy/india-s-internet-industry-to-reach-5-trillion-valuation-by-2030-123010200269_1.html#:~:text=Follow%20Us-,Despite%20a%20few%20hiccup%20this%20year%2C%20the%20Indian%20internet%20industry,user%20bas.)

<https://www.investindia.gov.in/sector/retail-e-commerce>

## Global Retail Industry

The Retail Industry Market had a value of US\$ 21,237.64 billion in 2022 and is estimated to grow at a CAGR of 7.69% from 2023 to 2030, reaching US\$ 41,368.44 billion by 2030. The market's growth can be attributed to the increase in consumer spending in emerging economies, which is a major driving factor. The pandemic-induced rise in online shopping trends has also contributed to market growth. Furthermore, the increasing penetration of smartphones worldwide is generating more traffic on e-commerce websites, which is expected to drive market growth during the forecast period.

Source : <https://www.verifiedmarketresearch.com/product/retail-industry-market/>

## INDIAN RETAIL MARKET OVERVIEW

### Indian Retail Market

India's retail sector is on a trajectory of growth and estimated to be US\$ 1.1 trillion by 2027 and US\$ 2 trillion by 2032. Currently, India is the world's fourth-largest preferred retail destination and has the second-largest internet market, boasting a user base of 780 million. The retail market size is expected to range from US\$ 740-760 billion in 2022, with a 2% increase in the share of e-commerce channels witnessed in the past three years. Offline retail channels have also shown a 15% increment in CAGR for top channels in 9M FY23 vs 9M FY20. India ranks among the best countries to invest in the retail space, primarily due to its vast population, a rising middle-income class of around 158 million households, increasing urbanisation, connected rural consumers, and increased discretionary spending. The retail sector currently accounts for over 10% of India's GDP and around 8% of the workforce, with

projections estimating that it will create 25 million new jobs by 2030. The demand for organised retail space has helped create a capacity of approximately 120 million sq. ft. in retail space across major Indian cities such as Delhi and Mumbai.

Source: Retail Association of India, Invest India, Business Standard

### Emergence of the E-commerce Market in India

The e-commerce market in India has experienced significant growth and diversification over the past two decades. The market is expected to reach US\$ 350 billion in GMV and have around 500 million online shoppers by 2030, reflecting the increasing penetration of internet and smartphones in the country. Furthermore, the Indian e-commerce market is unique in that it is heavily driven by the sale of fashion and lifestyle products, unlike other markets in the region where electronic products are the primary driver. One of the key factors driving the growth of the Indian e-commerce market is the convenience and ease of online shopping, which has made it a popular choice among consumers, particularly in the metros and Tier I cities. Additionally, the growth of India's digital economy is expected to touch US\$ 800 billion by 2030, reflecting the country's transformation from a bottom-of-the-pyramid economy to a truly middle-class-led economy, with consumer spending estimated to reach nearly US\$ 6 trillion by the same year. The emergence of UPI as a significant player in all digital payments, accounting for around 62 billion transactions in 2022, is also a significant driver of growth in the Indian e-commerce market.

Sources :

<https://www.investindia.gov.in/sector/retail-e-commerce>  
<https://www.indianretailer.com/article/technology-e-commerce/digital-trends/emergence-indian-e-commerce-market-and-retail-trends>

## KEY TRENDS IN INDIAN CONSUMER BEHAVIOUR

### Going Vocal for Local: The Growing Fondness for Indian Brands

- Indian consumers exhibit a clear inclination towards homegrown brands over foreign ones, with 50% choosing an Indian brand over an international one in at least one category. This preference is particularly strong in the apparel sector, where Indian brands are perceived to cater better to the specific needs of Indian consumers, resulting in superior products. Furthermore, this inclination is more pronounced among older consumers aged 45 to 59, with 58% of them preferring to buy Indian brands in at least one category.

### Shattering Gender Stereotypes: The Ascent of Female Decision Makers

- As gender gaps in secondary education in India have disappeared, women have become the primary decision-makers in household purchases 54% of the time. This trend extends beyond traditionally targeted women's categories, with 51% of women making final decisions about family leisure travel and 44% about bikes and scooters. Additionally, women's shopping habits differ from men's, with women visiting multiple stores and seeking advice from store associates when shopping for gadgets, compared to men who prioritise popular brands and online research.

### Information-Centred Shopping

- In Indian cities, shopping has become an information-focused experience. 85% of shoppers check at least two extra pieces of information apart from prices and discounts. Around 50% of them conduct online research, seeking product reviews, manufacturing and expiry dates, and feature comparisons with alternatives.

### Staying Ahead of the Curve: The Trendy Shopper's Mindset

- The urge to stay up-to-date with the latest trends is becoming a significant driver of consumer purchases in India. According to a recent survey, over 60% of respondents reported buying a product in the past year, in at least one category, solely because it was trendy and they wished to upgrade, regardless of whether or not they required a replacement.

### Health and Wellness: The New Normal for Indian Consumers

- More than half (57%) of Indian consumers are investing in health and wellness, with 46% spending on services like health check-ups, gym memberships, and diet consultations, while 40% are spending on healthier food options.

### The Customisation Craze Sweeping India

- Although mass-produced products have traditionally dominated the Indian market, there is a growing desire for customised offerings in some categories. Our survey found that 56% of respondents paid extra for customisation in at least one category in the past year. The women's apparel category had the highest percentage (27%) of consumers paying for customisations such as fabric, designs, or colors beyond basic alterations, followed closely by men's apparel at 24%. An IT professional shared that he was inspired to purchase a custom-made shirt after noticing his boss's similar attire.

### The Allure of Exclusivity: Adding Value to Products

- In some categories, exclusivity is now seen as a value-add by Indian consumers. For instance, 37% of urban Indians consider exclusivity to be a valuable feature when it comes to eyewear, select electronic items, and apparel. Among them, 14% of female consumers believe that exclusive brands of apparel improve their social status, while others take pride in owning limited-edition products like the Titan Raga watch. While the traditional notions of best price and good quality still hold, exclusivity is becoming increasingly important for some consumers.

### The Rental Revolution: Choosing Access over Ownership

- Renting is gaining popularity among Indian consumers, with 17% of survey respondents having rented instead of purchased traditional items in the past year, and 25% considering renting in the future. The trend is driven by the increasing availability of rentals through startups in big cities and the affordability factor for lower-income respondents. Higher-income consumers rent for reasons such as flexibility and variety, as demonstrated by tech-savvy youth who rents a new smartphone every few months. Even consumers in smaller cities like Jamnagar are eager for apparel rentals to become widely available, driven by social occasions and the desire to avoid repeating outfits.

### Efficiency Reigns: The Growing Demand for Time-Saving Solutions

- 57% of urban Indians have adopted time-saving products and services, even if they are more expensive or underutilise existing resources. For instance, a young Delhi couple bought their furniture online to avoid shopping in the heat, while a Bhubaneswar family hired an end-to-end service provider to refurbish their house. A businessman with a car opts to commute in a taxi to catch up on phone calls instead of fighting traffic and searching for a parking spot.

## Fashion

The Indian Fashion industry is poised for significant growth in the coming years, with revenue projected to reach US\$ 19.86 billion by 2023. This growth is expected to continue at a CAGR of 13.35% from 2023-2027, resulting in a projected market volume of US\$ 32.79 billion by 2027. China is the biggest contributor to this market, with a projected market volume of US\$ 336.80 billion by 2023. The number of users in the Fashion segment is expected to reach 528.70 million by 2027, with user penetration projected to increase from 25.5% in 2023 to 35.7% in 2027. The Average Revenue Per User (ARPU) is expected to be US\$ 54.61, indicating a significant potential for revenue growth in the industry. With the rise of digitalisation and the increasing preference for online shopping, the fashion industry is poised for further growth in the coming years. However, companies will need to adapt to changing consumer preferences and find ways to stand out in a crowded market to capitalise on this growth opportunity.

Source: Statista (<https://www.statista.com/outlook/dmo/ecommerce/fashion/india>)

The Indian premium beauty market is expected to grow in high double-digits in the coming years. This is expected despite the fact that the growth in FY 2021-22, with the post-COVID impact was an estimated 9% over FY 2019-20, according to Euromonitor International. We believe per capita spend on beauty and personal care is going to increase. Increased affordability and shift in demographics would benefit Beauty and Personal Care.

Individuals' growing beauty awareness, the influence of social media, and rising income levels are driving the preference for customised, organic, and premium product variants, which provides attractive growth prospects to leading market players. Additionally, physical store retailers are adopting innovative strategies, such as having beauty studios with personalised beauty advisors, to increase customer engagement and enhance their shopping experience.

Source: IMARC

## Beauty and Personal Care Market

The India beauty and personal care market has grown to US\$ 26.3 billion in 2022, and it is expected to reach US\$ 38.0 billion by 2028, exhibiting a compound annual growth rate (CAGR) of 6.45% during 2023-2028. The increasing emphasis on personal health and hygiene is one of the primary factors driving the demand for beauty and personal care products in India. The beauty market in India has evolved considerably in the last few years with loyal consumers who are actively adding global brands to their collection of beauty products.



## SWOT/SCOT ANALYSIS



**STRENGTHS**  
**First Citizens' Loyalty Programme**  
 With over 9 million loyal members, contributing 75% of sales, the First Citizens' Loyalty Programme is the most longstanding of its kind. Our loyalty programme, with investments in Jarvis (our data-analytical tool), helps us to gain a comprehensive understanding of our customers' behaviour with data-driven insights. This enables us to make informed analytical decisions, in turn helps our customers in their shopping needs. It also allows us to customise our communication based on their interest level.

**Omni-Channel Presence**  
 Our robust omni-channel strategy provides customers with enhanced value, personalised communication, and round-the-clock access to customer service. As a result, we are able to effectively manage customer experiences, optimise brand performance, promote customer retention, and foster long-lasting brand loyalty.

During the year FY 2022-23, **shopperstop.com** recorded 104 million visits, while our mobile application was downloaded 3.1 million times (with a cumulative total of 17.1 million downloads).

## Personal Shopper Service

In the FY 2023, from our team of 220 skilled personal shoppers, 120 received training in customer service, fashion and styling. They provided personalised assistance to 100K+ customers. They have contributed 3 times higher ATV.

## Brand Marketing

We invest in our Digital Marketing Strategy. Our marketing efforts focused on social media platforms like Facebook, Instagram, and YouTube, actively promote our products and collaborate with influential social media personalities. Throughout the year, we launched thought-provoking campaigns targeted at various consumer sub-segments and regional segments, leading to successful outcomes. In addition, we have identified new marketing opportunities and created innovative properties to further advance our brand.

## Strong Brands

By offering a wide range of products in apparel, beauty, accessories, and home decor, tailored to meet consumer preferences, the Shoppers Stop brand has been able to attract and retain a large customer base. This has bolstered our market position and solidified our status as the preferred choice for mall developers, brands, and suppliers, thus enhancing customer mindshare.

This enabled growth sales of various product categories, such as activewear, women's wear, men's casual wear, kids wear, fragrances, makeup, and more. To capitalise on the ongoing wardrobe reboot trend, we have optimised our product portfolio and are well-positioned to meet the changing needs of our customers.

## Robust Supply Chain

At Shoppers Stop, we have established a robust supply chain structure that plays a vital role in enhancing our operational efficiency. By closely tracking, managing, and controlling inventory levels at various nodes, we can effectively monitor the flow of goods and ensure optimal inventory management. Regular analysis of sales patterns allows us to make informed decisions and optimise inventory levels accordingly.

To support our operations, we have set up four distribution centres across India that serve our department retailers. These centres are strategically located and equipped with advanced technology and processes to ensure seamless and efficient distribution of products.

## Strong Systems, Processes, and Teams

At Shoppers Stop, we believe that investing in people, process, and technology is crucial for achieving

sustainability and profitability. Therefore, we constantly strive to enhance our capabilities in these areas.

Over the past year, we have launched several technology transformation initiatives, and we are continuously strengthening our information technology capabilities and processes. Our loyalty engine and digitisation efforts have integrated our physical stores with our online portal as well as Amazon, resulting in significant improvements in inventory management and turnaround time. We remain committed to investing in technological innovations that will help us meet the evolving needs of our customers and improve our bottom line.

## Corporate Governance

We maintain high standards of Corporate Governance, which are fundamental to the business of our Company since its inception. We have attached a separate report on Corporate Governance with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). A Certificate of the Chief Executive Officer and Chief Financial Officer of the Company in terms of Listing Regulations is also annexed to this Annual Report.

## Customer Footfall

At Shoppers Stop we have experienced a good revival of footfalls after COVID-19. Our newly launched stores in Tier 2/3 have received good response by way of high footfalls.

## Experienced and Seasoned Leadership/Managerial Workforce

At the leadership front, we have an experienced team with a shared vision and clear goal. This helps us to provide great value to our stakeholders.

## Data Analytics, Customised Campaigns and Personalisation

As a leader in the industry, we leverage consumer data to improve our sales and marketing strategies, resulting in more precise consumer targeting and personalised services. By providing real-time updates on stock and inventory, we can effectively grow our online sales through inventory ads on digital media. Our data analytics capabilities are instrumental in aggregating customer interactions, both in-store and online. Our primary objective is to offer personalised consumer experiences, using data collected from loyalty programmes and customer data models. These critical factors have enabled us to achieve a high contribution of repeat sales of over 60% both offline and online.



## CHALLENGES

### Accelerated Technology Adoption

The transition from conventional business methods to online modes has facilitated customers in accessing global designs conveniently. Consequently, new platforms are emerging rapidly, and the industry is gradually embracing them.

### Inadequate Availability of Skilled Workforce

The retail industry faces a shortage of proficient workforce, leading to a high turnover rate. However, we have managed to maintain lower attrition rates than the industry standard through our talent management programme. This programme has enabled us to develop a pool of managers and leaders who will steer our future growth. Additionally, we have strengthened our management team by hiring experts in crucial domains such as e-commerce, marketing, and supply chain.



## OPPORTUNITIES

### Fluid Fashion

The rise in popularity of gender-fluid fashion indicates a growing trend among consumers to challenge conventional gender stereotypes. In response, brands and retailers need to re-evaluate their approach to product design, marketing, and shopping experiences to accommodate the evolving attitudes towards gender identity and expression.

### Online Expansion

Post the pandemic, there has been a remarkable shift in shopping behaviours with respect to the types of products being bought and the purchase journey followed by customers. To cater to these evolving lifestyles, brands are modifying their strategies. Online shopping has emerged as a convenient option to explore diverse product categories and provides a hassle-free experience. Hence, online shopping avenues are poised to have a substantial impact in the times ahead.

### Premiumisation and Access to Global Brands

In India, there is a growing trend among consumers to opt for global brands and trade up due to rising incomes, increased internet penetration, and attractive online price promotions. As a result, the Indian consumer is willing to spend more on premium products, and high-street retail is gaining popularity. However, the COVID-19 crisis has restricted the mobility of even the wealthiest consumers, resulting in limited access to premium brands available at duty-free stores and foreign locations. Consequently, luxury and premium brands have shifted their focus to e-commerce, as consumers are staying at home during the pandemic.

## Beauty & Personal Care Categories

India's beauty and personal care retail market is one of the rapidly expanding sectors worldwide, with constantly changing consumer preferences and trends, coupled with fierce competition and innovation within the industry. Increased discretionary spending and growing awareness of personal hygiene and grooming have resulted in a surge in demand. As a prominent beauty physical retailer with a strong online presence, we are well-positioned to capitalise on this opportunity and expand our footprint in this segment.

## Digital Innovation

The retail industry has undergone a significant transformation through digitisation, revolutionising the customer experience and leading to a shift in purchase patterns. With the help of technology, customers can now discover products in innovative ways, resulting in a non-linear path to purchase. To guide customers through this process, retailers are leveraging digital innovations, which have become increasingly prevalent in the industry. Our app has enabled customers to enjoy a seamless shopping experience, allowing them to discover merchandise both in-store and online, thus making it an omni-channel experience.

## Aggressive expansion, Gain Market Share

Shoppers Stop has aggressive expansion plans. In terms of the same, the Company opened 11 new departmental stores and 12 Beauty stores during the year under review. The Company plans to continue with the same in FY 24.



## THREATS

### Competition

The post-pandemic era has witnessed a surge in the Indian retail market, with several new players entering the sector. However, our strong market edge is sustained by our extensive presence, seamless service offerings, diverse formats, and highly skilled management team.

### Inflation

As inflation rates continue to rise globally, consumers are likely to experience a reduction in disposable incomes. This decrease in purchasing power is expected to have a significant impact on consumer sentiments, resulting in a decline in discretionary spending. Discretionary spending refers to non-essential purchases, such as luxury goods or entertainment, that consumers may opt to forgo during times of economic uncertainty. The decrease in consumer spending can, in turn, affect businesses and industries that rely on consumer demand for their products or services. Therefore, it is crucial for businesses to monitor and adapt to changing economic conditions to mitigate the impact on their operations.





**PERFORMANCE REVIEW**

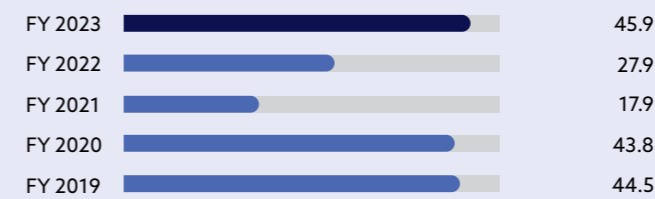
**Key Highlights\***

- Highest annual revenue of ₹ 5,066 crores (+63% Y-o-Y) and PBT of ₹ 164 crores against loss of ₹ 200 crores previous year.
- Highest Revenue of Private brands ₹ 723 crores (+70% Y-o-Y) while Beauty reported revenue of ₹ 804 crores (+54% Y-o-Y).
- First Citizens' contribution at 75%, consistent with previous years.
- Opened 11 Department stores and 12 Beauty stores during the year.
- With new stores and renovations, 60% of our Department Stores are with new identity.
- Gross Margin improved by 170 bps, with EBITDA at ₹ 324 crores, against loss of ₹ 27 crores in previous year.
- ATV grew by 8% while ASP grew by 10%, with a healthy balance of price, volume and mix. The ATV has consistently grown over the last 12 quarters.
- Company received the highest income from the Loyalty customer enrolments.
- Renovated 11 Department stores and 5 Beauty stores during the year.
- Launched Plus size apparel Brand "U R You" in Private brands.
- Forayed in Beauty distribution, with 15 International beauty brands from Loreal International division, Clarins, Earthi and NARS.

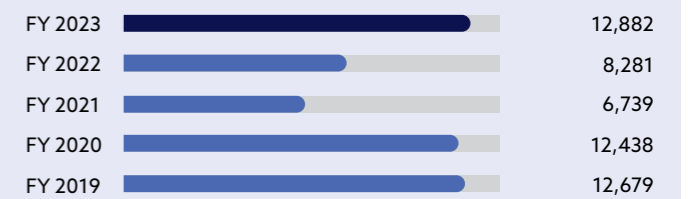
\*Basis Non-GAAP financials

**OPERATIONAL METRICS\***

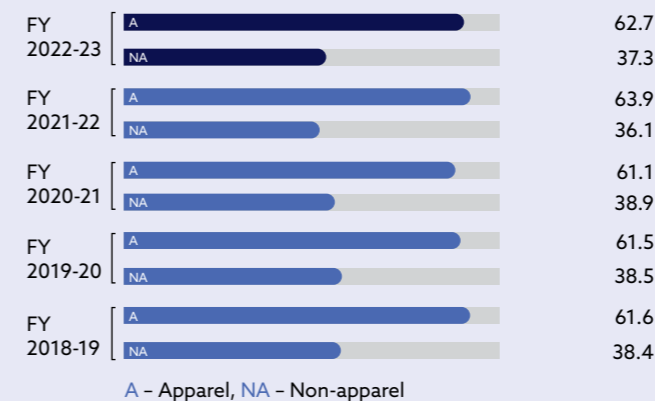
Customer footfalls (offline) in Departmental Stores (in ₹ mn)



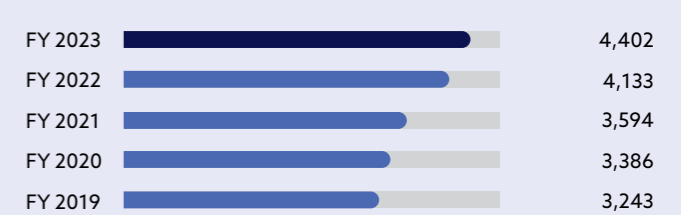
Sales per sq ft in departmental stores (in ₹)



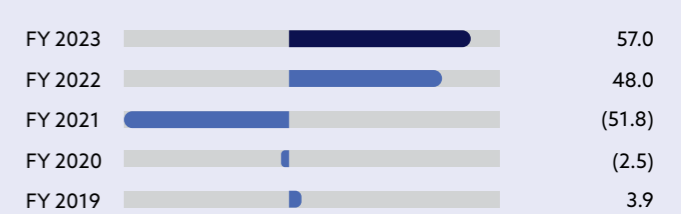
Sales mix in departmental stores (in %)



Transaction size in departmental stores (in ₹)



Sales (like to like growth) in departmental stores (in %)



\*Basis Non-GAAP financials

## FINANCIAL REVIEW \*

### Revenue

The Company reported a revenue of ₹ 3,998 crores during FY 2022-23, recording a growth of 60% Y-o-Y over ₹ 2,494 crores in FY 2021-22.

### EBITDA

The reported EBITDA of the Company is ₹ 755 crores in FY 2022-23 compared to an EBITDA of ₹ 434 crores in FY 2021-22, recording a growth of 74%

### Finance Cost

The finance cost for FY 2022-23 stood at ₹ 209 crores, a marginal increase from ₹ 205 crores in FY 2021-22, due to increased lease cost.

### Depreciation

Depreciation for the year under review stood at ₹ 382 crores as compared to ₹ 352 crores in FY 2021-22, an increase by 9 %.

### Dividend

No dividend is recommended for the year under review.

### Inventory

The inventory at the end of FY 2022-23 was ₹ 1,486 crores as against ₹ 1,008 crores in FY 2021-22. The inventory is valued at a lower cost and net realisable value.

## KEY FINANCIAL RATIOS \*

The following table shows a summary of specific key financial ratios:

Particulars	Units	FY23	FY22	Y-o-Y change
Return on Equity	%	73.43	(51.21)	243.40%
Return on Capital Employed	%	14.44	3.72	287.84%
Debt equity ratio	Times	10.14	21.30	(52.38)%
EBITDA Margin	%	18.88	17.39	150 bps
Net Profit Ratio	%	3.27	(3.06)	206.95%
Current Ratio	Times	0.80	0.78	02.43%
Debt Service Coverage Ratio	Times	1.28	0.90	42.07%
Inventory Turnover Ratio	Times	1.87	1.62	15.22%
Trade Receivable Turnover Ratio	Times	108.09	64.19	68.38%

### Return on Equity

Return on Equity is calculated by dividing the net profit after tax of the Company by the average shareholders' equity. ROE increased to 73.43% in FY 2022-23 from (51.21%) in FY 2021-22 due to an increase in equity and improved operational performance.

### Return on Capital Employed

Return on Capital Employed (ROCE) is a financial ratio that can be used to assess a Company's profitability and capital efficiency. It is calculated by dividing earnings before interest and tax by capital employed. Capital employed = Net worth + Total debt (including lease liability as per Ind-AS 116). The ROCE has grown from 3.72% to 14.44%, recording 287.84% growth Y-o-Y.

### Debt equity ratio

The debt-to-equity (D/E) ratio is commonly used to evaluate a Company's financial leverage. It is calculated by dividing a Company's total debt (including lease liability as per Ind-AS 116) by its shareholder equity. The debt-to-equity ratio has improved from 21.30 in FY 2021-22 to 10.14 in FY 2022-23 on account of repayment of loans.

### EBITDA Margin

EBITDA margin measures earnings before interest, taxes, depreciation, and amortisation (EBITDA) as a percentage of its revenue. It has increased by 150 bps from 17.39% in FY 2021-22 to 18.88% in FY 2022-23 on account of improvement in sales and profit as compared to the previous year.

### Net Profit Ratio

The net profit ratio measures a Company's profitability by calculating its net profit after tax as a percentage of its revenue. It stood at -3.06% in FY 2021-22 and improved to 3.27% in FY 2022-23 due to an increase in profitability.

### Debt Service Coverage Ratio

The debt service coverage ratio measures a Company's ability to pay interest and term loan instalments. It is calculated by dividing a Company's earnings before interest, taxes, depreciation and amortisation (EBITDA) by debt service (interest plus principal repayments). The ratio in the current year has been improved from 0.90 in FY 2021-22 to 1.28 in FY 2022-23 on account of improved EBITDA in the current year.

### Inventory Turnover Ratio

The inventory turnover ratio is a financial metric that measures how efficiently a Company manages its inventory. It is calculated by dividing the cost of goods sold by the average inventory for a given period. It improved from 1.62 in FY 2021-22 to 1.87 in FY 2022-23 on account of an increase in sales.

### Trade Receivable Turnover Ratio

The trade receivables turnover ratio is a financial metric that measures a Company's effectiveness in collecting its trade receivables. It is calculated by dividing the total sales for a given period by the average trade receivables outstanding during that period. From 64.19 in FY 2021-22 to 108.08 in FY 2022-23, it grew 68.39% Y-o-Y on account of an increase in sales.

## HUMAN CAPITAL

At Shoppers Stop, our Human Capital is a critical component of its business strategy. The Company employs a large and diverse workforce that includes full-time and part-time employees. The Company's Human Capital strategy is focused on attracting and retaining top talent, developing employee skills and capabilities, and fostering a positive and inclusive workplace culture.

# 6,319

TOTAL EMPLOYEES

At Shoppers Stop, our Human Capital programme is designed to promote employee engagement and satisfaction. The Company invests in training and development programmes, leadership development initiatives, and skills development opportunities to help employees grow and advance in their careers. The Company also places a high emphasis on diversity and inclusion, with employee resource groups and initiatives to create an inclusive culture.

# 1,894

TOTAL FEMALE EMPLOYEES

# 4,425

TOTAL MALE EMPLOYEES



\* Ratios are computed as per GAAP financials. Key Performance Highlights as per Non-GAAP has been published on page 46 of this report. Our management regularly uses supplemental Non-GAAP financial measures internally to understand, manage and evaluate our business, make operating decisions, planning and for preparing forecasts for future periods.

# Management Discussion and Analysis

## Shoppers Stop's WE CARE Initiative: A Holistic Approach to Employee Wellness

Employee wellness has always been a priority at Shoppers Stop, but the COVID-19 pandemic prompted the Company to take a deeper and more meaningful look at the issue. In response, Shoppers Stop launched the WE CARE initiative, which focuses on promoting health and well-being among its employees. The initiative is driven by six dimensions that the Company has identified as key to leading a happier and fuller life.

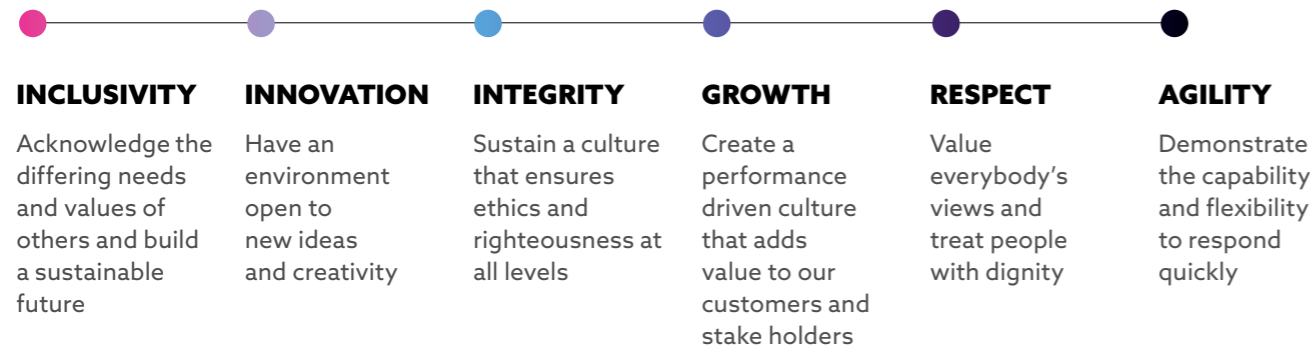
The Six Dimensions of Wellness:

- Physical: Recognising the need for physical activity for your body and mind.
- Social: Developing a sense of connection, belonging and a well-developed support system.
- Financial: Satisfaction with their current and future financial situations.
- Environmental: Occupying a pleasant and stimulating environment that supports well-being.
- Emotional: Coping effectively with life and creating satisfying relationships.
- Intellectual: Recognising creative abilities and finding ways to expand knowledge and skills.

By implementing these initiatives, the Company has aimed to create a more positive and healthy work environment. The wellness initiatives have helped in reducing workplace stress and promoting a positive mindset among employees. This has resulted in employees being more productive and happier in their work environment.

To bring the six dimensions of wellness to life, Shoppers Stop has implemented various initiatives across four areas - awareness, communication, access, and assistance. The Company has raised awareness of wellness issues in the workplace through surveys, webinars, and leadership talks. Internal communication platforms have been used to promote wellness initiatives through fun quizzes, mailers, and SMS blasts. The Company has made wellness programmes accessible to its employees by providing a fully functioning fitness room, employee assistance programmes, a menstrual leave policy, and planned sabbaticals. Wellness Champs from different business units and zones have been created to lead programmes such as meditation workshops and Zumba workshops and to provide peer-to-peer support.

## Values



## VOLUNTEERING INITIATIVES FOR EMPLOYEES HOLISTIC WELL-BEING

Shoppers Stop, a retail chain in India, believes in the importance of engaging its employees in various volunteering activities. These initiatives promote the mental AND emotional well-being of the employees. Shoppers Stop has partnered for various initiatives with NGOs, including Isha Foundation, Aniruddha's Academy of Disaster Management, Robin Hood Army, and TRRAIN to provide exposure and experience to Employees to impact their emotional and mental well-being.

To help our employees understand and prioritise their physical well-being in a manner that was doable and sustainable, we implemented certain fundamental practices and augmented these with more unique well-being offerings. The first one was **free health check-ups for all**. Under this initiative, we helped them understand why it was important to stay on top of their health issues. We held a free, basic health screening with an ECG setup at **23 locations**. The response was encouraging, with **2,205 employees** undergoing an assessment followed by a medical consultation for the same with the doctors.

We had specific health check-ups that took place during these camps where 852 associates from across all stores and services office had their various check-ups done.

Workshops conducted comprising of Zumba (fitness) sessions, Ergonomics awareness, Meditation and Yoga Sessions on International Yoga Day to provide a more balanced and holistic outlook to one's well-being. More than 500 associates across the Services Office and stores participated.

We brought onboard **laughter therapy sessions** to rejuvenate the body, mind and soul of our employees. A fun-filled activity that touched on the importance of sharing a laugh with peers and winding down during a busy day. The session aimed to help associates reboot their minds through the laughter therapy sessions. **Over 250 participants** understood the dynamics and benefits of laughing freely.

We also partnered with Robin Hood Army to donate a bag of hope as a part of their mission to serve 75 lakh meals across India. The Bag of Hope contained Rice, Wheat Flour, Tur Dal, Maggi and biscuit packets. Employees across 90+ stores and our services office pan-India, contributed towards this Bag of Hope to provide relief and assistance to underprivileged families.

We collaborated with the **Isha Foundation** for their **Save Soil Movement**. Save Soil aims to avert the crisis facing soil health. It took us to **Mokhada Village** with the Seed Ball initiative to sow **seeds in the barren lands of the village**. We also conducted engaging and interactive sessions on the 'Save Soil Movement' at our Shoppers Stop stores and services office to educate our associates on the importance of soil health. This was our small step towards making this world a better place for us and our future generations.



## SUPPLY CHAIN

### Key Initiatives

#### Improved Intra-Zone Movement

- Implementation of allocation logic improved intra-zone movement from 25% to 54%, thereby enhancing the overall order-to-delivery process

#### Same-Day Delivery

- Same-day delivery was initiated from four distribution centres (DCs) and 21 stores, representing 7% of orders, providing customers with faster and more convenient delivery options.

#### B2B Daily Deliveries

- Our 31 high-velocity local stores received daily deliveries through our B2B supply chain, enabling them to maintain optimal inventory levels and meet customer demand more efficiently.

#### Distribution Vertical for Global Brands

- We established the necessary supply chain infrastructure and processes for the distribution of premium brands such as L'Oréal International, Clarins, and NARS, enhancing our capabilities and expanding our reach in the global marketplace.

Shoppers Stop places the customer at the centre of all its business operations, and the Supply Chain function is no exception. With a strong focus on driving operational efficiencies and cost optimisation, we have made significant strides in improving our supply chain processes, delivering high-quality products, and meeting the ever-evolving needs of our customers.

During the year under review, we achieved several key milestones, including reducing the turnaround time for our high-velocity stores from 1.8 days to 1 day in cities where our DCs are located. We achieved a B2B store order fulfilment rate of above 99.5% against allocated orders, filling stock gaps on time, and lowering opportunity costs. Our focus on tracking vehicle utilisation for DC to store deliveries and route planning has helped us optimise vehicle sizes and frequencies, leading to better operational efficiency.

Our Supply Chain is an integral part of our omnichannel strategy, responsible for the last-mile deliveries to customers for online orders received on all platforms. We have made significant improvements in the Order to Delivery turnaround time, reducing it from 3.8 days to 3 days, and the overall Order-to-Deliver TAT for all channels, from 4.6 days to 3.9 days. Our implementation of the allocation logic has improved the overall Intra zone movement from 25% to 54%, resulting in a significant improvement in the Order-to-Delivery TAT. SCM is also

responsible for ensuring timely deliveries of packaging material for e-commerce order processing across all channels.

We are a 100% GS1-compliant Company with a cost-effective warehouse management system that allows us to manage our omnichannel supply chain transparently. Our distribution centres have automated processes and are centrally monitored, ensuring timely deliveries before the store opens. The inventory for our digital channels is integrated with our distribution centres, enabling us to service online orders with ease and support our Ship From Store facility. We are committed to reducing delivery time from days to hours, investing in our supply chain capabilities to ensure consistency across channels, and emphasising material quality and recycling of packaging cartons in our warehouses. With a network of a large number of vendors across the country, we are actively working to create business relationships built on trust and respect, ensuring a sustained and efficient supply of high-quality products to our consumers.

#### Customer Service Effectiveness

We continue to receive positive feedback from our customers regarding our customer-centric initiatives, which aim to enhance their satisfaction by providing delightful experiences.

## RISK GOVERNANCE & INTERNAL CONTROLS

Risk	Description	Mitigation
<b>Customer Acquisition, Retention &amp; Changing Consumer Preferences</b>	The dynamic nature of customer preferences, purchasing behaviour and customer sentiment changes due to inflationary pressures in the economy is rapidly evolving, surpassing previous rates. Customers may alter their preferences, purchasing behaviour, and favoured mediums of purchase, both physical and digital, regarding product types, brands, and categories.	We strive to broaden our lifestyle portfolio by venturing into new categories and expanding our brand and product offerings. This approach mitigates the risk of over-reliance on any particular product type, category, or brand, thereby reducing our vulnerability to changes in customer preferences. Additionally, we have a comprehensive digital presence, encompassing various mobile applications, and web formats, and we continuously assess and adopt new selling formats to expand our reach.  We have curated our First Citizens' Loyalty programmes to bring in fresh/new experiences beyond the normal boundaries of shopping in our stores or the online space.  We provide exclusive Personal Shoppers services to our esteemed and Loyal First Citizen Customers to give enhanced service and support to them at the stores.
<b>Competitive Landscape</b>	The retail industry with e-commerce channels is highly competitive. The current and potential customers have access to various options, such as online and brick-and-mortar retailers, as well as direct-to-consumer distribution channels. There is a possibility of new retail players venturing into the lifestyle categories that we operate in.	We have allocated substantial resources to developing a diverse range of selling models, encompassing digital channels and an extensive nationwide store network. Additionally, we offer distinctive beauty and fashion products, and we stock a varied selection of brands, including those that we import and distribute directly. To establish enduring customer value, we focus on implementing responsible and customer-centric marketing and education strategies, aimed at promoting brand loyalty in the long run.
<b>Talent Retention</b>	Our capacity to lure and retain talented employees is a vital aspect of our operations. In a constantly evolving industry, employees lacking the necessary skills could impede our ability to innovate. Additionally, the highly competitive labour market for specialised skill sets and the possible departure of key personnel may hinder our growth. The proficiency enhancement of our workforce is crucial for driving innovation and achieving excellence in our business.	We benchmark our compensation and align with the market to ensure that we are competitive. We prioritise forward-thinking investments in our workforce, actively seeking out top talent from various backgrounds and identities. As our business and functional requirements continue to expand, we have successfully scaled up our employee base without compromising our agile work approach. Our dedication to diversity and inclusivity is unwavering, and we foster a high-performance culture that emphasises the importance of upskilling and reskilling our employees with the appropriate tools.

Risk	Description	Mitigation
<b>Compliance and Regulatory Risk</b>	The retail, digital, and e-commerce industries, along with consumer goods, are subject to evolving regulations in India and globally, which may pose risks to their operating structures. These industries are constantly adapting to changing regulatory environments.	Shoppers Stop prioritises compliance with statutory regulations and adheres to the laws of the country. We invest in IT-enabled systems and processes to ensure compliance and provide ongoing education to our internal stakeholders on regulatory matters. To stay informed about regulatory developments, we have adequate mechanisms and tools that provide all the applicable regulatory updates, ensuring compliance.
<b>Cybersecurity and Data Breaches</b>	The security of our technology and data infrastructures is vulnerable to potential cyberattacks and security breaches, which can result in reputational and operational risks. Our business heavily relies on digital infrastructures for communication with suppliers and customers and on third-party integrations.	Shoppers Stop allocates significant resources to enhance cybersecurity and safeguard our data. We conduct independent third-party evaluations of critical IT systems that handle sensitive data and consistently improve the technological infrastructures responsible for securing this information. We implement advanced cybersecurity technologies to control and monitor access to our IT systems, with our information technology teams constantly improving server security, firewall implementation, and web security. To ensure the adoption of best practices, we conduct Company-wide training sessions for our employees on an ongoing basis.
<b>Threats of Deep Discounts</b>	The aggressive use of deep discounts on e-commerce platforms, primarily to increase market share, could potentially harm India's apparel retail industry as a whole. As more individuals turn to e-commerce for affordable fashion options, there is a growing demand for low-priced products, creating a market for low-quality clothing that detracts from the high-end fashion market.	Our mitigation plan centres around enhancing the price-value proposition of our products to cultivate stronger and more desirable brands and improving the Customer Experience and services through our Personal Shoppers Programme to build long-term relationships with our esteemed loyal First Citizen customers. To fulfil our brand promise, we will focus on refining our sourcing management and implementing a more streamlined approach to order fulfilment.
<b>Technology Risks</b>	Technology is a critical component for driving process efficiency, and controls as well as for providing enhanced customer experience with both offline and online shopping; Lack of agility and innovation in driving investments into technology upgradation would result in an impact on customer experience as well as on internal process effectiveness and controls.	We actively pursue a digital mindset to evaluate and benchmark our Technology stack with the latest that is available in the retail space. Basis the evaluation we invest in technologies which we believe would result in enhancing our capacity and help in the scalability of the business, apart from improving customer experience.
<b>Retail Space Availability Risk</b>	Availability of quality space and in requisite quantum due to increased competition combined with high rentals and delays in committed deliverables by developers pose significant risks to the expansion plans of the Company.	We believe that the Organised Retail Space in India is growing at a decent pace with a positive impact on India's economic growth; This has resulted in a shift in consumer base to other Tier-II and III cities which provides opportunities for our Store expansion plans. Management maintains a rigorous process of evaluation of available marquee properties apart from building sustainable relationships with developers to ensure that the Company's plans of expansion can be executed to drive scalability and reach across all major cities.

## INTERNAL CONTROLS

The Company has robust Internal Controls embedded across all the business processes, through a combination of Entity level Controls, Process level controls and IT General Controls driven via systems, policies, delegation of authority and vigilant Management oversight and review at regular intervals. The Company has appointed KPMG as its Internal Auditors. The Internal Audit plan is approved by the Audit Committee at the beginning of every year. The conduct of Internal Audit is oriented towards the review of internal controls and risks in the Company's operations and business process. Every quarter, the Audit Committee is presented with a summary of significant audit observations and follow-up actions thereon.

The Board recognises the work of the auditors as an independent verification of the information received from the management on our operations and performance.

Our Internal Financial Control Framework established is commensurate with the size of the operations of the Company and the same is evaluated regularly by the Internal Auditors and reported to the Audit Committee at timely intervals.

We have a well-defined system of Management Reporting, with periodic reviews internally with the Leadership Team and to the Board once a quarter.

## CORPORATE GOVERNANCE

Our enterprise is governed by the highest principles of integrity, transparency and accountability for all processes and policies embedded for driving corporate governance philosophy and for compliance with all laws applicable to the business

All actions/decisions are taken basis of the aforesaid themes driven by the Board/Management, supported by appropriate systems, controls and mechanisms with checks and balances to ensure that there is no compromise on these principles enshrined in the DNA of the enterprise across all levels of the organisation.

## CAUTIONARY STATEMENT

Statements in this Annual Report, particularly those related to the Management Discussion and Analysis, describing our Company's objectives, projections, estimates and expectations, may constitute forward-looking statements within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results may differ.



To the Members,

Your Board of Directors present the 26th Annual Report of Shoppers Stop Limited on the business and operations of the Company together with the Audited Financial Statements, for the financial year ended March 31, 2023 ("the year under review" or "the year" or "FY 2023").

This report is in accordance with the applicable provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

## FINANCIAL PERFORMANCE - AN OVERVIEW

Particulars	(in ₹ crores)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations	3,998.36	2,493.81
Other Income	56.07	166.05
Total Income	4,054.43	2,659.86
Profit / (Loss) before Interest, Depreciation, Tax & Exceptional Items	754.86	433.57
Less: Depreciation	381.60	351.97
Less: Finance costs	209.15	205.39
Profit / (Loss) before Tax & Exceptional Items	164.11	(123.79)
Exceptional Items	2.00	15.00
Profit / (Loss) before Tax	162.11	(138.79)
Less: Provision for Tax	42.86	(52.11)
Profit / (Loss) for the year (A)	119.25	(86.68)
Other comprehensive loss / (income) (B)	(0.27)	(0.82)
Total comprehensive income/(loss) for the year (A)-(B)	118.98	(87.50)

## 1. REVIEW OF OPERATIONS

Shoppers Stop Limited is part of the Retail Industry which continues to be one of the biggest and long-term sustainable business opportunities that our country offers. Indian Retail Industry has emerged as one of the most dynamic and fast-paced industries due to the opportunities it creates. It accounts for over 10% (Ten percent) of the country's gross domestic product (GDP) and around 8% (Eight percent) of the employment. India is the world's fifth- largest global destination in the retail space.

After two consecutive years of facing a challenging operating environment due to COVID-19 pandemic, the year under review came as a respite with improved market sentiment, which with efforts from your Company, enabled your Company to deliver robust growth over last year.

Your Company posted revenue from operations of ₹3,998 crores (as per GAAP financials), an increase of 60% over the previous year. The EBITDA stood at ₹755

crores (as per GAAP financials) an increase of 74% over the previous year.

As at the end of the year under review, your Company has 98 Departmental stores, 7 HomeStop stores, 142 Beauty stores and 23 Airport stores in India, under its operations.

### Key Financial Highlights for FY 2022-23

- (i) Your Company continued to deliver robust sales growth during the year, which was broad based with a healthy balance of price, volume and mix. All the Strategic Pillars of your Company have delivered. Your Company continues its sharp focus on robust growth on each one of them and reported highest ever revenue and profitability:
  - a) Revenue increased by 60% year-on-year to ₹3,998 crores in FY23.
  - b) EBITDA increased by 74% year-on-year to ₹755 crores in FY23.
  - c) Gross Margins was up by 210 bps year-on-year.

- d) Private Brands revenue grew by 70% year-on-year.
- e) Beauty Segment revenue was up by 54% year-on-year.
- f) E-commerce sales grew by 8% year-on-year.
- g) First Citizen member base at 9 million adding 0.24 million members during the year.

- (ii) Overall Customer visits increased by 7% year-on-year in FY23. The Average Selling Price (ASP) gained 10% year-on-year and the Average Transaction Value (ATV) improved by 8% year-on-year. The ATV of your Company has consistently grown over the last 12 quarters.
- (iii) Your Company reported a Profit Before Tax (PBT) of ₹162 crores against a loss of ₹139 crores in the previous year, while Profit After Tax (PAT) was ₹119 crores against a loss of ₹88 crores in the previous year

### Operating Highlights for FY 2022-23:

- (i) Your Company's Store expansion is on track with continued investments in opening new stores and renovation of existing ones. Your Company spent a total of ₹206 crores in FY23 on capital expenditure, including ₹82 crores on New stores and ₹55 crores on Renovation stores. The highlights were as follows:
  - a) 23 stores opened during the year (11 Department and 12 Beauty)
  - b) Response from stores opened in Tier I/II was very encouraging on productivity as well as profitability front. We have opened 8 stores in Tier I/II out of the 11 department stores opened during this year.
  - c) 11 Department stores and 5 Beauty stores were renovated during the year. Your Company intends to renovate another 8-10 Department stores in FY24.
  - d) At the end of FY23, including the new stores opened and renovations done in last four years, 60% of your Company's Department Stores are with new identity. Your Company intends to take this number to 70% for FY24.
- (ii) Your Company's wholly owned subsidiary, Global SS Beauty Brands Limited ("GSSBL") entered into Beauty distribution business and acquired exclusive distribution rights of 15 International brands from L'Oréal International Division (LID), Clarins, Earthi and NARS cosmetics. During the year, GSSBL onboarded

10+ key retailers for distribution business and is in the process of onboarding a few more.

- (iii) Your Company had launched co-branded credit card in partnership with HDFC Bank at the end of FY22 which gained good traction in the current financial year with 80K+ members enrolling during the year, thereby increasing business revenue.
- (iv) With your Company's continued focus on First Citizen Members, your Company targeted inactive members during the year leading to incremental sales. Your Company also created Exclusive Customer Engagement experiences such as Mixology, Golfing and Sailing, Farm experience, Grape Stomping and Makeover sessions for its Black card members.
- (v) The physical and emotional wellbeing of employees continues to be a top priority for your Company. Your Company initiated various employee engagement activities and introduced employee friendly measures and policies during the year. Your Company has been recognised as one of the Top 10 retailers by "Great Place to Work".

## 2. DIVIDEND

In accordance with Regulation 43A of the Listing Regulations, your Company has adopted the 'Dividend Distribution Policy', which sets out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its Members and / or retaining profits earned by your Company, from time to time. This Policy is annexed as Annexure I to this report and is also available on the Company's corporate website at <https://corporate.shoppersstop.com/wp-content/uploads/sp-client-document-manager/1/191b878-8de71.pdf>.

In view of the carried forward losses, and in order to conserve cash the Board of Directors of your Company are unable to recommend dividend on equity shares (previous year dividend - Nil).

## 3. RESERVES

There is no amount proposed to be transferred to the Reserves, for the year under review.

## 4. SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURE

As on March 31, 2023, your Company has four wholly owned subsidiaries and one associate company (in terms of the Act) upto October 12, 2022, details whereof are as under:

**Shoppers' Stop.Com (India) Limited (SSCL):**

SSCL was incorporated in year 2000 with an objective of advancing the online presence. SSCL posted net loss of ₹0.37 crores for the year under review, against a net profit of ₹0.85 crores in the previous year. During the year the SSCL's turnover was ₹20.53 crores (previous year ₹16.81 crores).

**Global SS Beauty Brands Limited (GSSBL) (Formerly known as Upasna Trading Limited)**

GSSBL was incorporated in year 1995 as Upasna Trading Limited. During the year under review, (i) name of the company was changed from Upasna Trading Limited to Global SS Beauty Brands Limited with effect from June 20, 2022, with the certificate for name change being received from the Ministry of Corporate Affairs, Office of the Registrar of Companies, (ii) the object clause of the company was altered to widen its range of business activities to include beauty distribution, (iii) the Authorised Capital of the company was increased to ₹30 crores (equity share capital of ₹5 crores and preference share capital of ₹25 crores), (iv) the company did a right issue of 495,000 Equity Shares of ₹100 each and 2,000 - 0.01% Non-Cumulative Optionally Convertible Preference Shares ('NOCPS') of ₹100,000 each (v) the company entered into Beauty distribution business and acquired exclusive distribution rights of 15 International brands from L'Oréal International Division (LID), Clarins, Earthi and NARS cosmetics. It also onboarded 10+ key retailers for distribution business and is in the process of onboarding a few more.

During the year under review, GSSBL reported net profit of ₹0.90 crores for the year under review, against a net loss of ₹0.00 crores in the previous year. During the year its turnover was ₹14.02 crores (previous year Nil).

The other 2 (two) wholly owned subsidiaries of your Company viz. Shoppers Stop Brands (India) Limited (SSBIL) (Formerly known as Shopper's Stop Services (India) Limited) and Gateway Multichannel Retail (India) Limited; had no operations during the year under review.

During the year under review, the name of Shopper's Stop Services (India) Limited was changed to Shoppers Stop Brands (India) Limited with effect from June 23, 2022, with the certificate for name change being received from the Ministry of Corporate Affairs, Office of the Registrar of Companies.

**Crossword Bookstores Private Limited (Crossword):**

In terms of the Share Purchase Agreement (SPA) executed by your Company with M/s. Dinesh Gupta, Aakash Gupta & Family (Owners of Agarwal Business House) (ABH), your Company had agreed to sell the complete stake in Crossword, over a period of three years. Accordingly, your Company has further disposed of 1,56,24,376 equity shares of ₹10/- each constituting 39% of the share capital of the Crossword to ABH on April 8, 2022 and October 12, 2022 respectively, as per terms of SPA. Your Company now holds 10% of equity shares in Crossword. Accordingly, Crossword ceased to be an associate company in terms of the Act, with effect from October 12, 2022.

Your Company has no joint venture.

A separate statement containing the salient features of the Financial Statement of all above subsidiaries and associates in prescribed format of AOC -1, forms part of this Annual Report.

In accordance with the provisions of Section 136(1) of the Act, the Financial Statements of each of the aforesaid subsidiaries along with related information are available on your Company's corporate website at <https://corporate.shoppersstop.com/investors/annual-report/> and the same are also available for inspection by the Members. The Members desiring inspection / interested in obtaining a copy of the Financial Statements may write at [company.secretary@shoppersstop.com](mailto:company.secretary@shoppersstop.com) to the Company Secretary.

Your Company has adopted a policy for determining material subsidiaries, which is part of the Company's Policy on Related Party Transactions. The same is available on the Company's corporate website at <https://corporate.shoppersstop.com/investors/policies/>. As per this Policy, as on March 31, 2023 (for purpose of determining material subsidiary for the year under review), your Company did not have any material subsidiary. Pursuant to the capitalisation of GSSBL during the year under review, GSBBL shall be a material subsidiary w.e.f. April 1, 2023. As per applicable requirements, your Company is in the process of appointing one of the Independent Director on its Board, as an Independent Director of GSSBL.

**5. CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the provisions of Section 129(3) of the Act and Regulation 34 of the Listing Regulations, the Consolidated Financial Statements forms part

of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) and Section 133 of the Act.

**6. EMPLOYEES STOCK OPTION SCHEME / PLAN AND STATUTORY INFORMATION THEREON**

**Shoppers Stop Employee Stock Option Scheme 2008 (ESOP - 2008):** The Members at 11th AGM held on July 29, 2008, had approved ESOP-2008 for issuance of the employee stock options ("Options") to the eligible employees of the Company.

**Shoppers Stop Employee Stock Option Scheme 2020 (ESOP 2020):** The Members had by a special resolution passed by the way of postal ballot (remote e-voting) on December 03, 2020, approved ESOP-2020 for issuance of Options, in one or more tranches, not exceeding 10,00,000 (Ten Lakhs) to the eligible employees of your Company. Your Company has received in-principle approval for the same from the two stock exchanges where the Company is listed.

**Shoppers Stop Employee Stock Option Scheme 2022 (ESOP 2022):** The Members had by a special resolution passed by the way of postal ballot (remote e-voting) on June 04, 2022, approved ESOP-2022 for issuance of Options, in one or more tranches, not exceeding 20,00,000 (Twenty Lakhs) to the eligible employees of your Company. Your Company has received in-principle approval for the same from the two stock exchanges where the Company is listed.

The ESOP 2008, ESOP 2020 and ESOP 2022 (collectively "ESOP") have been issued with the objective to promote desired behavior among employees for meeting the Company's long-term objectives and enable retention of employees for desired objectives and duration, through a customised approach.

The Nomination, Remuneration & Corporate Governance Committee of your Company, inter-alia, administers and monitors ESOP, implemented by your Company in accordance with the Act and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended ("the SEBI Regulations").

During the year under review your Company has:

- (i) not granted Options under ESOP -2008.
- (ii) granted 1,23,983 Options under ESOP - 2020, to the eligible employees of the Company during the year under review, out of the pool of Options

available under the ESOP - 2020. Further 1,08,863 Options granted under ESOP - 2020 earlier, lapsed during the year under review.

- (iii) granted (a) 9,51,327 ESOPs and 4,79,898 RSUs (Restricted Stock Units) on June 28, 2022, (b) 15,091 ESOPs and 7,546 RSUs on July 25, 2022, (c) 11,694 ESOPs and 5,847 RSUs on October 19, 2022, and (d) 27,519 ESOPs and 13,760 RSUs on January 23, 2023; under ESOP - 2022, to the eligible employees of the Company during the year under review, out of the pool of Options available under the ESOP - 2022. Further 1,70,621 ESOPs and 85,311 RSUs granted under ESOP - 2022, lapsed during the year under review.

**Statutory Information on ESOP:** The disclosures requirements under the SEBI Regulations, for the aforesaid ESOP Scheme, in respect of the year ended March 31, 2023 are disclosed on the Company's website and can be accessed using the link <https://corporate.shoppersstop.com/investors/annual-report/>. Further, a certificate from KP Capital Advisors Private Limited-ESOP Direct, with respect to implementation of Employee Stock Option Plan in compliance with the Act, the SEBI Regulations and the Members' approval, is obtained and shall be available for inspection by the Members. The Members desiring inspection may write at [company.secretary@shoppersstop.com](mailto:company.secretary@shoppersstop.com) to the Company Secretary.

A certificate from the secretarial auditors, M/s. Kaushal Dalal & Associates, Practicing Company Secretaries (FCS -7141, CP- 7512) is being obtained confirming that the ESOP Scheme has been implemented in accordance with the SEBI Regulations and in accordance with the resolution of the company, and shall be available for inspection by the Members. The Members desiring inspection may write at [company.secretary@shoppersstop.com](mailto:company.secretary@shoppersstop.com) to the Company Secretary.

**7. PEOPLE**

In your Company, our key priority is Health and Safety of our People. In the last two years, your Company has reinforced the importance of being a safe, inclusive and supportive place to work for all its employees. Health and safety of its employees, their families and the people in its extended value chain remained its #1 priority. Your Company continued to nurture a culture in which its people can thrive, become future-fit and bring their best selves to work.

## 8. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company remains committed as a good Corporate Citizen to integrate social, environmental and economic concerns in its values and operations, to improve the welfare of the stakeholders and the Society as a whole.

Your Company has in place the CSR Committee ("the Committee"), which performs the functions as mandated under the Act and the Rules framed thereunder. The composition of the Committee is detailed in the Corporate Governance Report.

Further, your Board has adopted a Policy on CSR, in terms of the Act and the Rules framed thereunder and in accordance thereof, your Company undertakes activities / projects / initiatives and makes contributions, from time to time. The salient features of the said Policy are outlined in the Corporate Governance Report and the said Policy is made available on the Company's corporate website at <https://corporate.shoppersstop.com/investors/policies/>.

Pursuant to the provisions of Section 135 of the Act and Schedule VII thereto read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the prescribed CSR expenditure for the Financial Year 2022-23 is Nil.

## 9. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

### i. Non-Independent Directors - Director Retiring by Rotation.

During the year under review, the Members at 25th AGM held on July 26, 2022, approved the re-appointment of Mr. B.S. Nagesh (DIN: 00027595) as a Director of the Company, who was due to retire by rotation at the said AGM and being eligible, had offered himself for appointment.

In accordance with the Act and the Articles of Association of the Company, Mr. Ravi C. Raheja, (DIN: 00028044) is liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment as a Director liable to retire by rotation. Accordingly, the re-appointment of Mr. Ravi C. Raheja, Non-Executive Director is being placed for the approval of the Members at the ensuing AGM. A brief profile of Mr. Ravi C. Raheja along with other related information forms part of the Notice convening the ensuing AGM.

### ii. Independent Directors

During the year under review, Mr. Robert Bready (DIN: 06842835) resigned as a Non Executive Independent Director and Member of the Corporate Social Responsibility Committee of the Company with effect from January 23, 2023 and Mr. Deepak Ghaisas (DIN: 00001811) retired as a Non-Executive Independent Director on completion of his second tenure with effect from March 31, 2023 and ceased to be Chairman of the Audit Committee, Risk Management Committee and Member of Stakeholders Relationship Committee with effect from January 23, 2023. The Board places on record its appreciation for contribution made by them during their tenure as Independent Directors of your Company.

During the year under review, Mr. Mahesh Chhabria (DIN: 00166049) was appointed as an Additional and Non- Executive Independent Director of the Company, by the Board of Directors on January 23, 2023 for a term of 5 (five) consecutive years effective from January 23, 2023; and the appointment approved by Members through postal ballot on April 04, 2023. Also Ms. Smita Jatia (DIN: 03165703) was appointed as an Additional and Non- Executive Women Independent Director of the Company, by the Board of Directors on February 20, 2023 through a circular resolution for a term of 5 (five) consecutive years effective from February 20, 2023; and the appointment approved by Members through postal ballot on April 04, 2023.

Further, Mr. Mahesh Chhabria was appointed as Chairman of the Audit Committee, Risk Management Committee and Member of Stakeholder Relationship Committee and Corporate Social Responsibility Committee of the Company with effect from January 23, 2023. Ms. Smita Jatia was appointed as member of the Nomination, Remuneration & Corporate Governance Committee of the Company with effect from April 26, 2023.

### iii. Declaration by Independent Directors

Your Company has received necessary confirmations/ declarations from each Independent Director of your Company confirming that they meet the criteria of independence as prescribed under the Act and the Listing Regulations. Based on such confirmations/ declaration, in the opinion of the Board, the Independent Directors of your Company fulfil the conditions specified

under the Act, the Rules made thereunder and Listing Regulations and are independent of the Management of your Company.

Further, your Company has received declaration from all Independent Directors confirming that they have ensured inclusion of their names in the Independent Directors' data bank created and maintained by Indian Institute of Corporate Affairs within stipulated timeframe, as mandated by the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended.

The Independent Directors of your Company, who do not have this exemption, shall ensure clearance of online proficiency self- assessment test within the stipulated timeframe.

### iv. Executive Directors

Mr. Venu Nair was appointed as Managing Director & CEO of the Company for a period of 3 years w.e.f. November 6, 2020, by the Board of the Company and his appointment was approved by the Shareholders of the Company at the 24th AGM held on July 29, 2021.

Further, Mr. Venu Nair has been re-appointed as the MD & CEO of the Company w.e.f. November 06, 2023 for period of 3 years subject to the approval of the members of the Company, which special business is included in the notice of the 26th AGM along with other necessary disclosures required under the Act and the Regulations. A brief profile of Mr. Venu Nair along with other related information forms part of the Notice convening the ensuing AGM.

### v. Key Managerial Personnel

During the year under review, there were no changes in the Key Managerial Personnel of the Company.

## 10. PERFORMANCE EVALUATION

In compliance with the relevant provisions of the Act read with the Rules made thereunder and the Listing Regulations, the performance evaluation of the Board as a whole, its specified Statutory Committees, the Chairman of the Board and the Individual Directors was carried out for the year under review.

The evaluation process consisted of structured questionnaires covering various aspects of the functioning of the Board and its committees, such as composition, experience and competencies,

performance of specific duties and obligations, governance issues etc. The Board also carried out the evaluation of the performance of Individual Directors based on criteria such as contribution of the director at the meetings, strategic perspective or inputs regarding the growth and performance of the Company etc.

Further, the manner in which the annual evaluation was carried out and the outcome of the evaluation are explained in the Corporate Governance Report.

## 11. NOMINATION, REMUNERATION & CORPORATE GOVERNANCE COMMITTEE AND COMPANY'S POLICY ON NOMINATION, REMUNERATION, BOARD DIVERSITY, EVALUATION AND SUCCESSION.

Your Company has in place the Nomination, Remuneration & Corporate Governance Committee, which performs the functions as mandated under the Act and the Listing Regulations.

As on date the Committee comprises of four Independent Non- Executive Directors i.e. Mr. Nirvik Singh (Chairman), Mr. Arun Sirdeshmukh, Ms. Christine Kasoulis and Ms. Smita Jatia (appointed w.e.f. April 26, 2023); and one Promoter and Non-Executive Director Mr. Neel C. Raheja.

In terms of the Act and the Listing Regulations, the Board of Directors of your Company has framed and adopted a policy on appointment and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) of the Company, which, inter-alia, includes Board Diversity, process of Evaluation of Directors, KMPs and SMPs of the Company, criteria for determining qualifications, positive attributes, independence of a Director and other related matters. The remuneration paid to Directors, KMP and SMP of the Company are as per the terms laid down in this Policy. The Managing Director & CEO of your Company does not receive remuneration or commission from any of the wholly owned subsidiaries of your Company. The salient features of the said Policy are outlined in the Corporate Governance Report and the said Policy is made available on the Company's corporate website at <https://corporate.shoppersstop.com/investors/policies/>.

## 12. DISCLOSURES UNDER THE ACT

**Annual Return:** The Annual Return filed for the year 2021- 22 in prescribed form MGT - 7, pursuant to Section 92 of the Act read with the Rules framed thereunder, is available on your Company's corporate



website at <https://corporate.shoppersstop.com/investors/annual-report/>. The draft of the Annual Return for the year 2022-23 in prescribed form MGT - 7, is also available on your Company's corporate website at <https://corporate.shoppersstop.com/investors/annual-report/>. The Company shall immediately after the filing of the Annual Return for the year 2022-23, make the same available on the website of your Company.

**Meetings of the Board of Directors:** A calendar of Meetings is prepared and circulated in advance to the Directors. The Board of Directors of your Company met 5 (five) times during the year under review. The intervening gap between the Meetings was within the period prescribed under the Act and the Listing Regulations. The details of the board meetings, the attendance of the Directors thereof and other particulars are provided in the Corporate Governance Report.

**Change in the share capital:** During the year under review, pursuant to the exercise of options under the Employee Stock Options Plan 2008 and Employee Stock Option Plan 2020, your Company issued and allotted 1,47,614 equity shares of the face value of ₹5 each and as a result, the share capital of the Company has increased from ₹54,75,01,125 (consisting of 10,95,00,225 equity share of ₹5 per share) to ₹54,82,39,195 (consisting of 10,96,47,839 equity share of ₹5 per share).

**Audit Committee:** During the year under review, Mr. Deepak Ghaisas ceased to be Chairman and Member of the Audit Committee with effect from January 23, 2023 and ceased to be a Non-Executive Independent Director on completion of second tenure with effect from March 31, 2023. Mr. Mahesh Chhabria is appointed as Chairman and Member of the Audit Committee with effect from January 23, 2023. The powers and role of the Committee are included in the Corporate Governance Report. During the year under review, all the recommendation made by the Committee were accepted by the Board.

As on date the Committee comprises of three Independent Non- Executive Directors i.e. Mr. Mahesh Chhabria (Chairman), Mr. Arun Sirdeshmukh, Ms. Christine Kasoulis; and one Promoter and Non-Executive Director Mr. Ravi C. Raheja.

**Risk Management Committee:** During the year under review, Mr. Deepak Ghaisas ceased to be Chairman and Member of the Risk Management Committee with effect from January 23, 2023 and ceased to be a Non-Executive Independent Director on completion

of second tenure with effect from March 31, 2023. Mr. Mahesh Chhabria is appointed as Chairman and Member of the Risk Management Committee with effect from January 23, 2023. The powers and role of the Committee are included in the Corporate Governance Report.

As on date the Committee comprises of three Independent Non- Executive Directors i.e. Mr. Mahesh Chhabria (Chairman), Mr. Arun Sirdeshmukh, Ms. Christine Kasoulis; and one Promoter and Non-Executive Director Mr. Ravi C. Raheja.

**Related Party Transactions:** All transactions with related parties are placed before the Audit Committee ("the Committee") for its approval. An omnibus approval from the Independent Directors of the Committee is obtained for the related party transactions which are repetitive in nature, based on the criteria specified and approved by the Board, based on recommendation of the Committee and transactions which are unforeseen for each financial year. The Committee and the Board reviews on a quarterly basis, all transactions entered into by your Company pursuant to the omnibus approvals so granted.

During the year under review, the policy on Related Party Transactions, amended as per changes in Listing Regulations and Act during the year and adopted by your Company is available on the Company's corporate website at <https://corporate.shoppersstop.com/investors/policies/>

All transactions with Related Parties entered into during FY 2023, were in ordinary course of business and at arm's length basis and in accordance with the provisions of the Act and the Rules made thereunder, the Listing Regulations and your Company's Policy on Related Party Transactions.

During the year under review, there were no transactions which were material, considering the aforesaid Policy. Accordingly, no disclosure is made in respect of related party transaction in Form AOC - 2 in terms of Section 134 of the Act and Rules framed thereunder. There are no related party transactions that may have potential conflict with the interest of your Company at large or which warrants the approval of shareholders. The attention of the Members is drawn to the notes to the Standalone Financial Statement setting out the related party transactions disclosures for FY 2023.

**Particulars of loans, guarantees or investments:** The details of the loans, guarantees or investments

covered under Section 186 of the Act, forms part of the Notes to the Standalone Financial Statements provided in this Annual Report.

**Other Disclosures:** The Board hereby states that no disclosure and / or reporting and / or details is required, in respect of the following matters, as there were no transactions on these matters and / or instances / requirement / applicability, during the year under review:

- Deposits covered under Sections 73 and 74 of the Act read with Companies (Acceptance of Deposits) Rules, 2014.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- No significant or material orders were passed by the Regulators or Courts or Tribunals, impacting the going concern status of your Company and its operations in future.
- There was no revision in the financial statements.
- Maintenance of cost records in terms of Section 148 of the Act is not applicable to your Company.
- No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year to which the financial statements relate and the date of this report, unless otherwise stated in the report.
- No reporting in respect of the matters listed under Rule 8(5) (xi) and (xii) of the Companies (Accounts) Rules, 2014.

### 13. PREVENTION OF SEXUAL HARASSMENT (POSH)

Your Company continues to follow all the statutory requirements and guidelines in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules framed thereunder. The POSH Committee established as per the statutory requirements, continues to operate in every unit and the registered office. In case of any instances, employees are advised to approach the local POSH Committee and appropriate action in this regard is initiated post- detailed review of the matter. Your Company stands strong against any kind of sexual harassment and has zero tolerance for sexual harassment at workplace.

Every associate at the time of joining undergoes an extensive training on POSH through an e-learning module that covers the definition, guidelines and detailed coverage of policy on POSH. It also covers the rights and responsibilities of the employees under the POSH guidelines and Company's policy. POSH Policy is uploaded on the internal intranet site. POSH helpline details are placed on the notice boards at all locations, for employees and other staff, to be aware about the provisions of the POSH Policy.

Your Company maintains a repository of all inquiries and documents as per the statutory guidelines and Company's POSH Policy. The Internal Complaints Committee members of the POSH Committee have been trained to update them with the best practices in this area, including for circumstances of POSH arising in a virtual environment. There were 20 POSH cases received during the financial year and they were resolved as per the guidelines of POSH Act and Rules made thereunder.

### 14. RISK MANAGEMENT

Your Company has established a robust risk management system to identify, assess the key risks and mitigate them appropriately. Further such system ensures smooth and efficient operations of the business. Your Company has adopted a Risk Management Policy, pursuant to Section 134 of the Act. The Policy is available on the company website at <https://corporate.shoppersstop.com/wp-content/uploads/sp-client-document-manager/1/79a6c57-96cb.pdf>.

Your Company reviewed the major risks including risks on account of business continuity, supply chain management, third party risks, legal compliance and other risks which may affect or has affected its operations, employees, customers, vendors and all other stakeholders from both the external and the internal environment perspective. Basis this review, appropriate actions have been initiated to mitigate, partially mitigate, transfer or accept the risk (if need be) and monitor such risks on a regular basis.

Details of various risks faced by your Company are provided in the Management Discussion & Analysis Report.

Your Company has its Risk Management Committee, which assists the Board in monitoring and reviewing the risk management plan, implementation of the risk management framework of your Company and such other functions as the Board may deem fit. The detailed terms of reference of the Risk Management

Committee and composition thereof, forms part of the Corporate Governance Report.

## 15. INTERNAL FINANCIAL CONTROL

Internal financial controls are an integral part of the risk management process, addressing financial and its financial reporting risks. The internal financial controls have been documented and embedded in the business processes. Your Company has laid down internal financial controls, through a combination of entity level controls, process level controls and IT general controls inter-alia, to ensure orderly and efficient conduct of business, including adherence to your Company's policies and procedures, accuracy and completeness of accounting records and timely preparation and reporting of reliable financial statements/information, safeguarding of assets, prevention and detection of frauds and errors.

The evaluation of these internal financial controls is done through the internal audit process, established within your Company and also through appointing professional firm as the internal auditors to carry out such tests by way of systematic internal audit program. Based on the review of the reported evaluations, we believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended and for the preparation of financial statement for the year under review, that the applicable Accounting Standards have been followed and the internal financial controls related to financial statement are generally found to be adequate and were operating effectively and that no material weaknesses were noticed.

## 16. WHISTLE BLOWER / VIGIL MECHANISM

Your Company has established a Vigil Mechanism/ Whistle Blower policy in line with the Regulations 18 and 22 of the Listing Regulations and Section 177 of the Act. Your Company has engaged a third party for managing the "Ethics Hotline", which can be used by employees including brand staff, vendors and third-party vendor personnel. The Whistle Blower Policy is available on the website of the Company and can be accessed at <https://corporate.shoppersstop.com/wp-content/uploads/sp-client-document-manager/1/bbb842f-9582.pdf>.

Under this Policy, the Whistle Blower can raise concerns relating to reportable matters such as unethical behavior, actual or suspected fraud or violation of your Company's code of conduct or ethics policy or any other malpractice, impropriety or wrongdoings, illegality, of regulatory requirements. The reach of this hotline facility is also expanded

further for placing complaints against sexual harassment, Insider Trading & other specific HR related matters. The mechanism adopted by your Company encourages to report genuine concerns or grievances and provides for adequate safeguards against victimisation of the Whistle Blower, who avail of such mechanism and also provide for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of your Company was denied access to the Audit Committee. The guidelines are designed to ensure that stakeholders may raise any concern on integrity, value adherence without fear of being punished for raising that concern. This third party managed 'Ethics Hotline' provide independence and comfort to the designated personnel to blow the whistle in case they have any issues worth reporting.

## 17. CORPORATE GOVERNANCE REPORT

Pursuant to the Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from S R B C & CO LLP, the Statutory Auditors of the Company, confirming its compliance, forms part of this Annual Report.

## 18. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, on the business operations / performance review, as stipulated under the Listing Regulations, forms part of this Annual Report.

## 19. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report for the year under review, as stipulated under the Listing Regulations, describing the initiatives taken by your Company from social and governance perspective, forms an integral part of this Annual Report.

## 20. AUDITORS & AUDITORS' REPORT

### Statutory Auditors

M/s. S R B C & CO LLP (Registration No. 324982E/E300003), Chartered Accountants, were re-appointed as Statutory Auditors of the Company by the Members for a second term of five (5) years i.e. from conclusion of the 25th AGM till the conclusion of 30th AGM.

The Auditors Report given by S R B C & CO LLP, Statutory Auditors, on the financial statements of the Company for the year ended March 31, 2023 forms

part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remark. However, the statutory auditor has drawn attention i.e. an Emphasis of Matter with regard to Note No. 30(ii) of the Standalone Ind AS Financial Statements [Note No. 29(ii) of the Consolidated Ind AS Financial Statements] in their report, details of which are as follows:

### Litigation

We draw attention to Note 30(ii) to the standalone and Note 29(ii) to the consolidated Ind AS financial statements which, describes the uncertainty related to the outcome of the appeal filed before the Supreme Court regarding non-provision of retrospective levy of service tax for the period from June 1, 2007 to March 31, 2010 on renting of immovable properties given for commercial use, aggregating to ₹16.60 crores Standalone and ₹20.11 crores Consolidated.

Detailed explanation in respect of the matter has been provided under Note 30(ii) of standalone Ind AS financial statements Note No. 29 (ii) of the Consolidated Ind AS Financial Statements.

During the year under review, the Auditor has not reported any fraud and therefore no detail are required to be disclosed under Section 134(3) (ca) of the Act.

### Secretarial Auditors

The Secretarial Audit Report for FY2023 issued by M/s. Kaushal Dalal & Associates, Practicing Company Secretaries (FCS- 7141, CP-7512) the Secretarial Auditor for the year under review, is annexed as Annexure III to this report. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

During the year under review, the above Auditors have not reported any fraud and therefore no details are required to be disclosed under Section 134(3) (ca) of the Act.

## 21. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy and technology absorption, as stipulated under the Act read with the Rules made thereunder, is annexed as Annexure IV to this Report. The foreign exchange earnings were ₹115.71 crores (Previous Year ₹33.69 crores) and outgo was ₹27.43 crores (Previous Year ₹8.41 crores), for the year under review.

## 22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended ("Rules"), disclosures pertaining to ratio of remuneration and other details as required therein are annexed as Annexure V to this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the information showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in Section 197(12) of the Act read with rules 5(2) and 5(3) of the Rules, is being sent to the Members of the Company and others entitled thereto. The said information is available for inspection by the Members. The Members desiring inspection/ interested in obtaining copy thereof, may write at [company.secretary@shoppersstop.com](mailto:company.secretary@shoppersstop.com) to the Company Secretary. The Annual Report including the aforesaid information is made available on the Company's corporate website.

## 23. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Act, the Directors of your Company, to the best of their knowledge and based on the information and explanations received from your Company, hereby confirm that:

- In the preparation of the annual accounts for the year under review, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- The Directors have selected appropriate accounting policies and have applied them 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 as on March 31, 2023, and of the profit of the Company, for the year under review.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- d. The annual accounts have been prepared on a going concern basis.
- e. Proper internal financial controls to be followed by the Company were laid down and such internal financial controls were adequate and operating effectively.
- f. Proper systems to ensure compliance with the provisions of all applicable laws were devised and that such systems were adequate and operating effectively.

#### 24. SECRETARIAL STANDARDS

During the year under review, your Company has complied with the Secretarial Standards, issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs, in terms of Section 118(10) of the Act.

#### 25. AWARDS AND ACCOLADES

During the year under review, your Company received many awards and felicitations conferred by reputable organisations, some of them are:

- 'India's Best Workplaces for Women 2022'
- 'India's Top 10 Best Workplaces for Retail 2023'
- 'India's Best Workplace Top 10 in Health & Wellness 2022' across industries

#### 26. ACKNOWLEDGEMENT

We thank our customers, business partners, suppliers, bankers and shareholders for their continued support during the year. We thank the Government of India, the State Governments where we have business operations and other government agencies for their support and look forward to their continued support in the future.

We place on record our sincere appreciation towards the contribution made by all Customer Care Associates at all levels.

For Shoppers Stop Limited

Place: Mumbai  
Date: April 26, 2023

**B. S. Nagesh**  
Chairman

## Annexure I to the Directors' Report Dividend Distribution Policy

### 1. INTRODUCTION

Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires top 1000 listed entities (based on market capitalisation of every financial year), to formulate a Dividend Distribution Policy. Shoppers Stop Ltd; being one of the top 1000 listed entities as per market capitalisation as on the last day of immediately preceding financial year, has framed this Dividend Distribution Policy in compliance with this regulation.

### 2. OBJECTIVE

The objective of this Policy is to ensure optimum balance between dividend paid to shareholders and profits retained by the Company. The Policy lays down parameters to be considered by the Company for declaration of Dividend. The Company's commitment to declare dividends is a part of its commitment towards enhancing shareholder value.

### 3. DEFINITIONS

- "Act" means the Companies Act 2013 and rules made thereunder and as amended from time to time.
- "Board" means Board of Directors of the Company
- "Company" means Shoppers Stop Limited
- "Dividend" means Dividend as defined under the Companies Act, 2013.
- "Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- "Policy" means this Dividend Distribution Policy.

### 4. PARAMETERS FOR DECLARATION OF DIVIDEND

The Board of Directors of the Company would consider the following financial parameters and internal & external factors, before declaring or recommending dividend to shareholders.

#### Financial Parameters / Internal factors

- i. Profit earned for the financial year;
- ii. Cash flow from operations;
- iii. Working capital & capital expenditure requirements;
- iv. Liquidity & debt position;
- v. Operating performance;

- vi. Dividend trends of preceding years;
- vii. Provision for contingencies.

#### External factors

- i. Taxation and other regulatory requirements;
- ii. Macroeconomic conditions.

Taking into consideration these factors, the Board will endeavor to maintain a dividend payout in the range of 15% to 25% on profit after tax on standalone basis. Further, the Board may amend the payout range, whenever considered appropriate by it.

### 5. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND

Under the following circumstances, the shareholders of the Company may not expect dividend:

- i. In the event of inadequacy of profits or of loss;
- ii. Non-availability of sufficient cash flow to meet the capital requirements;
- iii. Expansion plans, necessitating greater provision of free cash;
- iv. Any acquisition or joint venture, requiring allocation of capital.

### 6. UTILISATION OF RETAINED EARNINGS

The Board may retain its earnings in order to make better use of the available funds for investing in the growth of the Company and increase shareholders value in the long run.

### 7. PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Presently, the Company has issued only one class of equity shares with equal voting rights. Accordingly, all the shareholders of the Company are entitled to receive the same amount of dividend per share.

### 8. DISSEMINATION OF POLICY

The Company shall make appropriate disclosure of this policy as provided under Listing Regulations.

### 9. REVIEW AND AMENDMENT

The Board may monitor, review and amend the Policy from time to time as also whenever necessitated due to amendments in any Act, Rules or applicable Regulations.

## Annexure II to the Director's Report

### Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2022-23.

1	A brief outline on CSR:  Policy of the Company:	The Company has framed the CSR Policy in compliance with provisions of the Companies Act, 2013. CSR policy is placed on the website of the Company and link for the same is <a href="https://corporate.shoppersstop.com/wp-content/uploads/sp-client-document-manager/1/csr-policy-ssl-29072021.pdf">https://corporate.shoppersstop.com/wp-content/uploads/sp-client-document-manager/1/csr-policy-ssl-29072021.pdf</a>																														
2	Composition of the CSR Committee.	<table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Name of Director</th> <th>Designation / Nature of Directorship</th> <th>Number of meetings of CSR Committee held during the year</th> <th>Number of meetings of CSR Committee attended during the year</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Mr. Ravi C. Raheja</td> <td>Chairman, Non-Independent Director</td> <td>1</td> <td>1</td> </tr> <tr> <td>2</td> <td>Mr. Mahesh Chhabria (Appointed w.e.f January 23, 2023)</td> <td>Independent Director</td> <td>1</td> <td>0</td> </tr> <tr> <td>3</td> <td>Mr. Manish Chokhani</td> <td>Independent Director</td> <td>1</td> <td>1</td> </tr> <tr> <td>4</td> <td>Mr. Robert Bready</td> <td>Independent Director</td> <td>1</td> <td>0</td> </tr> <tr> <td>5</td> <td>Mr. Venu Nair</td> <td>Managing Director &amp; CEO</td> <td>1</td> <td>1</td> </tr> </tbody> </table> <p>During the year under review, Mr. Robert Bready ceased to be Independent Director and Member of CSR Committee w.e.f January 23, 2023</p>	Sl. No.	Name of 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	Mr. Ravi C. Raheja	Chairman, Non-Independent Director	1	1	2	Mr. Mahesh Chhabria (Appointed w.e.f January 23, 2023)	Independent Director	1	0	3	Mr. Manish Chokhani	Independent Director	1	1	4	Mr. Robert Bready	Independent Director	1	0	5	Mr. Venu Nair	Managing Director & CEO	1	1
Sl. No.	Name of 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	Mr. Ravi C. Raheja	Chairman, Non-Independent Director	1	1																												
2	Mr. Mahesh Chhabria (Appointed w.e.f January 23, 2023)	Independent Director	1	0																												
3	Mr. Manish Chokhani	Independent Director	1	1																												
4	Mr. Robert Bready	Independent Director	1	0																												
5	Mr. Venu Nair	Managing Director & CEO	1	1																												
3	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	<a href="https://corporate.shoppersstop.com/wp-content/uploads/sp-client-document-manager/1/csr-policy-ssl-29072021.pdf">https://corporate.shoppersstop.com/wp-content/uploads/sp-client-document-manager/1/csr-policy-ssl-29072021.pdf</a>																														
4	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable	Not Applicable																														
5	(a) Average net profit of the company as per sub-section (5) of section 135. (b) Two percent of average net profit of the company as per sub-section (5) of section 135. (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. (d) Amount required to be set-off for the financial year, if any (e) Total CSR obligation for the financial year [(b)+(c)-(d)].	₹ (210.48) crores ₹ Nil ₹ Nil ₹ Nil ₹ Nil																														
6	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). (b) Amount spent in Administrative Overheads (c) Amount spent on Impact Assessment, if applicable. (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. (e) CSR amount spent or unspent for the Financial Year:	Nil Nil Nil Nil Nil																														

	Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)							
		Amount.	Date of transfer.	Name of the Fund	Amount. Date of transfer.				
		<b>Not Applicable</b>							
(f) Excess amount for set-off, if any:		Amount (in ₹ Crore)							
	Sr. no	Particular		Amount (in ₹ Crore)					
	(1)	(2)		(3)					
	(i)	Two percent of average net profit of the company as per sub-section (5) of section 135		₹ (210.48)					
	(ii)	Total amount spent for the Financial Year		Nil					
	(iii)	Excess amount spent for the Financial Year [(ii)-(i)]		Nil					
	(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any		Nil					
	(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]		Nil					
7	Details of Unspent CSR amount for the preceding three financial years:								
	1	2	3	4	5	6	7	8	
	Sl. No.	Preceding Financial Year(s).	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹).	Amount Spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any. Amount (in ₹).	Date of transfer	Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
	1.	2021-22	₹0.75 crores	Nil	₹0.75 crores			Not Applicable	Not Applicable
	2.	2020-21	Nil	Not Applicable	Not Applicable	Not Applicable			
	3.	2019-20	Nil	Not Applicable	Not Applicable				
8	Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: <b>No</b>								
9	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. <b>-Not Applicable</b>								

For Shoppers Stop Limited

Venugopal G. Nair  
Customer Care Associate &  
Managing Director & Chief Executive Officer

For Shoppers Stop Limited

Ravi C. Raheja  
Chairman CSR Committee

**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]

To,  
The Members,  
**SHOPPERS STOP LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHOPPERS STOP LIMITED** (hereinafter called "the Company"), incorporated on **16th June, 1997** having **CIN:L51900MH1997PLC108798** and Registered office at **Umang Tower, 5th Floor, Mindspace, Off. Link Road, Malad (West), Mumbai-400064**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my 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:

I 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**, according to the following provisions of (including any statutory modifications, amendments or re-enactment thereof for the time being in force):

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-Laws framed thereunder;
- (iv) 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;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- 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;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **NOT APPLICABLE**
- 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;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **NOT APPLICABLE**
- h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **NOT APPLICABLE**

I have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the Company for the Compliances under the applicable Acts and the regulations to the Company.

I 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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Companies Act, 2013 and the rules made thereunder, 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 including meeting through the video conference.

All decision is carried through the unanimous consent of all the Board of Directors and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size

and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report during the audit period the Company has following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- a) During the year under review, the Company had transferred further its 39% (Thirty Nine percentage) of equity stake to M/s. Dinesh Gupta, Aakash Gupta & Family (Owners of Agarwal Business House) (ABH) in the Crossword Bookstores Private Limited (CBPL) (formerly known as Crossword Bookstores Limited). This resulted in transfer of an aggregate 90% (Ninety Percent) equity stake of the Company in CBPL. Subsequent to this transfer, CBPL ceases to be an associate of the Company w.e.f. October 12, 2022.

**For Kaushal Dalal & Associates  
Company Secretaries**

**Kaushal Dalal**  
Proprietor

**M. No: 7141 CP No: 7512  
UDIN: F007141E000198684**

**Date: April 26, 2023  
Place: Mumbai**

To,  
The Members,  
**SHOPPERS STOP LIMITED**

My report of event date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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 check basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, I 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, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test check 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 Kaushal Dalal & Associates  
Company Secretaries**

**Kaushal Dalal  
Proprietor**

**M. No: 7141 CP No: 7512  
UDIN: F007141E000198684**

**Date: April 26, 2023  
Place: Mumbai**

## Annexure IV to the Directors' Report

### **Conservation of Energy & Technology absorption.**

#### **A. Conservation of Energy**

Your Company's Stores being on lease / license, your Company has limited right to do improvements in the premises. Your Company however within the limitations it has with respect to the premises, ensures the fit-out of the stores are done with sustainable material and with minimum carbon foot-print. It at the same time makes every effort to minimise the power consumption and air-conditioning.

Some of the green initiatives that your Company undertook during the year under review are listed here:

- LED lighting, VFD installations at stores. This resulted in control and optimisation of power consumption.
- Executed IOT base Automation for the energy Optimisations at 21 stores and at 35 Stores.
- Harvested rainwater @60 KL in one of the stores at Hyderabad.
- Revamped and reused, refurbished floor fixtures and used environment-friendly alternatives wherever possible, in line with best-in-class store planning and maintenance practices.
- Adopted good maintenance practice to avoid energy losses and optimised energy.
- During FY 2023 as on March, 2023 your Company had consumed 8,10,30,446 units as compared with the previous year where consumption was 5,59,43,661 units (As Partial Lockdown). In FY 23 there is addition of 12 new stores hence the energy consumption looks higher.
- During the year under review, there was IOT Automaton executed where capital investment done towards energy conservation equipment's total ₹0.97 Crore.

#### **B. Technology absorption**

There has been no import of technology during the year under review.

Place: Mumbai  
Date: April 26, 2023

**For Shoppers Stop Limited**

**B. S. Nagesh  
Chairman**

DIN: 00027595

**Statement of Disclosure of Remuneration**

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below.

**1 Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year**

Name of Directors	Designation	Ratio of Remuneration of each Director to median remuneration	% Increase in Remuneration in the year 2022-2023
Mr. B. S. Nagesh	Non-executive Chairman	3.25:1	-
Mr. Ravi C. Raheja	Non-executive Director	3.98:1	-
Mr. Neel C. Raheja	Non-executive Director	3.58:1	-
Mr. Deepak Ghaisas <sup>2</sup>	Independent Director	5.12:1	5.00
Mr. Nirvik Singh	Independent Director	5.04:1	10.71
Mr. Manish Chokhani	Independent Director	3.33:1	-
Mr. Robert Bready <sup>2</sup>	Independent Director	1.87:1	-4.17
Ms. Smita Jatia <sup>3</sup>	Independent Director	0.60:1	-
Mr. Mahesh Chhabria <sup>3</sup>	Independent Director	1.06:1	-
Mr. Arun Sirdeshmukh <sup>4</sup>	Independent Director	4.96:1	103.33
Ms. Christine Kasoulis <sup>4</sup>	Independent Director	3.74:1	53.33
Mr. Venu Nair <sup>5&amp;6</sup>	Managing Director & Chief Executive Officer	236.78:1	79.01
Mr. Karunakaran Mohanasundaram <sup>5&amp;6</sup>	Chief Financial Officer	NA	33.47
Mr. Vijay Kumar Gupta <sup>5&amp;6</sup>	Company Secretary	NA	26.35

- The remuneration of Non-executive Directors consist of Commission and Sitting Fees.
- Mr. Deepak Ghaisas ceased to be the Independent Director w.e.f March 31, 2023 and Mr. Robert Bready resigned as Independent Director w.e.f January 23, 2023.
- Mr. Mahesh Chhabria was appointed an Additional Independent Director of the Company w.e.f January 23, 2023 and Ms. Smita Jatia was appointed an Additional Independent Director of the Company w.e.f February 20, 2023 and confirmed as Independent Directors through passing of members resolutions via postal ballot on April 04, 2023.
- During the year under review, the major variation in percentage of remuneration of Mr. Arun Sirdeshmukh (date of appointment October 20, 2021) and Ms. Christine Kasoulis (date of appointment October 20, 2021) is due to them being with the Company for only part of FY 2021-22.
- The remuneration of the KMP's includes ESOP Perquisite.
- In view of Mr. Venu Nair and Mr. Vijay Kumar Gupta joining the Company in November, 2020, they were paid PLRS for FY 2020-21 for the proportionate period of employment, in June, 2021 which was reflected in their remuneration for FY 2021-22. As against the same, for FY 2021-22, the PLRS has been paid for the full year in June 2022, which is reflected in the remuneration for FY 2022-23. This along with ESOP Perquisite has resulted in significant rise being seen in remuneration of the KMP's. The effective increase in remuneration for Mr. Venu Nair, Mr. Karunakaran Mohanasundaram and Mr. Vijay Kumar Gupta is 8%, 7.5% and 7% respectively.
- The median remuneration of the Company for all its employees is ₹3.07 lacs for the financial year 2022-23.

**2 The percentage increase in the median remuneration of employees in the financial year 2022-23**

The percentage increase in the median remuneration of all employees in the financial year was 8.3%.

**3 The number of permanent employees on the rolls of company as on March 31, 2023**

The number of permanent employees on the rolls of Company as on March 31, 2023 were 6319 CCAs.

**4 Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average percentage increase in salaries for employees other than managerial personnel was 8.3%. The percentage increase in salaries for managerial personnel are as mentioned above.

**5 It is affirmed that the aforesaid remuneration is as per the Appointment and Remuneration of Directors and Senior Management Policy of the Company.**

**Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

The Members of Shoppers Stop Limited  
Umang Tower,  
5th Floor, Mindspace,  
Off Link Road, Malad (West)  
Mumbai- 400064

- The Corporate Governance Report prepared by Shoppers Stop Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t)] of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2023 as required by the Company for annual submission to the Stock exchange.

**Management's Responsibility**

- The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
- The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

- Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
- We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires

that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
- The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - Obtained and read the Register of Directors as on March 31, 2023 and verified that at least one independent woman director was on the Board of Directors throughout the year;
  - Obtained and read the minutes of the following committee meetings / from April 1, 2022 to March 31, 2023:
    - Board of Directors;
    - Audit Committee;
    - Risk Management Committee;
    - Annual General Meeting (AGM);
    - Nomination and Remuneration Committee;
    - Stakeholders Relationship Committee.
  - Obtained necessary declarations from the Directors of the Company.
  - Obtained and read the policy adopted by the Company for related party transactions.
  - Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the Audit Committee meeting where in such related party transactions have been pre-approved prior by the Audit Committee.

- viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

#### Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 4 above.

#### Other matters and Restriction on Use

10. This report 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.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **SRBC & COLLP**

Chartered Accountants

**ICAI Firm Registration Number:** 324982E/E300003

**per Firoz Pradhan**

Partner

Membership Number: 109360

UDIN: 23109360BGYBGX1967

Place of Signature: Mumbai

Date: April 26, 2023

## Corporate Governance Report

The Board of Directors ("the Board") of Shoppers Stop Limited ("the Company" or "Your Company") present herewith, report on the Corporate Governance for the year ended March 31, 2023 ("FY 2023" or "the year under review"), enumerating the current Corporate Governance systems and processes at the Company, in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). This report on Corporate Governance is divided into the following parts:

- Your Company's philosophy on Code of Corporate Governance;
- The Board of Directors;
- The Committees of the Board;
- Remuneration of Directors;
- General Body Meetings & Postal Ballot;
- Means of Communication;
- General Shareholder information; and
- Other Disclosures/Compliances/Certifications/ Disclosure from Senior Management.

#### A. Your Company's philosophy on Code of Corporate Governance

Your Company's aim is to set new benchmarks and be the leader in all the segments of the business in which it operates. Your Company has standardised its vision and mission across service offices and stores to reflect the ethos for which the Company stands for demonstrating world class expertise and customer centricity services through our ingenuity and technology.

Further, your Company remains committed to continuously adopt and adhere to the good corporate governance practices, to ensure the ultimate goal of making your Company a value driven organisation. Your Company's philosophy on Corporate Governance is to:

- Ensure adequate control systems to enable the Board to efficiently conduct the business and discharge its responsibilities towards shareholders;
- Ensure that the decision-making process is fair and transparent;
- Ensure fullest involvement and commitment of the Management for maximisation of shareholders' value;
- Imbibe the corporate values in the associates and encourage them in their conduct; and

- (v) Encourage to follow the globally recognised corporate governance practices.

With the objective to achieve this mission, your Company has been consistently following good governance practices with emphasis on business ethics and core values which are the cornerstones on which the Company's Corporate Governance philosophy rests. Good Corporate Governance is imperative for enhancing and retaining investors trust. Your Company always seeks to ensure that its performance objectives meet the Company's Governance standards.

Your Company is of the view that good governance goes beyond good working results and financial propriety and is a pre-requisite to the attainment of excellent performance in terms of stakeholders value creation. Your Company believes that Corporate Governance is an ethically driven business process which is committed to values, aimed at enhancing an organisation's brand and reputation. Hence, it is imperative to establish, adopt and follow best corporate governance practices, thereby facilitating effective management and carrying out our business by setting principles, benchmarks and systems to be followed by the Board of Directors (the "Board"), Senior Management and all Employees in their dealings with Customers, Stakeholders and Society at large.

Your Company always endeavours to be proactive in voluntarily adopting good governance practices and laying down ethical business standards, both internally as well as externally. The objective of your Company is not only to achieve excellence in Corporate Governance by conforming to prevalent mandatory guidelines on Corporate Governance but also to improve on these aspects on an ongoing basis with a continuous attempt to innovate in adoption of best business practices.

Further, your Company is compliant with the provisions of the Corporate Governance, as applicable and principles set out in the Listing Regulations.

#### B. The Board of Directors ("the Board")

An independent and well-informed Board goes a long way in protecting the Stakeholders' interest and simultaneously maximise long-term corporate values. Various Committees of the Board handling specific responsibilities mentioned under the applicable laws empower the functioning of the Board through flow of information amongst each other and by delivering a focused approach and expedient



resolution of diverse matters. The Board along with its Committees provides leadership and guidance to the Senior Management with a strategic direction and thrust to the operations of your Company.

Your Company has an appropriate blend of Directors to maintain its diversity and independence and has a strong Board with optimum combination of Non-Executive Directors, Non-Executive Independent Directors including two Women Directors and an Executive Director. The Company has a Non-Executive Chairman and number of Independent Directors are more than half of the total strength of Board of Directors. The day to day management of your Company is entrusted with the senior management personnel and is headed by Managing Director & Chief Executive Officer, functioning under the overall supervision, direction and control of the Board.

The composition of the Board, during the year under review, was in conformity with the provisions of the Companies Act, 2013, as amended ("Act") and the Listing Regulations.

The key decisions are taken after detailed deliberations and discussions by the Board and it is ensured that the relevant information prescribed to be provided, under the Listing Regulations, is presented to the Board. The Board of Directors of the Company on a quarterly basis, reviews the compliance reports pertaining to the laws applicable to the Company.

In terms of the provisions of Section 184 of the Act and Regulation 26 of the Listing Regulations, the Directors present necessary disclosures regarding the positions held by them on the Board and/or Committees of other public and/or private companies, from time to time. On basis of such disclosures, it is confirmed that as on the date of this Report, none of the Directors of your Company:

A) hold directorship in more than 20 (twenty) companies, including 10 (ten) public companies (of which not more than 7 (seven) are listed companies); and

B) hold membership of more than 10 (ten) and act as chairman/ chairperson of more than 5 (five) Committees (considering only Audit Committee and / or Stakeholders Relationship Committee) across all public companies (listed or unlisted) in which they are Directors.

C) who is the Managing Director & CEO of the Company, hold independent directorship in more than three listed entities.

All the Independent Directors have confirmed that they meet the criteria of independence as stated under Regulations 16(1)(b) read with Regulation 25(8) of the Listing Regulations and Section 149(6) of the Act. The maximum tenure of the Independent Directors is in compliance with the provisions of the Act and the Listing Regulations.

The terms and conditions of the appointment of Independent Directors are hosted on the Company's website at <https://corporate.shoppersstop.com/investors/term-and-condition-directors/>. Based on the confirmation / declaration as above from the Independent Directors, your Board has formed an opinion that the Independent Directors of your Company fulfil the conditions specified in the Act and the Listing Regulations and are independent of the Management of the Company.

#### Key Board skills, expertise and competencies

The Board comprises of competent members who bring in proficiency, skills and competencies in the business in which Company operates. The Board has identified the following skill set with reference to its business and retail sector and which are required for and available with the Board. Also, individual director possessing such skills/expertise/competence is appended hereunder.

Particulars of Skills/ Expertise / Competence	Independent & Non-Executive Directors									
	B.S Nagesh	Ravi C. Raheja	Neel C. Raheja	Venu Nair	Mahesh Chhabria	Nirvik Singh	Manish Chokhani	Smita Jatia	Arun Sirdeshmukh	Christine Kasoulis
	Chairman & Non-Executive Director	Non-Executive Director	Non-Executive Director	MD & CEO	Independent & Non-Executive Director					
<b>Expertise</b>										
Finance & Accounting	-	√	√	√	√	-	√	√	√	√
Marketing -digital, Consumer & E-Commerce	√	-	-	√	√	√	-	√	√	√
Retail & GTM	√	√	√	√	-	-	√	√	√	√
Corporate & Strategic Planning	√	√	√	√	√	√	√	√	-	√
Entrepreneurship	√	√	√	√	√	-	√	√	√	-
Brand Building	√	√	√	√	√	√	√	√	√	√
<b>Skills</b>										
Specialist knowledge to assist with the ongoing aspects of the business	√									
Outstanding in capability with extensive and varied senior commercial experience with strategic capability and track record of achievement	√									
Entrepreneurial spirit	√									
<b>Competence</b>										
Ability to be independent and capable of lateral thinking	√									
Excellent interpersonal, communication and representational skills and established/ demonstrable leadership qualities	√									

#### Notes:

During the year under review, (i) Mr. Robert Bready ceased to be Independent Directors w.e.f January 23, 2023 (ii) Mr. Mahesh Chhabria was appointed as Additional Independent Director w.e.f January 23, 2023 and was confirmed as an Independent Director through approval of postal ballot on April 04, 2023. (iii) Ms. Smita Jatia was appointed as Additional Independent Director w.e.f February 20, 2023 via circular resolution and Members confirmed as an Independent Director through approval of postal ballot on April 04, 2023. (iv) Mr. Deepak Ghaisas ceased to be Independent Director on expiry of second tenure w.e.f March 31, 2023.

#### Attendance of the Board Members

During the year under review, the Board met 5 (five) times i.e. April 28, 2022, July 26, 2022, October 19, 2022, January 23, 2023 and March 27, 2023. The composition of the Board, the number of directorship, and committee chairmanship/ membership held by them in other public companies, attendance at the said Board meetings and attendance at 25th Annual General Meeting ("AGM") held, during the year under review and their shareholding as on March 31, 2023, are as given below:

Name of Directors	DIN	Category	Attendance Particulars		No. of Directorships & Committee Memberships/ Chairmanships (Excluding Shoppers Stop Limited)			
			Board Meetings	Last AGM held on July 26, 2022	Directorships <sup>1</sup>	Committee Membership <sup>1&amp;2</sup>	Committee Chairmanship <sup>1&amp;2</sup>	No. of equity shares of ₹5 each
Mr. B. S. Nagesh <sup>3</sup>	00027595	Chairman & Non-Executive Director	5 of 5	Yes	1	2	0	6,68,642
Mr. Ravi C. Raheja <sup>4</sup>	00028044	Non-Executive Director	5 of 5	Yes	5	6	0	12,60,601
Mr. Neel C. Raheja <sup>4</sup>	00029010	Non-Executive Director	4 of 5	Yes	5	6	0	25,87,336
Mr. Deepak Ghaisas <sup>5&amp;6</sup>	00001811	Independent & Non-Executive Director	5 of 5	Yes	2	3	2	9,874
Mr. Nirvik Singh	01570572	Independent & Non-Executive Director	5 of 5	Yes	0	0	0	0
Mr. Manish Chokhani	00204011	Independent & Non-Executive Director	5 of 5	Yes	4	2	2	0
Mr. Robert Bready <sup>8</sup>	06842835	Independent & Non-Executive Director	2 of 3	No	0	0	0	0
Mr. Arun Sirdeshmukh	01757260	Independent & Non-Executive Director	5 of 5	Yes	0	0	0	0
Ms. Christine Kasoulis	09365330	Independent & Non-Executive Director	3 of 5	Yes	0	0	0	0
Mr. Mahesh Chhabria <sup>7</sup>	00166049	Independent & Non-Executive Director	2 of 2	Not Applicable	5	4	1	8,100
Ms. Smita Jatia <sup>7</sup>	03165703	Independent & Non-Executive Director	1 of 1	Not Applicable	2	2	0	0
Mr. Venu Nair	00046163	Executive Director (Managing Director & CEO)	5 of 5	Yes	0	0	0	39,364

Notes:

- The other Directorships and Chairmanships/Memberships of committees held in Foreign Companies, Private Limited Companies and Companies incorporated u/s 8 of the Act (u/s 25 of erstwhile Companies Act, 1956) are excluded.
- As per the Listing Regulations, the Chairmanship and Membership of Audit Committee and Stakeholders Relationship Committee alone are considered.
- Of the number of equity shares held by Mr. B. S. Nagesh, 18,642 shares are held by him jointly with his relative, as a second holder.
- Mr. Ravi C. Raheja and Mr. Neel C. Raheja are related to each other as brothers and both are also promoters of the Company. Apart from these two directors, none of Director of the Company are inter-related to each other.
- All equity shares are held by Mr. Deepak Ghaisas jointly with his relative, as a second holder.
- Mr. Deepak Ghaisas ceased to be the Independent Director of the Company on completion of his second tenure w.e.f March 31, 2023.
- Mr. Mahesh Chhabria was appointed an Additional Independent Director of the Company w.e.f January 23, 2023 and Ms. Smita Jatia was appointed an Additional Independent Director of the Company w.e.f February 20, 2023 and confirmed as Independent Directors through passing of members resolutions via postal ballot on April 04, 2023.
- Mr. Robert Bready ceased to be an Independent Director of the Company w.e.f January 23, 2023

Mr. Ravi C. Raheja, retires by rotation at the ensuing 26th Annual General Meeting of the Company ("AGM") and being eligible has offered himself for re-appointment. Details thereof form part of the Notice convening the said AGM.

The profiles of the Directors of your Company are available on the Company's corporate website at <https://corporate.shoppersstop.com/boardofdirectors/>

Further, your Company in compliance with the applicable provisions of the Act, the Listing Regulations read with

MCA Circulars and SEBI Circulars, has conducted majority of its Board and Committee meetings through Video Conferencing/ Audio Video Conferencing mode (VC/OAVM) along with physical meetings.

#### Other directorship details of the Board Members

There are 7 (seven) Board members, who are also on the Board of other companies, whose equity shares are listed on Stock Exchanges in India. The details thereof as on March 31, 2023 are, as under:

Name of the Directors	Name of other listed entities in which they hold Directorship	Category of directorship
Mr. B. S. Nagesh	• Kaya Limited	• Independent & Non-Executive Director
Mr. Ravi C. Raheja	• Chalet Hotels Limited • K. Raheja Corp Investment Managers LLP	• Promoter & Non- Executive Director • Designated Partner on governing Board of K. Raheja Corp Investment Managers LLP, Manager of Mindspace Business Parks REIT
Mr. Neel C. Raheja	• Chalet Hotels Limited • K. Raheja Corp Investment Managers LLP	• Promoter & Non- Executive Director • Designated Partner on governing Board of K. Raheja Corp Investment Managers LLP, Manager of Mindspace Business Parks REIT
Mr. Manish Chokhani	• Westlife Foodworld Limited • Laxmi Organic Industries Limited • Landmark Cars Limited • Welspun Corp Limited	• Independent & Non-Executive Director • Independent & Non-Executive Director • Independent & Non-Executive Director • Independent & Non-Executive Director
Mr. Deepak Ghaisas*	• K. Raheja Corp Investment Managers LLP  • Citicorp Finance (India) Ltd (NCD listed)	• Chairperson on governing Board of K. Raheja Corp Investment Managers LLP, Manager of Mindspace Business Parks REIT. • Independent & Non-Executive Director
Mr. Mahesh Chhabria	• Kirloskar Ferrous Industries Ltd • Kirloskar Oil Engines Limited • Kirloskar Pneumatic Company Limited • ZF Commercial Vehicle Control Systems India Limited • Kirloskar Industries Limited	• Non-Independent & Non-Executive Director • Non-Independent & Non-Executive Director • Non-Independent & Non-Executive Director • Independent & Non-Executive Director • Executive Director (Managing Director)
Ms. Smita Jatia	• Syrma SGS Technology Limited • Westlife Foodworld Limited	• Independent & Non-Executive Director • Non-Independent & Non-Executive Director

\* Mr. Deepak Ghaisas ceased to be the Independent Director of the Company on completion of his second tenure w.e.f March 31, 2023.

#### Board meeting process

The Board meets atleast once in every calendar quarter and 4 times in a year with a maximum time gap of not more than 120 (one hundred and twenty) days between two consecutive meetings. Dates for the Board meetings are decided well in advance and communicated to the Directors. Additional Board meetings are held as and when deemed necessary. In case of exigencies or urgency of matters, resolutions may be passed by circulation, for such matters as permitted by law. Such circular resolution(s) are noted at the subsequent Board meeting. The Managing Director and CEO apprise the Board, at its meeting about the overall performance of the Company with presentations on business operations on a regular basis. The members of Senior Management are invited at the Board meetings to provide necessary insights into the

performance of the Company and for discussing corporate strategies with the Board members.

In order to support go green initiatives and sustainability, reduce the paper consumption and adopting newer technology, your Company uses a web based digital Board Application for disseminating, inter-alia, the Notices, agenda papers, relevant background papers, circular resolutions, minutes for Board and Committee meetings. The Directors can access them for the Board and Committee meetings through iPad/web. In exceptional circumstances, few documents are tabled at the meeting, with the approval of the Board of Directors/Committees.

**Legal Compliance Management Tool:** The Company has in place an on-line legal compliance management tool, which

has been devised to ensure compliance with all applicable laws that impact your Company's business.

The tool is intended to provide an assurance to the Board on legal compliances as ensured by your Company. The application of the tool has been extended to cover all stores and service office. The Senior Management is kept informed about the progress and the status of legal compliances.

#### Separate meeting of the Independent Directors

During the year under review, the Independent Directors met once on April 28, 2022, without the presence of Non-Independent Directors and Management representatives, inter-alia, to discuss the performance of Non-Independent Directors, the Chairman of the Board and the Board as a whole and assess the quality, quantity and timeliness of flow of information between the Management of the Company and the Board, that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the said meeting.

#### Familiarisation programme

Your Company has designed a familiarisation programme for its Independent Directors which also extends to other Non-Executive Directors of the Company. The said programme is imparted at the time of appointment on the Board, vide periodic Board and Committee meets and as and when required, from time to time. It aims to provide insights into your Company to enable them to understand the nature of the retail industry, business model in depth, functionalities, processes and policies of the Company etc., and also seeks to update them on their roles, responsibilities, rights and duties as a Director under the Act, the Listing Regulations and other applicable statutes. On appointment, the concerned Independent Director is issued letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected commitments. He/she is also taken through a formal induction program by the Managing Director & CEO of the Company.

The Presentations are regularly made to the Board, Audit Committee, Risk Management Committee and Nomination, Remuneration & Corporate Governance Committee on various relevant matters, where Directors interact with the respective senior management officials. These Presentations, inter-alia, include Company's strategy, business model, operations, markets, products, financial matters including performance, risk management framework, annual budget and control process and such other areas as may arise, from time to time. Besides these the Independent Directors and Company's senior management officials interact as well, with each other

to get insight on the business developments, regulatory changes, competition, strategy, etc. Pursuant to Regulation 46 of the Listing Regulations, the details of the familiarisation programme imparted to the Directors are available on the Company's corporate website at <https://corporate.shoppersstop.com/investors/annual-report/>.

#### C. The Committees of the Board ("the Committees")

The Committees plays a crucial role in the overall management of day to day affairs and the governance structure of your Company. They have been constituted to deal with specific areas and activities which concern the Company and require a closer review. The Committees comprise of a combination of Executive, Non-Executive and Independent Directors, as requisite, to discharge various functions, duties and responsibilities cast upon them under the various laws, statutes, rules and regulations applicable to the Company, from time to time. The Board is responsible for constituting, assigning and fixing the terms of reference of the Committees in line with the regulatory requirements. The Committees meets at regular intervals and takes necessary steps to perform the duties entrusted to it by the Board. There is seamless flow of information between the Board and its committees, as the Committees report their recommendations and opinions to the Board, which in turn supervises the execution of respective responsibilities of the Committees.

The proceedings of the Committee meetings are documented in form of draft minutes and circulated to the Members of the respective Committees for their comments/confirmation. On confirmation, the minutes are signed by the Chairperson of the respective Committees. The Board also takes note of the minutes of the meetings of these Committees.

The following statutory Committees have been constituted by the Board and were in force, during the year under review:

1. Audit Committee (AC);
2. Risk Management Committee (RMC);
3. Nomination, Remuneration and Corporate Governance Committee (NRCGC);
4. Stakeholders Relationship Committee (SRC); and
5. Corporate Social Responsibility Committee (CSRC)

#### 1. Audit Committee

In line with Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act and Rules framed thereunder, your Company has constituted the Audit Committee.

During the year under review, there was change in the composition of AC, Mr. Mahesh Chhabria, Independent & Non-Executive Director was appointed as a Member and Chairman of AC w.e.f

January 23, 2023 and Mr. Deepak Ghaisas ceased to be the Chairman & Member of AC w.e.f January 23, 2023. AC comprises of 4(four) Non-Executive Directors, out of which 3 (three) are Independent Directors. All AC members are financially literate. AC met 4 (Four) times, during the year under review i.e. April 28, 2022, July 26, 2022, October 19, 2022 and January 23, 2023. The Composition of AC along with the details of the meetings held and attended by the members, are as follows:

Name of the Director	Nature of Membership	Designation	No. of meetings attended
Mr. Mahesh Chhabria*	Chairman	Independent Director & Non-Executive Director	Not Applicable
Mr. Deepak Ghaisas**	Ex-Chairman	Independent Director & Non-Executive Director	4 of 4
Mr. Ravi C. Raheja	Member	Non-Executive Director	3 of 4
Mr. Arun Sirdeshmukh	Member	Independent Director & Non-Executive Director	4 of 4
Ms. Christine Kasoulis	Member	Independent Director & Non-Executive Director	3 of 4

\*Mr. Mahesh Chhabria, Independent & Non-Executive Director was appointed a Member and Chairman of AC w.e.f January 23, 2023.

\*\*Mr. Deepak Ghaisas ceased to be the Chairman & Member of AC w.e.f January 23, 2023.

The Managing Director & Chief Executive Officer and Chief Financial Officer are the permanent invitees to AC Meetings. The Company Secretary acts as Secretary to the Committee. AC invites such other official(s) / executive(s), as it may considers appropriate to be present at the meeting(s). The representatives of the Internal Auditors and Statutory Auditors are also present at AC Meetings. The Chairman of AC was present at 25th Annual General Meeting of the Company held on July 26, 2022.

Role / terms of reference of AC, inter-alia, articulates its role, responsibility and powers as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;
- 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6. 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 the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with Related Parties;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as prescribed under the Act and the Listing Regulations.

Provided further that in case of transaction, other than transactions referred to in Section 188 of the Act, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board.

Provided also that in case any transaction involving any amount not exceeding ₹1 crore is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any director or is authorised by any other director, the director concerned shall indemnify the company against any loss incurred by it.

Provided also that the provisions of this clause shall not apply to a transaction, other than a transaction referred to in section 188 of the Act, between the Company and its wholly owned subsidiary company.

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, 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;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. To 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;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in terms of reference of the audit Committee.
21. Reviewing the utilisation of loans and/ or advances from/investment by the Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments;
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the listed entity and its shareholder;
23. The Audit Committee may sub-delegate all or any of its power as referred above to any subcommittee, Managing Director/ Director(s)/ Chief Financial Officer/Company Secretary of the Company subject to provisions of the Act, the Listing Regulations and other applicable laws;
24. To undertake specific duties as may be prescribed under the Act, the Listing Regulations other applicable laws and/or carrying out any other function as may be decided & delegated by the Board of Directors.

## 2. Risk Management Committee

In line with Regulation 21 read with Part D (Para C) of Schedule II of the Listing Regulations and Act and Rules framed thereunder, your Company has constituted the Risk Management Committee (RMC).

During the year under review, there was change in the composition of RMC, Mr. Mahesh Chhabria, Independent & Non-Executive Director was appointed as a Member and Chairman of RMC w.e.f

January 23, 2023 and Mr. Deepak Ghaisas ceased to be the Chairman & Member of RMC w.e.f January 23, 2023.

RMC comprises of 4(four) Non-Executive Directors, out of which 3 (three) are Independent Directors. RMC met 3 (three) times, during the year under review i.e. on April 28, 2022, October 19, 2022 and January 23, 2023. The Composition of RMC along with the details of the meetings held and attended by the members, are as follows:

Name of the Director	Nature of Membership	Designation	No. of meetings attended
Mr. Mahesh Chhabria*	Chairman	Independent Director & Non-Executive Director	Not Applicable
Mr. Deepak Ghaisas**	Ex-Chairman	Independent Director & Non-Executive Director	3 of 3
Mr. Ravi C. Raheja	Member	Non-Executive Director	2 of 3
Mr. Arun Sirdeshmukh	Member	Independent Director & Non-Executive Director	3 of 3
Ms. Christine Kasoulis	Member	Independent Director & Non-Executive Director	2 of 3

\*Mr. Mahesh Chhabria, Independent & Non-Executive Director was appointed a Member and Chairman of RMC w.e.f. January 23, 2023.

\*\*Mr. Deepak Ghaisas ceased to be the Chairman & Member of RMC w.e.f. January 23, 2023.

The Chairman of Board, Non-Executive Director, Managing Director & Chief Executive Officer and Chief Financial Officer are the permanent invitees to RMC Meetings. The Company Secretary acts as Secretary to the Committee. RMC invites such other official(s) / executive(s), as it may considers appropriate to be present at the meeting(s).

Role / terms of reference of RMC, inter-alia, articulates its role, responsibility and powers 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 by 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.

### 3. Nomination, Remuneration & Corporate Governance Committee (NRCGC)

The composition and role of NRCGC are in line with the Regulation 19 read with Part D of Schedule II of the Listing Regulations, Section 178 of the Act and Rules framed thereunder.

NRCGC comprise of 4 (four) Non- Executive Directors with 3 (three) being Independent Directors. NRCGC met 5(five) times, during the year under review i.e. on April 28, 2022, June 28, 2022, July 25, 2022, October 19, 2022 and January 23, 2023. The Composition of NRCGC with the details of the meetings held and attended by the members, are as follows:

Name of the Director	Nature of Membership	Designation	No. of meetings attended
Mr. Nirvik Singh	Chairman	Independent Director & Non-Executive Director	5 of 5
Mr. Neel C. Raheja	Member	Non-Executive Director	4 of 5
Mr. Arun Sirdeshmukh	Member	Independent Director & Non-Executive Director	5 of 5
Ms. Christine Kasoulis	Member	Independent Director & Non-Executive Director	3 of 5
Ms. Smita Jatia	Member	Independent Director & Non-Executive Director	Not Applicable

The Managing Director and Chief Executive Officer is the permanent invitee to NRCGC Meetings. The Chief Human Resource Officer of the Company acts as Secretary to NRCGC.

a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Chairman of NRCGC was present at 25th Annual General Meeting (AGM) of the Company held on July 26, 2022.

3. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

Role / terms of reference of NRCGC, inter-alia, articulates its role, responsibility and powers as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and senior management i.e. the officers/personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the chief executive officer/managing director/whole time director (including chief executive officer, in case he is not part of the board) and shall specifically include company secretary and chief financial officer.
- In formulating the aforesaid policy, following needs to be considered:
  - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - Remuneration to directors, key managerial personnel and senior management involves

4. Formulation of the criteria for evaluation of performance of independent directors and the board of directors

- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent

external agency and review its implementation and compliance;

- To determine and recommend to the board of directors extension or continuation of the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Recommend to the board of directors, all remuneration, in whatever form, payable to the Directors and Senior Management;
- Grant of Employee Stock Options to eligible employees and allotment of equity shares on account of exercise of vested ESOPs and to attend incidental and ancillary matter thereto from time to time;
- To undertake specific duties as may be prescribed by the Act, the Listings Regulations other applicable laws and or as may be prescribed by the Board of Directors of the Company, from time to time.

NRCGC acts as the Compensation Committee for the purpose of administration and superintendence of Shoppers Stop Employee Stock Option Scheme - 2008,

Name of the Director	Nature of Membership	Designation	No. of meetings attended
Mr. Ravi C. Raheja	Chairman	Non-Executive Director	1 of 1
Mr. Neel C. Raheja	Member	Non-Executive Director	1 of 1
Mr. B. S. Nagesh	Member	Non-Executive Director	1 of 1
Mr. Deepak Ghaisas*	Ex-Member	Independent Director & Non-Executive Director	1 of 1
Mr. Venu Nair	Member	Executive Director (MD & CEO)	1 of 1
Mr. Mahesh Chhabria**	Member	Independent Director & Non-Executive Director	Not Applicable

\*Mr. Deepak Ghaisas, ceased to be the Member of SRC w.e.f January 23, 2023.

\*\*Mr. Mahesh Chhabria, Independent & Non-Executive Director was appointed as the Chairman of SRC w.e.f January 23, 2023.

The Chairman of SRC was present at 25th Annual General Meeting (AGM) of the Company held on July 26, 2022.

The primary objective of SRC is to specifically look into various aspects of interest of the shareholders, debenture holders and other security holders. Role / terms of reference of SRC, inter-alia, include:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

Shoppers Stop Employee Stock Option Scheme - 2020 and Shoppers Stop Employee Stock Option Scheme- 2022 implemented in accordance with the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021.

#### 4. Stakeholders' Grievance Committee / Stakeholders Relationship Committee (SRC)

In line with the Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act, your Company has constituted SRC. The Company Secretary of the Company acts as the secretary to SRC.

During the year under review, there was change in the composition of SRC, Mr. Mahesh Chhabria Independent & Non-Executive Director was appointed as the Member of SRC w.e.f January 23, 2023 and Mr. Deepak Ghaisas, ceased to be the Member of SRC w.e.f January 23, 2023. SRC comprises of total 5 (five) members constituted with 4 (four) Non-Executive Directors with 1 (one) being an Independent Director and 1 (one) Executive Director. SRC met once via physical meeting, during the year under review i.e. on January 23, 2023. The Composition of SRC along with the details of the meeting held and attended by the members, are as follows:

2. Review of measures taken for effective exercise of voting rights by shareholders;

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

5. To undertake specific duties as may be prescribed by the Act and the Listing Regulations other applicable laws and/or carrying out any other function as may be decided and delegated by the Board of Directors.

#### Report of Investor complaints and certifications

During the year under review, your Company has not received any complaint from SEBI – SCORES, a web based centralised grievance redressal system of SEBI. No complaints are pending at the end of the year. Further, Your Company had received 3 complaints through NSE Portal which were redressed and timely closed.

Pursuant to amendment in Regulation 40 of the Listing Regulations, your Company has accordingly obtained yearly compliance certificate, from a Company Secretary in Practice confirming issue of certificates for transfer, sub-division, consolidation etc., if any, within prescribed time limit and submit a copy thereof to the Stock Exchanges. No request for transfer and dematerialisation were received and pending for approval as on March 31, 2023. Further, as per amendment in Listing Regulation the compliance certificate under Regulation 7 of the Listing Regulations confirming that all activities in relation to both physical and electronic share transfer facility

Name of the Director	Nature of Membership	Designation	No. of meetings attended
Mr. Ravi C. Raheja	Chairman	Non-Executive Director	1 of 1
Mr. Robert Bready*	Ex-Member	Independent Director & Non-Executive Director	0 of 1
Mr. Manish Chokhani	Member	Independent Director & Non-Executive Director	1 of 1
Mr. Venu Nair	Member	Executive Director (MD & CEO)	1 of 1
Mr. Mahesh Chhabria**	Member	Independent Director & Non-Executive Director	Not Applicable

\*Mr. Robert Bready, ceased to be a member of CSRC w.e.f January 23, 2023.

\*\*Mr. Mahesh Chhabria, Independent and Non-Executive Director was appointed as member of CSRC w.e.f January 23, 2023.

#### Policy on Corporate Social Responsibility (CSR)

In terms of the applicable provisions of the Act and the rules framed thereunder, the Board of Directors of your Company has framed and adopted a policy on CSR, which, inter-alia, regulates and monitor, your Company's CSR budget, activities / projects / initiatives and contributions thereof, from time to time. The salient features of the said Policy is outlined hereunder. The policy is also available at corporate website <https://corporate.shoppersstop.com/investors/policies/>

#### Salient features of the CSR Policy:

- CSR philosophy and objective;

are maintained by Registrar and Transfer Agent is also submitted to the Stock Exchanges, on annual yearly basis.

#### 5. Corporate Social Responsibility Committee (CSRC)

In accordance with the provisions of Section 135 of the Act, and rules framed thereunder, the Board has constituted CSRC.

During the year under review, there was change in the composition of CSRC, Mr. Mahesh Chhabria, Independent and Non-Executive Director was appointed as member of CSRC w.e.f January 23, 2023 and Mr. Robert Bready, Independent and Non-Executive Director ceased to be a member of CSRC w.e.f January 23, 2023.

CSRC comprises of 4 (four) members constituted with 3 (three) Non-Executive Directors out of which 2(two) are Independent Directors and 1 (one) Executive Director. During the year under review CSRC met 1 (one) time, i.e. on January 23, 2023. The Composition of CSRC along with the details of the meetings held and attended by the members, are as follow:

- Projects for / initiatives towards CSR contributions;
- Governance and responsibility: Management, CSR Committee and at Board level; and
- Mechanisms over CSR budget and expenditure.

#### D. Remuneration of Directors

##### Policy on Nomination, Remuneration, Board Diversity, Evaluation and Succession

In terms of applicable provisions of the Act and the Listing Regulations, the Board of Directors of your Company has framed and adopted a policy on

appointment and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) of the Company, which, inter-alia, includes Board Diversity, process of performance evaluation of Directors, KMPs, and SMPs of the Company, criteria for determining qualifications, positive attributes, independence of a Director and other related matters. The remuneration paid to Directors, KMPs and SMPs of the Company are as per the terms laid down in this Policy. The salient features of the said Policy is outlined hereunder. The policy is also available on the Company's corporate website at <https://corporate.shoppersstop.com/investors/policies/>

#### Salient features of the Policy:

- Selection, appointment and removal of Directors, Key Managerial Personnel and employees in Senior Management;
- Remuneration to the Directors, Key Managerial Personnel and employees in Senior Management;
- Board Diversity; and
- Formulation of criteria for evaluation of individual Directors, Chairperson of the Board, the Board as a whole, the Committees of the Board and the employees in Senior Management.

#### Criteria for making payment of Commission to Non-Executive Directors:

NRCGC and the Board had decided that the criteria for payment of commission to Non-Executive Directors would be on the basis of collective performance of

both self and the Company and not only on individual performance basis.

However, the Chairman of Audit Committee & Chairman of NRCGC would be paid an additional amount as commission, for the year under review.

NRCGC opined and Board has approved that those Independent Directors, who possess the requisite qualification and impart training/ advisory services to the senior management of the Company, would be compensated with professional fees, the services rendered by them being of a professional nature. Non-Executive Directors are not entitled to any stock options of the Company.

As approved by the shareholders at the 24th Annual General Meeting held on July 29, 2021, the Board has pursuant to the recommendation of the NRCGC, approved the payment of commission to the Non-Executive Directors of a sum of ₹5,00,000 each and ₹8,00,000 to the Chairman of the Audit Committee and NRCG Committee, in proportion of their tenure with the Company (being a sum not exceeding 1% of the net profits of the Company and further that in case in any year where there are in-adequate profits or no profits, remuneration may be paid within the ceiling as specified in Schedule V - Part II - Section II A of the Act, including any statutory amendments, modifications or re-enactments thereof, as may be made thereto and for the time being in force.) Such payment will be in addition to the sitting fees for attending Board/Committee meetings, other permissible reimbursements and services rendered of a professional nature as provided under Section 197(4) of the Act.

#### Remuneration to Non-Executive Directors (NEDs)

Remuneration payable to NEDs, for the year under review, is as follows:

Name of Non- Executive Directors	Amount in ( ₹ Crores)		
	Commission	Sitting Fees	Total
Mr. Ravi C. Raheja	0.050	0.073	0.123
Mr. Neel C. Raheja	0.050	0.060	0.110
Mr. B. S. Nagesh	0.050	0.050	0.100
Mr. Deepak Ghaisas	0.080	0.078	0.158
Mr. Nirvik Singh	0.080	0.075	0.155
Mr. Manish Chokhani	0.050	0.053	0.103
Mr. Robert Bready	0.038	0.020	0.058
Mr. Arun Sirdeshmukh	0.050	0.103	0.153
Ms. Christine Kasoulis	0.050	0.065	0.115
Mr. Mahesh Chhabria	0.013	0.020	0.033
Ms. Smita Jatia	0.009	0.010	0.019

Notes:

1. Mr. Mahesh Chhabria and Ms. Smita Jatia were appointed as Additional Independent Directors of the Company on January 23, 2023 and February 20, 2023 respectively, and regularised as Independent Directors through postal ballot on April 4, 2023.
2. Mr. Robert Bready ceased to be the Independent Director of the Company from January 23, 2023 and Mr. Deepak Ghaisas ceased to be the Independent Director on completion of second tenure with the Company from March 31, 2023.
3. A sitting fees of ₹1 lac is paid to the Directors for attending each meeting of the Board, ₹0.50 lac for attending each meeting of the Audit Committee and Nomination, Remuneration & Corporate Governance Committee, ₹0.25 lac for attending each meeting of the Risk Management Committee and Corporate Social Responsibility Committee. There is no sitting fees payable for attending the meeting(s) of Stakeholders Relationship Committee. The sitting fees paid to the Non-Executive Directors is excluded whilst calculating the limits of remuneration in accordance with Section 197 of the Act.

**Pecuniary relationship with the Non-Executive Directors**

Save and except for the shareholding of the Non-Executive Independent Directors (detailed herein above), there is no pecuniary or business relationship between the Non-Executive Independent Directors and the Company, except for the sitting fees for attending meetings of the Board / Committees thereof and commission payable to them.

Apart from the sitting fees for attending meetings of the Board / Committees thereof and commission payable to them, the Non-Executive Non Independent Directors are having shareholding (detailed herein above) and interested in transactions given in Note No. 37 to the Standalone Financial Statements and Note No. 32 to the Consolidated Financial Statements.

**Remuneration and ESOPs to the Managing Director & CEO of the Company**

Particulars	Amount in (₹)	
	Mr. Venu Nair	
Salary and Allowances	5,88,16,641	
Perquisites	39,35,491	
Share Based Payment	1,00,43,725	
<b>Total</b>	<b>7,27,95,857</b>	
Number of stock options granted		
ESOPs	3,10,208	
RSU	1,43,901	

**Service Contract, Severance Fees and Notice Period:**

Mr. Venu Nair was appointed as Managing Director & CEO of the Company for a period of 3 years w.e.f. November 6, 2020, by the Board of the Company and his appointment was approved by the Shareholders of the Company at the 24th AGM held on July 29, 2021. There is no separate provision for payment of any severance fees to the Managing Director. There is a notice period of 6 (six) months from either side.

Further, Mr. Venu Nair has been re-appointed as the MD & CEO of the Company w.e.f. November 06, 2023 for period of 3 years subject to the approval of the members of the Company, which special business is included in the notice of the 26th AGM along with other necessary disclosures required under the Act and the Regulations.

**Board Evaluation**

In compliance with the relevant provisions of the Act read with the Rules made thereunder, the Listing Regulations and the Policy made in this regard, your Company has devised a framework for performance evaluation of the

Board as a whole, its specified statutory Committees, the Chairman of the Board and the individual directors.

For the year under review, the Board carried out the performance evaluation of the Board as a whole, its specified statutory Committees, the Chairman of the Board and the individual directors. The exercise was carried out through a structured questionnaire covering various aspects, as under:

- **For evaluation of Board as a whole:** Evaluation of functioning of the Board based on board composition, its functions viz: guidance on corporate strategy, budgets, investor grievances, effectiveness of governance practices, CSR initiatives, risk management etc., its relationship with the Management and board meetings and procedures.
- **For evaluation of Committees of the Board:** Evaluation of functioning of the Committees based on its composition, adherence to its terms of reference, participation at the meetings, independence of the Committee, its recommendations to the Board and Committee meetings and procedures.

- **For evaluation of individual director including independent directors:** Based on their understating and knowledge of the Company, commitment to Board and concerned committee(s), adherence to code of conduct, possession of sufficient skills, expertise etc., demonstration of level of integrity etc. and additionally, for independent directors, fulfilment of the independence criteria as specified in the Act and the SEBI Regulations, their independence from the Management, adherence to code of conduct for them etc.
- **For evaluation of Chairman of the Board:** Based on his effective connect with MD & CEO / CFO and other senior management, efficient and effective leadership, encouragement on active participation and sharing of opinion by other Board members, demonstration of high-test level of integrity etc.

The Board of Directors expressed their satisfaction towards the process followed by the Company for performance evaluation of the Directors, Board as a whole, its Committees and the Chairman of the Board.

**Outcome of the evaluation**

The Board of your Company was satisfied with the functioning of the Board and its Committees. The Committees are functioning well and besides the Committee's terms of reference, as mandated by law and important issues are brought up and discussed in the Committee meetings. The Board was also satisfied with the contribution of directors, in their respective capacities, which reflects the overall engagement of the individual directors.

**E. General Body Meetings & Postal Ballot**

Details of the past three Annual General Meetings, are as under:

AGM for Financial Year ended	Date & Time	Nature of Special Resolution(s) passed	Venue
2021-2022	July 26, 2022 at 10.00 am	- Appointment of Mr. Arun Sirdeshmukh (DIN: 01757260) as an Independent Director of the Company. - Appointment of Ms. Christine Kasoulis (DIN: 09365330) as an Independent Director of the Company	In compliance with the applicable provisions of the Act, and the Listing Regulations read the with MCA Circulars and SEBI Circular, the 25th AGM of the Company was convened as an e-AGM.
2020-2021	July 29, 2021 at 4:00 pm	- Appointment of Mr. Venu Nair (DIN 00046163), as a Director of the Company. - Appointment of Mr. Venu Nair (DIN 00046163) as Managing Director CEO of the Company and approving his remuneration. - Payment of remuneration to Non-Executive Directors of the Company for a term of 3 (three) years.	In compliance with the applicable provisions of the Act, and the Listing Regulations read the with MCA Circulars and SEBI Circular, the 24th AGM of the Company was convened as an e-AGM.
2019-2020	August 13, 2020 at 4:00 pm	Nil	In compliance with the applicable provisions of the Act, and the Listing Regulations read the with MCA Circulars and SEBI Circular, the 23rd AGM of the Company was convened as an e-AGM.

The Company has passed following resolutions through Postal Ballot during the Financial Year 2022-23:

Date of Postal Ballot Notice	Nature of Resolution(s) passed
April 28, 2022	- Special resolution: Approval of "Shoppers Stop Limited Employee Stock Option Plan, 2022" ("SSL Plan 2022 / Plan 2022").
Procedure of Postal Ballot	<p>The postal ballot was carried out as per the provisions of Sections 108, 110 and other applicable provisions of the Act and the Rules framed thereunder read with Ministry of Corporate Affairs ("MCA") General Circulars No. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28,2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021 and Clarification No. 20/2021 dated December 08,2021, the Listing Regulations, the Company had sent the Postal Ballot Notice dated April 28, 2022 along with the Explanatory Statement in the permitted mode as per MCA Circular.</p> <p>Voting rights were reckoned based on the equity shareholding as on the cut-off date i.e. April 29, 2022. For this purpose, the Company had availed e-Voting facility from KFin Technologies Limited (KFin). The e-voting period commenced on Friday, May 06, 2022, at 9:00 a.m. (IST) and ended on Saturday, June 04, 2022 at 5:00 p.m. (IST) and the e-voting platform was disabled thereafter.</p> <p>The consolidated report on the result of the remote e-voting was published on June 06, 2022. Pursuant to Regulation 44(3) of the Listing Regulations, the aforesaid resolution has been passed as a Special Resolution under Section 114 of the Act.</p> <p>The Company had appointed Kaushal Dalal &amp; Associates, Practising Company Secretaries, as Scrutiniser for conducting Postal Ballot in fair and transparent manner.</p> <p>The results of the postal ballot were placed on the website of the Company and were also filed with BSE Limited and National Stock Exchange of India Limited.</p>
February 20, 2023	<p>- Special resolution: Appointment of Mr. Mahesh Chhabria (DIN No: 00166049) as an Independent Director of the Company.</p> <p>- Special resolution: Appointment of Ms. Smita Jatia (DIN No: 03165703) as an Independent Director of the Company.</p>
Procedure of Postal Ballot	<p>The postal ballot was carried out as per the provisions of Sections 108, 110 and other applicable provisions of the Act and the Rules framed thereunder read with Ministry of Corporate Affairs ("MCA") General Circulars No. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28,2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08,2021, 03/2022 dated May 05, 2022 and 11/2022 dated December 28, 2022 the Listing Regulations, the Company had sent the Postal Ballot Notice dated February 20, 2023 along with the Explanatory Statement in the permitted mode as per MCA Circular.</p> <p>Voting rights were reckoned based on the equity shareholding as on the cut-off date i.e. February 24, 2023. For this purpose, the Company had availed e-Voting facility from KFin Technologies Limited (KFin). The e-voting period commenced on Monday, March 06, 2023, at 10:00 a.m. (IST) and ended on Tuesday, April 04, 2023 at 5:00 p.m. (IST) and the e-voting platform was disabled thereafter.</p> <p>The consolidated report on the result of the remote e-voting was published on April 05, 2023. Pursuant to Regulation 44(3) of the Listing Regulations, the aforesaid resolution has been passed as a Special Resolution under Section 114 of the Act.</p> <p>The Company had appointed Kaushal Dalal &amp; Associates, Practising Company Secretaries, as Scrutiniser for conducting Postal Ballot in fair and transparent manner.</p> <p>The results of the postal ballot were placed on the website of the Company and were also filed with BSE Limited and National Stock Exchange of India Limited.</p>

## F. Means of Communication

- The quarterly and annual financial results for the Company and consolidated financial results for the subsidiaries are published in newspapers within 48 hours of the Board Meeting, generally in Free Press Journal and NavShakti and the same are also posted on the Company's website immediately.
- At the end of each quarter, the Company arranges a conference call with the analysts in order to clarify their doubts and queries as regards quarterly financial performance. The transcript thereof is posted on the Company's website. Presentations made to institutional investors/analysts are also displayed on the Company's website.

- The Quarterly and annual financial Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS) and NSE Digital Exchange (Parivartan) and BSE Listing Centre, for dissemination on their respective websites. The same is also published on the Company's website. The Company interacts on a regular basis with stakeholders through announcements, investor meetings, investor calls, annual report, results, press releases, media interactions, interviews and the Company's website. Operational updates are also posted on social media, such as LinkedIn and Facebook from time to time.
- In line with the "Green Initiative" undertaken by the Ministry of Corporate Affairs, the Company

will be sending this year's Annual Report (including subsequent notices and communications, as permissible) to the shareholders who have registered their email address with the Company/ Depository. The Annual Reports of the Company are also available in the Investor Relations section of the Company's website.

- Your Company has also complied with the SEBI Circulars dated November 03, 2021, December 14, 2021 and March 16, 2023 and has introduced common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination and forms for the same can be downloaded from the Company's corporate website at <https://corporate.shoppersstop.com/>

## G. General Shareholders Information

<b>Annual General Meeting</b>	Monday, July 24, 2023 at 11:30 a.m. through Video Conferencing/ Other Audio-Visual Means facility	
<b>Date of Book Closure</b>	Tuesday, July 18, 2023 to Monday, July 24, 2023 (both days inclusive).	
<b>Financial Calendar</b>	April 01, 2022 to March 31, 2023	
<b>Listing on the Stock Exchanges:</b>	<b>BSE Limited,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code : 532638	<b>National Stock Exchange of India Limited,</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. Symbol : SHOPERSTOP

The requisite Listing Fees for the Financial Year 2023-24 has been paid to both the above Stock Exchanges where the equity shares of the Company are listed.

### Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

Section 124 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") stipulates transfer of dividend that has remained unclaimed for a period of seven years, from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the Rules also stipulate transfer of shares in respect whereof the dividend has not been paid or claimed for a period of seven consecutive years or more to the demat account of the IEPF Authority.

Accordingly, during FY 2023, your Company, has transferred unpaid & unclaimed dividend declared for the Financial Year for FY 2014-15 (Final Dividend) and FY 2015-16 (Interim Dividend) to IEPF. The details of future transfer to IEPF Authority of unclaimed / unpaid dividends and the corresponding

shares, is available on the Company's corporate website at <https://corporate.shoppersstop.com/dividend/>

### Transfer of shares to IEPF

Pursuant to the provisions of the Act, read with the Rules, the Company is required to transfer equity shares in respect of which dividends have not been claimed for a period of seven consecutive years to IEPF. Accordingly, your Company transferred 314 Equity shares for FY 2014-15 and 958 Equity shares for FY 2015-16 to the demat account of IEPF Authority, during FY 2023. The details of these shares are available on the corporate website under "Investors Section" at <https://corporate.shoppersstop.com/dividend/>

Members may note that both unclaimed dividend and corresponding shares transferred to IEPF including all benefits accruing thereon, if any, can be claimed back from IEPF in accordance with the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company.



### Demat suspense account for unclaimed shares

There are 2 shareholders, holding 100 equity shares of ₹5 each (post sub-division) allotted in Initial Public Offering of 2005, lying in the escrow account due to nonavailability of their correct particulars. Despite various reminders to them by KFin Technologies Limited, Registrar and Share Transfer Agent of the Company, no response has been received. As a result, the said unclaimed shares continue to be credited to 'Shoppers Stop Ltd - Unclaimed Shares Demat Suspense Account'. Such shareholders may

approach the Company with their correct particulars and proof of their identity for crediting requisite shares from the Company's Demat Suspense Account to their individual Demat Account. During the year under review, no such shareholders have approached the Company and consequently, no equity shares were transferred from the Suspense account to any of the shareholders account. The voting rights on these shares continue to remain frozen till the rightful shareholder claims such shares.

### Stock Market Data for the period – April 1, 2022 to March 31, 2023

#### Share price performance in comparison on BSE Limited

Month Financial Year (2022-2023)	BSE		Sensex		No. of Shares transacted
	High (₹)	Low (₹)	High	Low	
April-22	598.65	445.90	60,845.10	56,009.07	11,48,581
May-22	515.35	421.55	57,184.21	52,632.48	4,77,330
June-22	507.10	402.90	56,432.65	50,921.22	1,61,660
July-22	612.10	468.90	57,619.27	52,094.25	6,75,854
August-22	646.15	574.30	60,411.20	57,367.47	3,19,971
September-22	779.40	605.35	60,676.12	56,147.23	4,94,832
October-22	819.00	693.20	60,786.70	56,683.40	4,10,228
November-22	811.60	625.95	63,303.01	60,425.47	2,00,590
December-22	722.00	622.55	63,583.07	59,754.10	89,671
January-23	737.30	631.55	61,343.96	58,699.20	61,742
February-23	675.45	616.25	61,682.25	58,795.97	38,630
March-23	654.95	607.20	60,498.48	57,084.91	38,463



### Share price performance in comparison on National Stock Exchange of India (NSE):

Month Financial Year (2022-2023)	BSE		Sensex		No. of Shares transacted
	High (₹)	Low (₹)	High	Low	
April-22	597.90	445.30	18,114.65	16,824.70	11,573,301
May-22	514.80	426.10	17,132.85	15,735.75	4,814,294
June-22	506.95	396.60	16,793.85	15,183.40	2,917,343
July-22	612.00	469.05	17,172.80	15,511.05	11,134,655
August-22	647.00	574.10	17,992.20	17,154.80	4,654,854
September-22	779.75	616.20	18,096.15	16,747.70	6,049,058
October-22	820.00	692.95	18,022.80	16,855.55	2,196,693
November-22	812.00	625.20	18,816.05	17,959.20	2,537,134
December-22	724.00	622.10	18,887.60	17,774.25	1,182,138
January-23	739.00	637.55	18,251.95	17,405.55	1,281,588
February-23	675.50	615.95	18,134.75	17,255.20	742,877
March-23	652.50	606.00	17,799.95	16,828.35	892,321



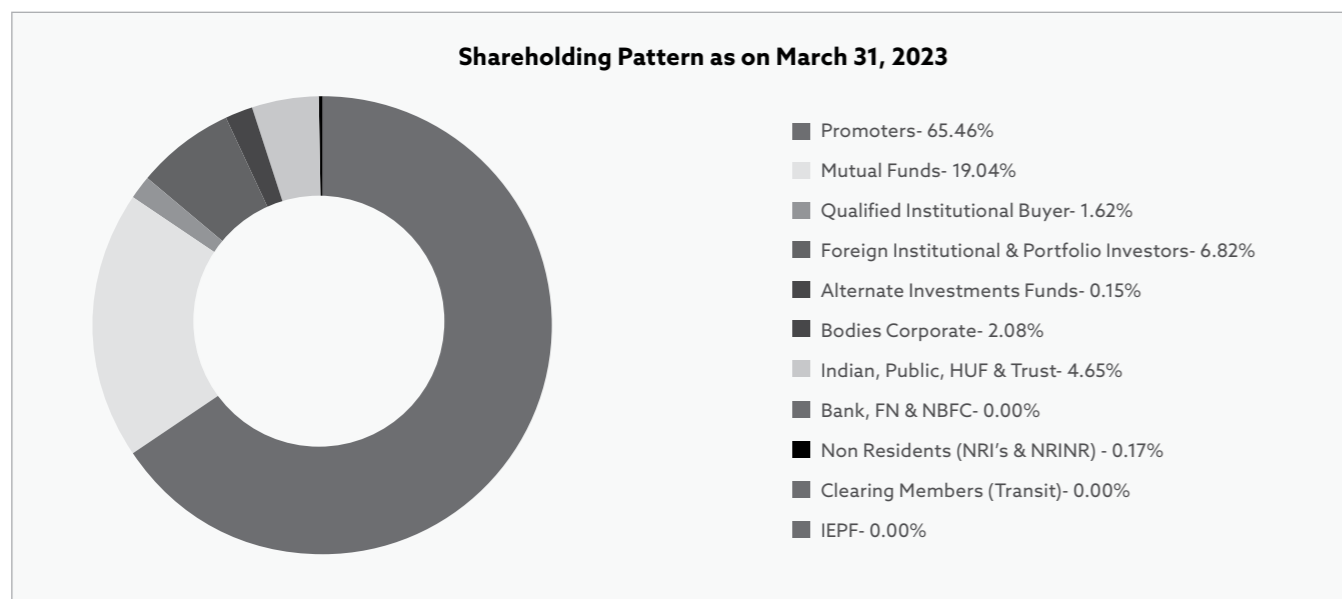
### Shareholding Pattern:

Distribution of Shareholding as on March 31, 2023 and March 31, 2022 is given below:

Shareholding Nominal Value	As on March 31, 2023				As on March 31, 2022			
	Number of shareholders	%	in ₹	%	Number of shareholders	%	in ₹	%
1-5000	38,553	98.40	9,659,230	1.76	25,551	97.41	8,336,230	1.52
5001- 10000	209	0.53	1,542,725	0.28	233	0.89	1,760,115	0.32
10001- 20000	153	0.39	2,243,280	0.41	165	0.63	2,378,660	0.43
20001- 50000	95	0.24	3,140,140	0.57	131	0.50	4,217,150	0.77
50001- 100000	52	0.13	3,928,820	0.72	43	0.16	3,271,475	0.60
100001& Above	117	0.30	527,725,000	96.26	108	0.41	527,537,495	96.35
Total	39,179	100	548,239,195	100	26,231	100	547,501,125	100

The Categories of shareholdings as on March 31, 2023 and March 31, 2022 is given below:

Category	As on March 31, 2023		As on March 31, 2022	
	No. of shares held	%	No. of shares held	%
Promoters	7,17,74,535	65.46	7,17,74,535	65.55
Mutual Funds	2,08,79,815	19.04	1,83,22,944	16.73
Qualified Institutional Buyer/Insurance Co's	17,79,072	1.62	31,87,392	2.91
Foreign Institutional & Portfolio Investors	74,77,593	6.82	66,83,255	6.10
Alternate Investment Funds	1,62,042	0.15	1,89,993	0.17
Bodies Corporate	22,76,625	2.08	28,20,471	2.58
Indian Public, HUF & Trust	50,99,131	4.65	63,34,025	5.78
Indian Financial Institution, Bank & NBFC	100	0.00	689	0.00
Non-Residents	1,90,866	0.17	1,32,242	0.12
Clearing Members (Transit)	4,811	0.00	51,756	0.05
IEPF	3,249	0.00	2,923	0.00
<b>Total</b>	<b>10,96,47,839</b>	<b>100</b>	<b>10,95,00,225</b>	<b>100</b>



#### Share Transfer System:

The Company's equity shares which are in dematerialised form are transferable through the depository system. The ISIN allotted to the equity shares of ₹5/- each of the Company is INE498B01024. Equity Shares in physical form are processed by the RTA viz. KFin Technologies Limited (Erstwhile KFin Technologies Private Limited) and approved by the Stakeholders' Relationship Committee. During the year under review, the Company has not received any physical share transfer request. The requests received by the Company/RTA for dematerialisation/rematerialisation are disposed off expeditiously.

#### Dematerialisation of Shares & Liquidity:

Equity shares of the Company are compulsorily traded in demat form for all Investors. As on March 31, 2023, entire

share capital of the Company except 74 equity shares are being held in the dematerialised mode. The shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensure the necessary liquidity to shareholders.

#### Outstanding GDRs/ADRs/Warrants:

The Company has not issued any ADR or GDR or warrants or any convertible instruments or any Convertible which has likely impact on equity share capital.

#### Commodity price risk or foreign exchange risk and hedging activities:

As of now foreign currency payments for trade imports & service imports are not substantial, it has been decided not to take forward cover for foreign exchange payments.

However your Company periodically evaluates and assesses the requirement for forward cover. The Company does not enter into any derivative instruments for trading and speculative purposes.

#### Credit Ratings:

During the year under review, the following credit ratings of the Company were re-affirmed:

- India Ratings & Research Private Limited:
  - IND A1+ for Commercial Paper of ₹25 crores.
  - IND A1+ for Short -Term Debt /Commercial Paper of ₹25 crores.
- CARE Ratings Limited:
  - CARE A+ Stable (Single A Plus; Outlook: Stable) for the long-term bank facilities amounting to ₹399 crores.
  - CARE A1+; (A One Plus) for the short-term bank facilities amounting to ₹38 crores.
  - CARE A+; Stable (Single A Plus; Outlook: Stable) for Non-Convertible Debenture issue amounting to ₹100 crores.
- CRISIL Limited:
  - CRISIL A1+ for Commercial Paper of ₹100 crores

#### Shareholders Service Centre & Registrar and Share Transfer Agent:

Mr. Balaji Reddy - Sr. Manager, Corporate Registry <b>KFin Technologies Ltd (Erstwhile KFin Technologies Pvt Ltd)</b> Selenium, Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana - 500 032. Toll Free No: 18003094001 Email ID : <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> <a href="mailto:balajireddy.s@kfintech.com">balajireddy.s@kfintech.com</a> Web Address: <a href="http://www.kfintech.com">www.kfintech.com</a>	Mr. Vijay Kumar Gupta Vice President - Legal, CS & Compliance Officer <b>Shoppers Stop Limited</b> Umang Tower, 5th Floor, MindSpace, Off. Link Road, Malad (West), Mumbai - 400 064. India. Tel: (022) 4249 7000 E-mail: <a href="mailto:company.secretary@shoppersstop.com">company.secretary@shoppersstop.com</a> Web Address: <a href="http://www.shoppersstop.com">www.shoppersstop.com</a>
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#### Store Locations:

##### Western Region

- 211-D, S. V. Road, Andheri (W), Mumbai 400 058.
- Suburbia, Old Bandra Talkies, Linking Road, Bandra (West), Mumbai - 400 050.
- Inorbit Mall, Link Road, Malad (West), Mumbai - 400 064.

- Dynamix Mall, Sant Dhyaneswar Marg, JVPD Scheme, Next to Chandan Cinema Hall, Vile Parle (West), Mumbai - 400 049.
- Elpro City Square Mall, Chinchwad Gaon, Pimpri-Chinchwad, Pune - 411 033.
- HomeStop, Inorbit Mall, 2nd Floor, Link Road, Malad (West), Mumbai - 400 064.
- Prozone Mall, Plot Sector - C, Chikalthana Ind. Area, Masantpur, Aurangabad, 431 210.
- Inorbit Mall, Vashi, Navi Mumbai - 400 705.
- Seawoods Grand Central, Plot No. - R-1, Sector - 40, Seawoods Railway Station, Navi Mumbai - 400 706
- Alpha G, Near Vastrapur Lake, Vastrapur, Ahmedabad - 380 054.
- JK Square, opposite Police Training Centre, situated at Trimbak Road, Nashik - 422 002
- R City Mall, LBS Marg, Ghatkopar (West), Mumbai - 400 086.
- Pacific Mall, Shankar Seth Road, Pune 411 037.
- Opposite Alankar Talkies, Chainsukh Road, Latur - 413 512.
- Metro Junction Mall, Shil Road, Kalyan - 421 306.
- VR Mall, Near Magdalia Chokdi, Dumas Road, Surat - 395 007.
- Viviana Mall, Eastern Express Highway, Thane - 400 062
- Inorbit Mall, Vadodara, Alembic Road, Subhanpura, Vadodara - 390 003.
- Seasons Mall, South Magarpatta City, Pune - 411 028.
- HomeStop, First floor, Seasons Mall, South Magarpatta City, Pune - 411 028.
- D Y Patil Mall, 2104/15, E Ward, Kavda Naka, Kolhapur - 416 001.
- Orion Mall, Near Panvel Bus Depot, Panvel - 410206.
- Unit No. GFN03 & GFS10, West End Mall, Aundh, Taluka Haveli, Pune - 411 007.

24. Mall De Goa, Nova Cidade Complex, Alto Porvorim, Goa - 403 521.
25. DB City Mall, Arera Hills, Bhopal - 462 011.
26. BPK Star Building, Opp. Lig Gurudwara, A.B. Road, Indore - 452 001.
27. Keshar Towers, Racecourse Rd, Railway Colony, Lnupe Campus, Kampoo, Gwalior - 474002
28. T1 Domestic Airport, Vile Parle, Mumbai - 400099
29. Shoppers Stop Mens, T2 International Airport, Mumbai - 400099
30. Shoppers Stop Kids, T2 International Airport, Mumbai - 400099.
31. Phoenix Mall, Next to Mumbai-Agra Bypass, Village Khajr, Indore - 452016

#### Southern Region

1. Garuda Star Mall, Magrath Road, Ashok Nagar, Bengaluru - 560 025.
2. Commerce@Mantri, N.S. Palya, Bannerghatta Road, Bengaluru - 560 076.
3. Mantri Square, Sampige Road, Malleshwaram, Bengaluru - 560 003.
4. Plot No. 1-11-251/1, Alladin Mansion, Begumpet, Hyderabad - 500 016.
5. Harrington Road, Chetpet, Chennai - 600 031.
6. GVK One Mall, RoadNo.01,Banjara Hills, Hyderabad - 500 034.
7. Inorbit Mall, APIIC Software Layout, Hitech City, Madhapur, Hyderabad - 500 081.
8. Passenger Terminal Building, Shamshabad Airport, Rangareddy, Hyderabad - 500 409.
9. Hyderabad-Next Galleria-Punjagutta Mall, Punjagutta, Hyderabad.
10. HiLite Mall, Kozhikode Bypass, Kozhikode, Kerala 673 014.
11. Passenger Terminal Building, Bengaluru International Airport, Devanahalli, Bengaluru - 560 300.

12. HomeStop, Raheja Point No. 17/2, Magrath Road, Bengaluru - 560 025.
13. HomeStop, Royal Meenakshi Mall, Bannergetta Road, Bengaluru - 560 076.
14. LEPL Icon Mall, Vijayawada - 520 008
15. OMR, Gopalan Signature Towers, Opp. RMZ Infinity, Old Madras Road, Bengaluru - 560 096.
16. Mall of Mysore, Indira Nagar Extension, Nazarabad Mohalla, M.G. Road, Mysore - 570 010.
17. Fun Republic Mall, Avinashi Road, Coimbatore - 641 004.
18. Sarath City Capital Mall, Gachibowli - Miyapur Rd, Whitefields, Hyderabad - 500 084.
19. Orion Mall, Rajajinagar Extension, Malleswaram West, Bengaluru 560 055.
20. HomeStop, PhoneixMarket City, Velachery, Chennai - 600 042.
21. Palladium Mall, Phoneix Market City, Velachery, Chennai, 600 042.
22. Royal Meenakshi Mall, Opp. Meenakshi Temple, Bannerghatta Road, Bengaluru - 560 076.
23. SRK Destiny, VIP Road, near CBM Compound, Visakhapatnam - 530 016.
24. Lulu Mall, TC 91, 270, Akkulam Bridge, Anayara Post, Thiruvananthapuram- 695029
25. Prestige Forum Falcon Mall, Anjanadri Layout, Konanakunte, Kanakpura, Bengaluru - 560062

#### Northern Region

1. The Metropolitan Mall, Mehrauli-Gurgaon Road, Gurgaon, Haryana - 122 002.
2. Shipra Mall, Shipra Suncity, 9 Vaibhav Khand, Indirapuram, Ghaziabad -201 012.
3. HomeStop, Plot No. A/3, Select City Walk, District Centre, Saket, New Delhi - 110 017.
4. E-City Mall, Opp. Paryatan Bhavan, Gomti Nagar, Lucknow - 226 010.

5. Crown Mall, Chinhat, Faizabad Road, Lucknow - 226 028
6. The Great India Palace, New Okhla Industrial Development Area, Noida - 201 301.
7. Omaxe Connaught Place, Sector Beta II, Great Noida, Gautam Budh Nagar, Noida.
8. Gaur City Mall, C-01B/GH-01 sector-04 Greater Noida West, Greater Noida - 201301
9. Metropolitan Mall, Press Enclave Road, District Centre Saket, Sector II, New Delhi - 110 017.
10. Alpha One Mall, MBM Farms, Sultan Wind, Main G. T. Road, Amritsar - 143 010.
11. Ambience Mall, Nelson Mandela Road, Vasant Kunj, New Delhi - 110 070.
12. Spaze I, Tech Park, Gurgaon, Spaze Mall, Sohna Road, Gurgaon - 122 002.
13. Rohini, Sector - 10, Adjacent to Rithala Metro Station, Rohini, New Delhi -110 085.
14. R-Cube, Monad, Shivaji Place, Rajouri Garden, New Delhi - 110027.
15. MBD Neopolis Mall, Civil Lines, BMC Chowk, GT Road, Jalandar - 144 001.
16. World Trade Park, South Block, Malviya Nagar, Jaipur - 302 017.
17. Elante Mall, Industrial Area Phase -1, Chandigarh - 160 002.
18. OMaxe SRK Mall, Nagala Padi, Agra - 280 002.
19. Tapasya One, Golf Course Road, Sector 53, Gurugram -122 003
20. HomeStop, Elante Mall, Industrial Area Phase - 1, Chandigarh - 160 002.
21. Gaur Central Mall, Rajnagar, Ghaziabad - 201 002.
22. PavillionMall, Old Sessions Court Road, Ludhiana - 141 001.
23. IP Sagra Mall, Shastri Nagar, Sagra, Varanasi- 221 002.
24. Phoenix Marketcity Mall, Sector 7, Shop G-01 & F-01, Gomti Nagar Extens, North1, Lucknow - 226010.

25. Man-Upasna Plaza, C-44, Sardar Patel Marg, C-Scheme, Jaipur - 302 001.
26. Unity One Jankpuri, Next to Janakpuri West Metro Station, New Delhi - 110 058.
27. Logix City Centre Mall, Noida City Centre Metro Station, Noida, - 201 301.
28. EDM Mall, Plot No. 1, Kaushambi Rd, Anand Vihar, Kaushambi, Ghaziabad - 201001
29. Skymark One, Sector 98, Noida - 201303
30. Mall of Jaipur, Gandhi Path W, B block, Vaishali Nagar, Jaipur - 302021.
31. Mega Mall, Meera Nagar, Jodhpur - 342005
32. Emerald Mall, CP138, Thana Kanpur Road, Near Ashiyana, Sector D1, Lucknow - 226012
33. Soul City Mall, Sector 13, Dwarka, Kakrola, Delhi - 110078
34. Unison Mall, 21, New Cantonment Road, Shakthi Colony, Dehradun - 248001
35. Bata Chowk, Metro Station, Mathura Road, Sector 12, Faridabad - 121007
36. Urban Square Mall, Udyog Vihar, Sukher, Udaipur - 313001
37. Skyline Tower, NH-44, Narwal Bye Pass Road, Jammu - 180015

#### Eastern Region

1. 10/3, Lala Lajpat Rai Sarani (Elgin Road), Kolkata - 700 020.
2. City Centre, DC - 1, Sector-1, Salt Lake, Kolkata - 700 064.
3. South City Mall, 375, Prince Anwar Shah Road, Kolkata - 700 068.
4. 164/1 Mani Square Mall, Maniktala Main Road, Kolkata-700 054.
5. Junction Mall, Mouza - Faridpur, City Centre, Durgapur - 713 216.
6. City Centre, Siliguri Uttarayan Township, NH-31, Matigara, Siliguri - 734 010.

7. Vidhan Sabha Road, Mowa, Raipur - 492 005.
8. City Center 2, Rajarhat, New Town, Major Arterial Road, Action Area IID, Kolkata - 700 156.
9. Acropolis Mall, Plot No. 1858, Rajdanga Main Road, Near Siemens Corporate Office, Kolkata - 700 107.
10. Nucleus Mall, Circular Road, Opp East Jail Road, Ranchi, Jharkhand - 834 001.
11. Utkal Kanika Galleria, Opp. State Museum, Gautam Nagar, Bhubaneswar - 751 014.
12. City Centre Mall, Near Apollo Hospital, GS Road, Guwahati - 781 005.
13. Acropolis Mall, Sevoke Rd, Ward Number 13, Bankim Nagar, Siliguri, West Bengal 734001.
14. Nucleus Mall, Circular Road, Near Jail Chowk, Ranchi - 834001
15. City Centre Mall, Budh Marg, Lodhipur, Opp. Lodhipur Fire Station, Patna - 800001
16. New Town, Premises No. 29-111, Major Arterial Road, Action Area-IC, Kolkata -700156
17. Pluton Mall, New Bank Colony, Rourkela Sundargarh - 769015

## H. Other Disclosures / Compliances / Certifications Disclosure from Senior Management

### Related Party Transactions, Conflict of Interest & Material Subsidiaries

The Company has formulated a Related Party Transaction Policy including therein the materiality of related party transaction and determination of material subsidiaries, which is available on the corporate website of the Company at <https://corporate.shoppersstop.com/investors/policies/>.

During the year under review, all related party transactions were on arm's length basis and in the ordinary course of business. These Related Party Transactions have been approved by the Audit Committee and noted by the Board of Directors. There were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

The Company has received a confirmation from all the senior management personnel of the Company

disclosing that they do not have any material, financial and commercial transactions to disclose and there is no potential conflict with the interest of the Company at large, for the year under review.

### Details of non-compliance on matters relating to Capital Market

Equity shares of the Company are listed and traded on BSE Limited and National Stock Exchange of India Limited w.e.f. May 23, 2005. The Company has complied with the Rules, Regulations and Guidelines prescribed by Securities and Exchange Board of India (SEBI) and Stock Exchange as applicable to the Company, from time to time. During the last three years, there were no penalties or strictures imposed on the Company by the Stock Exchange(s), SEBI and/or any other statutory authorities on matters relating to capital market.

### Vigil Mechanism / Whistle Blower Policy

The Board's Report gives a detailed report on the

- Risk Management
- Whistle Blower Policy/Vigil Mechanism

### Website

All the information and disclosures required to be disseminated pursuant to the Listing Regulations and the Act are being posted at Company's corporate website at [www.shoppersstop.com](http://www.shoppersstop.com).

### Disclosure of commodity price risks and commodity hedging activities

The Company does not deal in commodities and hence disclosure with regard to commodity price risks and commodity hedging activities was not applicable to the Company, for the year under review.

### Proceeds from preferential allotment or qualified institutions placement

The Company has not raised any amount from preferential allotment or qualified institutional placement, etc., during the year under review.

### Code of Conduct

The Company is committed to compliance with all laws and regulations that apply to it, with the spirit and intent of high business ethics, honesty and integrity.

In compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, from time to time ("the SEBI Regulations"), the Board has formulated its own code termed as

'Shoppers Stop Limited's Insider Trading Code' and 'Code of Fair Disclosure of Unpublished Price Sensitive Information (UPSI)', for Regulating, Monitoring and Reporting Trading by Designated Persons. Further in accordance with the SEBI Regulations, your Company has licensed a software with requisite audit trail and time stamping to ensure non- tampering with it, which is used for multipurpose viz: repository of database of Designated Persons, database of UPSI recipient, tracking of trading and compliance thereof by DPs and their immediate relatives etc.

The Company has adopted the Code of Conduct and Ethics for its Independent Directors. All Independent Directors have confirmed compliance to the said Code.

The Company has adopted the Code of Conduct for its Board members and senior management personnel of the Company. This Code is posted on the website of the Company. All Board members and senior management personnel have confirmed compliance to the Code of Conduct. A declaration to this effect, duly signed by the Managing Director and CEO of the Company forms part of this Annual Report.

The above codes are also displayed on the Company's website [www.shoppersstop.com](http://www.shoppersstop.com).

### Compliance Report on Corporate Governance:

The Company submits on quarterly basis a compliance report on corporate governance in the format prescribed by the Securities and Exchange Board of India, within the statutory period, from the close of the quarter with the Stock Exchanges. The said report is placed before the Board every quarter at its subsequent meeting, for its noting and comments/ observations/advice, if any.

### Disclosure of Accounting Treatment

The Financial Statements of the Company comply with the Accounting Standards referred to in the Act.

### CEO & CFO Certificate

As required under Regulation 17(8) of the Listing Regulations, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company have furnished to the Board, a certificate regarding the Financial Statements for the year ended March 31, 2023 is annexed to this Report at Annexure - B.

### Certificate from Practicing Company Secretary

Kaushal Dalal & Associates, Practicing Company Secretaries (M.No. 7141, CP.No. 7512), have issued certificate pursuant to the provisions of the Listing

Regulations, certifying that as on March 31, 2023, none of the directors of the Company have been debarred or disqualified from being appointed/re-appointed or continuing as directors of the Company, by the Securities and Exchange Board of India / The Ministry of Corporate Affairs. The said certificate is annexed to this Report at Annexure - C.

### Recommendations of the Committees of the Board

There was no instance during the financial year, where the Board of Directors of the Company has not accepted any recommendations, of its Committees.

### Fees to Statutory Auditor and its affiliates

Details relating to the fees paid to the Statutory Auditors are given in Note No. 25.1 to the Standalone Financial Statements and Note No. 24.1 to the Consolidated Financial Statements.

### Prevention of Sexual Harassment (PoSH)

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("PoSH Act") and Rules made thereunder, your Company has adopted a policy for prevention of sexual harassment at workplace, which, inter-alia, provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. During the year under review, 20 cases were received and all the cases have been resolved in accordance with the PoSH Act. The Company has an Internal Complaints Committee (ICC) which is responsible for redressal of these complaints and follows the guidelines as stipulated in the policy. There are trainings being conducted for sensitising all the Customer Care Associates on PoSH.

### Disclosure of Loans and advances in nature of Loans to firms/ Companies in which Directors are interested

During the year under review, the Company has not provided any loans and advances to firms / Companies in which the Directors are interested.

### Compliance with Discretionary Requirements

The following non-mandatory requirements as provided under Regulation 27 (1) of the Listing Regulations read with Part E of Schedule II thereto, to the extent they have been adopted are as under:

**Separate posts of Chairperson and the Managing Director or the Chief Executive Officer :** The Company already has in place two different individuals

as Chairperson and Managing Director and they are not related to Promoter and Promoter Group. The Chairman is Non-Executive and Non-Independent Director and not related to the Managing Director and Chief Executive Officer, as per the definition of the term "relative", under the Act.

**Non-Executive Chairman's Office:** The Company has Non-Executive Non-Independent Chairman and his position is distinct from the office of the Managing Director and CEO. The Chairman's office is maintained by the Chairman himself.

**Shareholders Rights:** The Company has not adopted the practice of sending, half-yearly declaration of financial performance including summary of the significant events in last six-months, to shareholders. The quarterly financial results are approved by the Board based on the recommendation made by the Audit Committee and thereafter are disseminated to Stock Exchanges, public at large and updated on the website of the Company.

**Modified Opinion in Auditors Report:** The Company's financial statements for the year ended March 31, 2023 do not contain any modified audit opinion.

**Reporting of Internal Auditor:** In accordance with the provisions of Section 138 of the Act, the Company has appointed Internal Auditors who directly reports to the Audit Committee. The Head - Governance, Risk & Compliance co-ordinates with Internal Auditors and their quarterly internal audit reports are presented to the Audit Committee, which in turn reviews and suggests necessary steps and action.

#### Details of Compliance with Mandatory Requirements

The Company is in compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

#### Compliance with requirement of Corporate Governance Report

The Company is in compliance with the requirement of the Corporate Governance Report in terms of Schedule V of the Listing Regulations.

#### Declaration by Chief Executive Officer

Declaration signed by Mr. Venu Nair, Managing Director & Chief Executive Officer of the Company, stating that the Board of Directors and Senior Management Personnel have affirmed compliance with the 'Code of Conduct of Board of Directors and Senior Management' is annexed to this Report as Annexure - A.

#### Compliance Certificate from Statutory Auditors regarding compliance of conditions of Corporate Governance:

A certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance forms part of this Annual Report.

#### Disclosures with respect to demat suspense account/ unclaimed suspense account

Details provided hereinabove.

## Declaration on Adherence to the Code of Conduct

Annexure-A

To,  
The Members of  
**Shoppers Stop Limited**

I hereby declare that the Directors and Senior Managerial Personnel of the Company have affirmed in writing, their compliance with the Company's Code of Conduct for the Board of Directors and senior management, during the year ended March 31, 2023.

For **Shoppers Stop Limited**

**Venugopal G. Nair**

Customer Care Associate & Managing Director and Chief Executive Officer

Date: April 26, 2023

Place: Mumbai

## CEO and CFO Certification

Annexure-B

To,  
The Board of Directors  
**Shoppers Stop Limited**

Umang Tower, 5th Floor, Mindspace, Off. Link Road, Malad (West), Mumbai - 400 064.

Dear Sirs/ Madam,

We hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year 2022-23 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 a fair view of the Company's affair 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 the 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 the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) there were no significant changes in internal control over the financial reporting during the year;
  - (ii) there were no significant changes in accounting policies during the year; and
  - (iii) there were no instances of significant fraud of which we have become aware.

For **Shoppers Stop Limited**

For **Shoppers Stop Limited**

**Venugopal G. Nair**

Customer Care Associate &  
Managing Director and Chief Executive Officer

Date: April 26, 2023

Place: Mumbai

**Karunakaran Mohanasundaram**

Customer Care Associate & Chief Financial Officer

**Annexure- C**

**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)

To,

The Members of

**SHOPPERS STOP LIMITED**

Umang Tower, 5th Floor, Mindspace,

Off. Link Road, Malad (West), Mumbai-400064

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SHOPPERS STOP LIMITED (hereinafter called "the Company") having CIN: L51900MH1997PLC108798 and registered office at Umang Tower, 5th Floor, Mindspace, Off. Link Road, Malad (West), Mumbai-400064, produced before me 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.

In my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authorities.

Sr. No.	Name of Director(s)	DIN No.	Date of appointment in Company
1	Mr. Nagesh Basavanhalli	00027595	01-04-2005
2	Mr. Deepak Ghaisas	00001811	24-07-2004
3	Mr. Ravi Chandru Raheja	00028044	16-06-1997
4	Mr. Neel Chandru Raheja	00029010	16-06-1997
5	Mr. Nirvik Singh	01570572	16-06-2008
6	Mr. Manish Chokhani	00204011	31-07-2014
7	Ms. Christine Kasoulis	09365330	20-10-2021
8	Mr. Arun Sirdeshmukh	01757260	20-10-2021
9	Mr. Mahesh Chhabria	00166049	23-01-2023
10	Ms. Smita Jatia	03165703	20-02-2023
11	Mr. Robert Bready*	06842835	27-07-2018
12	Mr. Venugopal G. Nair	00046163	06-11-2020

\*Mr. Robert Bready ceased to be Director on January 23, 2023.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

For **Kaushal Dalal & Associates**  
**Practicing Company Secretaries**

**Kaushal Dalal**

Proprietor

Date: April 26, 2023

Place: Mumbai

M. No: 7141 CP No: 7512

UDIN:F007141E000198508

**SECTION A: GENERAL DISCLOSURES**

**I. Details of the listed entity**

1. Corporate Identity Number (CIN) of the Listed Entity	L51900MH1997PLC108798
2. Name of the Listed Entity	Shoppers Stop Limited
3. Year of incorporation	1997
4. Registered office address	Umang Tower, 5th Floor, Mindspace, Off. Link Road, Malad (West), Mumbai - 400 064.
5. Corporate address	Umang Tower, 5th Floor, Mindspace, Off. Link Road, Malad (West), Mumbai - 400 064.
6. E-mail	company.secretary@shoppersstop.com
7. Telephone	022-42497000
8. Website	www.shoppersstop.com
9. Financial year for which reporting is being done	April 1, 2022 to March 31, 2023
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11. Paid-up Capital	₹54.83 Crores

**12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**

Name	Mr. Vijay Kumar Gupta (VP-Legal, CS & Compliance Officer)
Telephone Number	022-42497000
Email Address	company.secretary@shoppersstop.com

**13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):** on Standalone Basis pertaining only to Shoppers Stop Limited

**II. Products/services**

**14. Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Trade	Retail Trading	100

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Fashion Retail business	477	100

**III. Operations**

**16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National*	Not Applicable	98 Departmental stores, 7 HomeStop stores, 142 Beauty stores, 23 Airport stores, 1 Service Office 4 Warehouses	275
International*	Not Applicable	Nil	Nil

\*The Company has retail outlets and does not undertake any manufacturing activity.

## 17. Markets served by the entity:

### a. Number of locations

Locations	Number
National (No. of States)	22 States
International (No. of Countries)	Nil

### b. What is the contribution of exports as a percentage of the total turnover of the entity? - Not Applicable

### c. A brief on types of customers

Our customers broadly fall into three categories i.e Personal Shoppers, Digital Shoppers and walk in customers:-

- Personal Shoppers Service is one of India leading Omni-channel service which provide personalised assistance at stores as well as digitally.
- Digital Shoppers connect through video call, or chat messenger services available on our e-commerce website and app.
- Customers also connect via pre-booking appointment from online or directly walk in at stores.

## IV. Employees

### 18. Details as at the end of Financial Year:

#### a. Employees and workers (including differently abled):

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>					
1. Permanent (D)	6,319	4,425	70.03	1,894	29.97
2. Other than Permanent (E)	1,918	1,452	75.70	466	24.30
3. <b>Total employees (D + E)</b>	8,237	5,877	71.35	2,360	28.65
<b>WORKERS</b>					
4. Permanent (F)					
5. Other than Permanent (G)			Nil		
6. <b>Total workers (F + G)</b>					

#### b. Differently abled Employees and workers:

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>					
1. Permanent (D)	182	148	81.32	34	18.68
2. Other than Permanent (E)	0	0	0	0	0
3. <b>Total differently abled employees (D + E)</b>	182	148	81.32	34	18.68
<b>DIFFERENTLY ABLED WORKERS</b>					
4. Permanent (F)					
5. Other than Permanent (G)			Nil		
6. <b>Total differently abled workers (F + G)</b>					

### 19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20%
Key Management Personnel	3	0	0%

## 20. Turnover rate for permanent employees and workers

Particulars	FY 2022-2023 (Turnover rate in current FY)			FY 2021-2022 (Turnover rate in previous FY)			FY 2020-2021 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	55.55%	53.18%	54.82%	37.37%	40.79%	38.39%	50.26%	56.20%	52.01%
<b>Permanent Workers</b>	Not Applicable								

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 21. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Shoppers Stop Brands India Limited (Formerly known as Shopper's Stop Services (India) Limited)	Wholly owned Subsidiary	100%	No
2.	Shoppers' Stop.Com (India) Limited	Wholly owned Subsidiary	100%	No
3.	Global SS Beauty Brands Limited (Formerly known as Upasna Trading Limited)	Wholly owned Subsidiary	100%	No
4.	Gateway Multichannel Retail (India) Limited	Wholly owned Subsidiary	100%	No

During the year under review, Crossword Bookstores Private Limited (earlier Crossword Bookstores Limited) wherein the Company held 49% equity stake on April 1, 2022; ceased to be an Associate Company of your Company w.e.f October 12, 2022, by virtue of the Company initially disposing off 19.5% of its stake on April 8, 2022 and another 19.5% of its stake on October 12, 2022.

## VI. CSR Details

### 22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) : Yes.

(ii) Turnover (in ₹) : ₹3,998.36 Crores (Standalone)

(iii) Net worth (in ₹) : ₹231.95 Crores (Standalone)

## VII. Transparency and Disclosures Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No)  (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Not Applicable	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	No	Nil	Nil	-	Nil	Nil	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	<a href="https://corporate.shoppersstop.com/investors/shareholder-query/">https://corporate.shoppersstop.com/investors/shareholder-query/</a> and <a href="https://scores.gov.in/scores/Welcome.html">https://scores.gov.in/scores/Welcome.html</a>	3	Nil	All the complaints were in respect of request for statutory documents.	Nil	Nil	
Employees and workers*	Yes, available on Company intranet <a href="http://www.spandhan.in/Pages/SSHome.aspx">http://www.spandhan.in/Pages/SSHome.aspx</a>	1	Nil	-	Nil	Nil	-
Customers**	Yes, <a href="https://www.shoppersstop.com/">https://www.shoppersstop.com/</a>	1,53,505	6	***	2,01,985	1,143	***
Value Chain Partners	No	Nil	Nil	-	Nil	Nil	-
Other (please specify)	No	Nil	Nil	-	Nil	Nil	-

\*Unfair separation, Favouritism, Inappropriate Behaviour, Misconduct, Workplace Harassment, Misuse of Power (excluding POSH complaints).

\*\*Customer Service related (Billing, Membership, Staff Service, Online)

\*\*\* The number of customer complaints / queries are not comparable with that of the previous year as in FY 2022, owing to the pandemic. Also, in FY 2023 the complaints / queries increased in the context of our significantly enlarging the scale of online business.

#### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Saving of Electricity at stores by implementation of IOT solutions that will monitor and control temperatures.	Opportunity (O)	Saving of cost and conservation of natural resources (Opportunity)	Not Applicable	Cost efficient (positive implication)
2	Use of fabrics for garments which are sustainable (using Bamboo Cotton, Linen, plastic waste, etc.)	Opportunity (O)	Conservation of natural resources & Recycling of plastics (Opportunity)	Not Applicable	Cost negative
3	Reducing / Reuse of plastic (usage of 100% biodegradable corn bags for packaging and recycling of plastic).	Opportunity (O)	Reduction of pollution (Opportunity)	Not Applicable	Cost negative
4	Usage of CNG / Electric Vehicles for transportation of merchandise	Opportunity (O)	Saving of cost and conservation of natural resources (Opportunity)	Not Applicable	Cost efficient (positive implication)

#### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Principle wise (as per NVGs) BR Policies										
P1	Ethics, Transparency and Accountability									
P2	Product Responsibility									
P3	Wellbeing of Employees									
P4	Responsiveness to Stakeholders									
P5	Human Rights									
P6	Environmental Responsibility									
P7	Public Policy Advocacy									
P8	Inclusive Growth and Equitable Development									
P9	Engagement with Customers									
Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
	Note 1:	Policies mandated under the Companies Act, 2013 (the Act) and the Listing Regulations are approved by the Board and is signed by the Managing Director & Chief Executive Officer. Other policies are approved by the Managing Director & Chief Executive Officer/ Functional Heads of the Company, as appropriate from time to time								
	c. Web Link of the Policies, if available	Policies mandated to be displayed on website of the Company as per the Act and Listing Regulations are displayed at <a href="https://corporate.shoppersstop.com/investors/policies/">https://corporate.shoppersstop.com/investors/policies/</a> and all other policies are displayed on intranet platform 'Spandhan'								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
4.	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	No	No	No	No	No	No	No	No	No
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes
Governance, leadership and oversight										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Venu Nair, Managing Director & CEO								
	Name of Director responsible for the Business Responsibility Report	Venu Nair, Managing Director & CEO								
	Highlights of ESG related challenges	Your Company is a very responsible corporate which places great emphasis on ensuring that its operations are conducted in an ethical, responsible and sustainable manner, meeting (exceeding) expectations of society and the government, with minimum carbon footprint and upholding stakeholders interest.  Your Company is a retailer and does not have its manufacturing plants. Hence, while the Company does not have its own manufacturing set-up where a lot can be done on operating plants in a sustainable manner, within its scope of operations, your Company is making its best efforts to create a positive impact on the environment.								



	The highlights include, measures for conservation of energy at stores by implementation of IOT solutions that will monitor and control temperatures, resulting in reduction of electricity units and consequent savings in CO <sub>2</sub> gas emissions to the tune of 384 tonnes. Other endeavors include use of fabrics for garments which are sustainable (using Bamboo Cotton, Linen, plastic waste, etc.) and use of CNG / Electric vehicles for its logistics. Further the emphasis of your Company is on setting up / renovating stores with environmentally sustainable material.
Targets and achievements	In terms of its obligation as a brand owner to reuse / recycle plastic, your Company appointed a CPCB Registered Plastic Waste Processor, which collected and recycled 1108 MT of plastic under EPR guidelines of Plastic Waste Management Rules, 2016.  During the year, as per its target, successfully implemented IOT solutions for saving electricity costs for 60 stores and has taken a target for completing the balance stores /service office by Q2 of 2023-24.  Your Company continued its journey towards procuring fabrics / garments for its private brands which are sustainable, bio degradable and recyclable to ensure low carbon footprint apart from consuming lesser water for production of those fabrics. This includes use of Livaeco Viscose and, Linen and Recycled polyester and has resulted in saving in emissions to the tune of 43,584 kgs.  For the Financial Year 2023-24, your Company is targeting further increase in usage of sustainable fabrics for its private labels.  Your Company has further identified certain key areas for laying out the ESG goals of your Company and developing ESG strategies.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Venu Nair, Managing Director & CEO is responsible for implementation and oversight of the Business Responsibility policy (ies). The Business Responsibility performance would be periodically assessed by the Management / Board of Directors and its Committees
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	

**10. Details of Review of NGRBCs by the Company**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	BR policies of the your Company are reviewed periodically or on a need basis by the Management/ Board of Directors and its Committees.									Currently, the Company has not mapped frequency for review of performance and policies however, The Company has been abiding the spirit and content of the Code of Conduct and the applicable laws are captured in the policies framed by the Company.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Your Company is in compliance with statutory requirements as applicable.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	No	No	No	No	No	No	-	No	No
	The internal auditors and GRC function carry out independent audit / evaluation of working of these policies from time to time (including the functioning of the Human Relationship Department). The Company is certified as a Great Place to Work by the Great Place to Work, India, which was engaged to take independent feedback from employees on human rights grievances /complaints.																	

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify) <b>Note 1</b>	-	-	-	-	-	-	-	-	-

**Note 1** - While there is no specific policy outlined for Principle 7 (P7), the Company, through trade bodies and associations, puts forth its suggestions.

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable**

**Essential Indicators**

Segment	Total No of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	Board of Directors and KMPs are periodically updated about the matters relating to economy, business, environment, statute, governance etc., as are necessary to enable them to perform effectively.		
Key Managerial Persons (KMPs)			
Employees other than BOD and KMPs	Upto 9 training sessions organised for each of the mangers and the executives.	Shoppers Stop Limited Code of Conduct <ul style="list-style-type: none"> <li>Insider Trading</li> <li>Whistle Blower Policy</li> <li>Prevention of Sexual Harassment (POSH)</li> <li>Personal Shoppers Training Programme</li> <li>Learn Excel Achieve and Perform Programme (L.E.A.P)</li> <li>Baby Kangaroo</li> <li>Learning Planet</li> <li>Leadership Excellence Accreditation &amp; Development program (L.E.A.D)</li> </ul>	95%
Workers	Not Applicable		

**2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

No fines/penalties/punishment/award/compounding fees/settlement amount is paid beyond the minimum threshold of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the your Company website.

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred (Yes/No)	
Imprisonment	-	-	-	-	
Punishment	-	-	-	-	

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	Nil

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Your Company has zero tolerance towards bribery and corruption. The same forms a part your Company's HR Handbook and Code of Conduct for Board of Directors and Senior Management which can be accessed at <https://corporate.shoppersstop.com/investors/policies/>. This is further strengthened by having each member of the senior management going through a refresher of the policy every year and signing up to the policy.

Your Company also has a robust Whistleblowing policy for the employees and vendors to report any misconduct and malpractices. The same forms a pillar of your Company's commitment to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

**6. Details of complaints with regard to conflict of interest:**

Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year	Remarks	FY 2021-22 Previous Financial Year	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

- Not Applicable.

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

The training programmes conducted for the employees are also available for the brand staff at your Company's stores.

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, your Company observes highest standards of Corporate Governance, with the majority of Directors being Independent Directors. The Directors are also bound by the provisions of the Company's Code of Conduct for Board of Directors and Senior Management (which can be accessed at <https://corporate.shoppersstop.com/investors/policies/>), which deals with related party transactions and any conflict of interest.

The Directors make a yearly disclosure at the beginning of each year of related parties and thereafter give periodical updates in case of any changes. They do not participate in any discussion involving related party transactions and further the related party transactions are reviewed by the Audit Committee and Board before approval (if any) is granted for the same. Entries of transactions are made in the Register of Contracts, disclosures thereof are made to the Stock Exchanges and in the Annual Report.

**PRINCIPLE 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Your Company is not into manufacturing. Accordingly, no R&D and Capital Expenditure is undertaken in respect of the products sold by your Company.

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes. In respect of Private Labels of your Company, the Company is making a sustained effort to use fabrics which are sustainable (using Bamboo Cotton, Linen, plastic waste, etc.). The procedures involve identification of material which is sustainable and effort are made to use the same.

**b. If yes, what percentage of inputs were sourced sustainably?**

Your Company generally uses fabrics for its private label, which are sustainable (using Bamboo Cotton, Linen, plastic waste, etc.). However, since the Company does not have data of material used in merchandise of other brands sold by the Company, the Company is not in a position to provide the percentage of inputs which are sourced sustainably.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

- As your Company is into retail business and into trading the goods there is no hazardous waste generation.
- As a social and environmentally responsible organisation your Company has adopted nil plastics packaging or shopping bags, we are using 100% recyclable paper bags made of corn.
- Your Company has registered itself as a brand owner on the EPR portal of Central Pollution Control Board. In terms of the same, your Company has engaged a CPCB Registered Plastic Waste Processor for collecting and disposing of plastic waste equivalent to its target. The said work is being done in the area of operations of your Company, effectively reducing the plastic waste which would have gone untreated in landfills/water. In terms of same, the agency collected and recycled 1108 MT of plastic under EPR guidelines of Plastic Waste Management Rules, 2016.
- Your Company is receiving the merchandise in 100% recyclable cartons, which your Company re-uses for product replenishment between the DC and Stores and at the end of life of cartons, same will be given for recycling through the scrap vendors.
- As an environmentally responsible organisation, your Company is giving the e-waste to authorised e-waste collectors to be disposed off scientifically.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. Your Company has registered itself as a brand owner on the EPR portal of Central Pollution Control Board. Your Company has registered itself as a brand owner on the EPR portal of Central Pollution Control Board. In terms of the same, your Company has engaged a CPCB Registered Plastic Waste Processor for collecting and disposing of plastic waste equivalent to its target. The said work is being done in the area of operations of your Company, effectively reducing the plastic waste which would have gone untreated in landfills/water.

**Leadership Indicators**

**1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Your Company is not into manufacturing. Hence, no LCA was conducted.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Not Applicable for reason as given above. Your Company is conscious of the limited carbon foot print that it may be creating by virtue of using electricity and air conditioners at its stores and distribution centers. In respect to the same your Company has undertaken measures for implementation of Heating, Ventilation, and Air Conditioning (HVAC) efficiency. Similarly your Company uses CNG / electric vehicles for the movement of its merchandise.

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Not Applicable for reason as given above. Your Company is not in production, however it is making sustained efforts to use fabrics which are made of plastic waste, in respect of its private labels.

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Re-cycled	Safety Disposed	Re-Used	Re-cycled	Safety Disposed
Plastics (including packaging)	Nil	1108 Metric Tonnes	Nil	Nil	Nil	Nil
E-Waste	Nil	Nil	2.576Metric Tonnes	Nil	Nil	0.323 Metric Tonnes
Hazardous Waste	Nil	Nil	Nil	Nil	Nil	Nil
Other Waste	Nil	Nil	Nil	Nil	Nil	Nil

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not Applicable for reason as given above.

**PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS:**

**Essential Indicators**

**1.a. Details of measures for the well-being of employees**

Category	Total (A)	% of workers covered by									
		Health insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	3,692	2,826	76.54	3,692	100	0	0	91	2.46	Nil	Nil
Female	1,467	1,230	83.84	1,467	100	33	2.25	0	0	Nil	Nil
<b>Total</b>	<b>5,159</b>	<b>4,056</b>	<b>78.62</b>	<b>5,159</b>	<b>100</b>	<b>33</b>	<b>0.64</b>	<b>91</b>	<b>1.76</b>	<b>Nil</b>	<b>Nil</b>
<b>Other than Permanent workers</b>											
Male						Nil					
Female						Nil					
<b>Total</b>						Nil					

**1.b. Details of measures for the well-being of workers:**

Category	Total (A)	% of workers covered by									
		Health insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male						Nil					
Female						Nil					
<b>Total</b>						Nil					
<b>Other than Permanent workers</b>											
Male						Nil					
Female						Nil					
<b>Total</b>						Nil					

**2. Details of retirement benefits for Current and Previous FY**

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	95.65	-	Y	97.28	-	Y
Gratuity	95.65	-	Y	97.28	-	Y
ESI	54.24	-	Y	59.13	-	Y
Others - Superannuation	0.03	-	Y	0.03	-	Y

**3. Accessibility of workplaces - Are the premises/offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, All Stores and Service Office of the Company, have ramps and elevators for ease of access for differently abled people. Stores located in Malls have elevators and infrastructure for differently abled individuals.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy**

Your Company believes in equal opportunity for all its employees, wherein your Company is committed to providing an inclusive work culture and an environment free from any discrimination. Your Company is governed by Board of Directors and Senior Management, which does not treat anybody differently based on their gender, race, religion, age, disability, sexual orientation, national origin or any other characteristic.

The policy can be accessed at <https://corporate.shoppersstop.com/wp-content/uploads/sp-client-document-manager/1/7347b5e-eb6c1.pdf>.

**5. Return to work and Retention rates of permanent employees that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%		
Female	97.14%	97.14%	Not Applicable	
<b>Total</b>	<b>99.35%</b>	<b>99.35%</b>		

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees. If yes, give details of the mechanism in brief.**

	Yes / No. (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	
Permanent Employees	Yes. Details of mechanism given below.
Other than Permanent Employees	

- Your Company has always believed in open and transparent communication and regularly organises townhall and one to one meeting with reporting managers in order to address grievances, if any.
- Employees are encouraged to share their concerns with their HODs, HR or the members of the Senior Leadership Team.
- Your Company has followed an open-door policy, wherein any employee irrespective of hierarchy has access to the Leadership Team.
- In addition, new employees are sensitised on Code of Conduct, which also forms part of the employee induction programme.
- Your Company on a regular basis sensitises its employees on the prevention of sexual harassment at the workplace by mandatory attendance in workshops and awareness programmes which are held on a regular basis.

**7. Membership of employees in association(s) or Unions recognised by the listed entity**

The Company does not have any employee associations or Union.

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total employees/workers in respective category (A)	No. of employees/Workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/Workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees			Nil			
- Male			Nil			
- Female			Nil			

**8. Details of training given to employees**

Category	Total (A)	FY 2022-23 Current Financial Year				Total (D)	FY 2021-22 Previous Financial Year			
		On health and safety measures		On skill upgradation			On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male		4425	100	4203	95	3837	3837	100	3837	100
Female		1894	100	1800	95	1565	1565	100	1565	100
<b>Total</b>		6319	100	6003	95	5403	5403	100	5403	100
<b>Workers</b>										
Male										Nil
Female										Nil
<b>Total</b>										Nil

**9. Details of performance and career development reviews of employees and worker:**

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	650	456	70%	351	238	68%
Female	412	146	35%	81	72	89%
<b>Total</b>	1062	602	57%	432	310	72%
<b>Workers</b>						
Male						Nil
Female						Nil
<b>Total</b>						Nil

**10. Health and Safety Management System**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, due to the nature of the work, there are no critical occupational health and safety risks. Your Company has periodic internal communications which are sent out to employees and awareness sessions are conducted on safety related aspects. Employees on a pan-India basis are given periodic training on basic and advanced fire safety, including evacuation and mock drills are organised on time to time basis.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

There are various checklists in place at store levels which is religiously updated by the Administration & Maintenance every day.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Not Applicable, since your Company does not have any workers.

**d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Not Applicable	Not Applicable
No. of fatalities	Employees	Nil	Nil
	Workers	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Not Applicable	Not Applicable

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

- Menstrual Leave was introduced this year for all female employees, enabling a balanced work place for taking care of themselves. At the service office, all the employees are provided with Work from Home (WFH) facility to maintain appropriate work life balance. Periodic Health Check-ups are conducted for bringing both awareness and alertness for any serious health concerns, ensuring that the employee does not ignore his own health; Regular Group Mediclaim policies for all the employees and their immediate family members are provided by the Company to take care of their finances in times of any health related crises in the family.

- Post the pandemic Mental Health has been a new challenge and we have hence identified this as an area of concern. Hence for addressing this concern for Mental Wellness, we have tied up with reputed & professional agency in this space. This facility provides a platform for any employee, across the country to seek help, whenever needed for himself & for his immediate family members for any issues related to stress and depression. It also provides counselling for employees who need help.
- We also proactively support all our employees to join the Volunteering initiatives to support social causes of various NGO's across the Country; we believe doing something for others in Society helps an individual to grow within and provides a deep sense of gratitude and satisfaction to what one has already received from the universe. This in turn supports the mental health of the person providing the volunteering service
- We have appointed a general Physician in office premises for any employee to approach them for any consulting needed for their health concerns. We have created a recreational area inside the office premises for providing temporary breaks from office routine to engage the employee into various activities and games of their interest apart from deployment of fitness equipment's for working on their physical fitness aspect as well.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

**14. Assessments for the year:**

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	Not Applicable
Working Conditions	Not Applicable

Since, Your Company is not into manufacturing business aforesaid assessments are not applicable.

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

For the safety of the employees from hazards arising out of electricity and fire, your Company has implemented/ installed the following measures/equipments:

- Lock out/Tag out kits (LOTO kits)
- Fire sprinkler and Emergency Exit sign boards
- Periodic checks with Thermography scanning

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, Employees are covered under Life Insurance.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Your Company's financial processes/systems are designed to release payments to third party manpower service providers, like the Security and Housekeeping agencies, only after the proof of payments/dues of deposition with the ESIC, PF authorities are provided on a month on month basis for their staff deployed at your Company's location.

Your Company also ensures that its value chain partners make the payment of statutory dues and your Company avails the GST credit only to that extent as well.

**3. Provide the number of employees/workers having suffered high consequence work- related injury/ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated Total no. of affected employees/workers and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

Yes, Company provides various programme assistance and training sessions to facilitate continued employability.

**5. Details on assessment of value chain partners:**

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	Nil
Working Conditions	Nil

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Currently, your Company does not have any significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

**PRINCIPLE 4 BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity**

Your Company respects the interest of and is responsive towards all stakeholders. Your Company has identified its stakeholders and ensures periodic and effective communication with them. Key categories of internal and external stakeholders comprise customers, vendors and suppliers, employees, shareholders, investors, government and regulatory authorities and communities at large. Your Company regularly interact with these stakeholders. Your Company has well-established, adequate grievance redressal systems for customers, employees and shareholders. Special initiatives are taken by your Company to engage with the marginalised stakeholders, as part of Company's CSR initiatives of your Company.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Your Company discloses all relevant information about its products, business and financial performance and other statutory information on its website and other media communications to ensure effective and continuous stakeholder engagement from time to time.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of Communication	Frequency of engagement (Annually/Half Yearly/ Quarterly others- specify please)	Purpose and scope of engagement including key topics and concerns raised during such engagements
Internal and external stakeholders comprise customers, vendors and suppliers, employees, shareholders, investors, government and regulatory authorities and communities at large.	Yes	Emails, SMS, Community Meetings, Advertisements	Timely Disclosures are made Quarterly, Half Yearly and Annually as and when required.	Your Company discloses all relevant information about our products, business and financial performance and other statutory information on its website and other media communications to ensure effective and continuous stakeholder engagement from time to time.

#### Leadership Indicators

#### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Your Company has always maintained transparency between stakeholders and the Board on the feedback received from the stakeholders on economic and social topics. In view of your Company not being engaged in manufacturing, there are very limited environmental issues so arising. The Board of Directors are informed by the senior management team in the quarterly meetings of the feedback received from various stakeholders and the proposed and planned initiatives to be considered by your Company.

#### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, your Company uses the feedback received from stakeholders for identification and management of environmental and social topics affecting your Company. Your Company is working on implementation of ESG aspects and stakeholders feedback and consultation would help to identify important aspects on environmental, and social topics.

#### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

Your Company is working with MSME vendors and helping them to grow. Further, your Company is engaged in CSR activities from past many years which focuses on vulnerable/marginalised stakeholder base.

### PRINCIPLE 5 BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

#### Essential Indicators

#### 1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	4425	4425	100	5403	5403	100
Other than Permanent	1894	1894	100	1473	1473	100
<b>Total</b>	<b>6319</b>	<b>6319</b>	<b>100</b>	<b>6876</b>	<b>6876</b>	<b>100</b>
<b>Workers</b>						
Male			Nil			
Female			Nil			
<b>Total</b>			Nil			

#### 2. Details of minimum wages paid to employees in the following format

Category	Total (A)	FY 2022-23 Current Financial Year				Total (D)	FY 2021-22 Previous Financial Year			
		Equal to minimum wage		More than minimum wage			Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (B/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	3401	987	29.02	24.14	70.98	3,837	883	23.01	2,954	76.99
Female	1473	479	32.52	994	67.48	1,565	351	22.43	1,214	77.57
<b>Other than Permanent</b>										
Male	1025	1025	100	0	0	1,119	1,119	100	0	0
Female	421	421	100	0	0	354	354	100	0	0
<b>Workers</b>										
<b>Permanent</b>										
Male										
Female										
<b>Other than Permanent</b>										
Male										
Female										

#### 3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category (₹ in Lakhs)	Number	Median remuneration/salary/ wages of respective category (₹ in Lakhs)
Board of Directors (BoD)	9	11.62	2	6.75
Key Managerial Personnel	3	275.00	0	Nil
Employees other than BoD and KMP	4,417	3.01	1,889	3.21
Workers	Nil	Nil	Nil	Nil

#### 4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the CHRO is responsible for addressing human rights impacts or issues caused or contributed to by the business.

#### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Human rights are a non-negotiable priority for your Company. Your Company's Unified Code of Conduct, which extends to all employees, business partners and third-party contractors, clearly articulates your Company's values of promoting utmost respect for human rights. Your Company adheres to all statutes that embody the principles of human rights, such as prevention of child labour, empowerment of women, civil liberties, non-discrimination, etc. Your Company proactively takes corrective measures to mitigate any breach in the above-mentioned matters.

**6. Number of Complaints on the following made by employees**

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	20	0	The complaints received were investigated by the POSH Committee and necessary actions were taken on the same. The status on the complaints was placed before the Board and NRC periodically.	13	0	The complaints received were investigated by the POSH Committee and necessary actions were taken on the same. The status on the complaints was placed before the Board and NRC periodically.
Discrimination at workplace Child Labour						
Forced Labour/ Involuntary Labour				Nil		
Wages						
Other human rights related issues						

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases**

- Independent Internal Committee (IC) drawn from leadership team, takes independent decisions and actions as per Sexual Harassment at Workplace Act 2013.
- Whistle Blower complaints are anonymised and shared with the Audit Committee of the Board at quarterly reviews.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Human rights are a non-negotiable priority for your Company. Your Company adheres to all statutes that embody the principles of human rights, such as prevention of child labour, empowerment of women, civil liberties, non-discrimination, etc. These form part of the obligations to be complied by your Company's vendors under the business agreements and contracts signed by the your Company with them.

**9. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Not Applicable
Forced/involuntary labour	Not Applicable
Sexual harassment	Nil, your Company is in compliance with all laws and statutory requirements.
Discrimination at workplace	Nil, your Company is in compliance with all laws and statutory requirements.
Wages	Nil, your Company is in compliance with all laws and statutory requirements.
Others- please specify	Not Applicable

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above**

Not Applicable.

**Leadership Indicators**

**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

Your Company undertakes a review of its business processes periodically to identify any issues which may give rise to human right grievances/complaints. In view, of this being a continuous process, no specific business process can be identified as being modified/introduced as a result of addressing human rights grievances/complaints.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

Your Company conducts due diligence through internal assessments. Further, third party vendors like, Great Place to Work (GPTW) were engaged to take independent feedback from employees on human rights grievances / complaints.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, at Stores and Services Office.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	No assessment was conducted. However, the Sexual Harassment Policy of your Company extends to the brand staff stationed at your Company stores.
Discrimination at workplace	
Child Labour	The vendors are contractually bound to comply with the aforesaid requirement. Further, your Company conducts periodical checks in respect of the brand staff to ensure compliance.
Forced Labour/Involuntary Labour	
Wages	
Others - please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above**

Not Applicable.

**PRINCIPLE 6 BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total electricity consumption (A)	81,030,446	4,53,18,501
Total fuel consumption (B)	Not Applicable	Not Applicable
Energy consumption through other sources (C)	Not Applicable	Not Applicable
Total energy consumption (A+B+C)	81,030,446	4,53,18,501
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	Not Applicable	Not Applicable
Energy intensity (optional) - the relevant metric may be selected by the entity	Not Applicable	Not Applicable

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. – Not Applicable**

**3. Provide details of the following disclosures related to water, in the following format:**

Your Company's usage of water is primarily restricted to human consumption purposes only. Efforts have been made to ensure that water is consumed cautiously in the stores and service office premises. Sensor taps are installed in service office washrooms to save on water consumption.

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Water withdrawal by source (in kilolitres)	Nil	Nil
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater/desalinated water	Nil	Nil
(v) Others	Your Company receives water at the stores from the Mall management and the same is not metered. Accordingly, the quantity of the water consumption cannot be identified.	
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>Nil</b>	<b>Nil</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>Nil</b>	<b>Nil</b>
<b>Water intensity per rupee of turnover (Water consumed/turnover)</b>	<b>Nil</b>	<b>Nil</b>
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	<b>Nil</b>	<b>Nil</b>

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Not Applicable

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Not Applicable

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Since, your Company is not into Manufacturing Business and does not have any Plants or manufacturing units, air emissions are not applicable.

Parameter	Please specify unit	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
NOx			
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)		Not Applicable	
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Not Applicable

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Since, your Company is not into manufacturing business and does not have any plants or manufacturing units, air emissions are not applicable.

Parameter	Unit	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	Not Applicable	Not Applicable
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	Not Applicable	Not Applicable
Total Scope 1 and Scope 2 emissions per rupee of Turnover		Not Applicable	Not Applicable
Total Scope 1 and Scope 2 emission intensity (optional)		Not Applicable	Not Applicable

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Not Applicable

**7. Does the entity have any project related to reducing Greenhouse gas emission? If Yes, then provide details.**

- Your Company has installed at its various stores solar roof top for energy generation and saving, your Company plans to install solar roof top in as many stores as permitted by the lessors.
- Your Company has undertaken to implement IOT solutions for Heating, Ventilation and Air Conditioning (HVAC) efficiency for all its stores. This would substantially reduce the power consumption, reducing greenhouse gas emissions.

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	1108 Metric Tonnes	Not Applicable
E-waste (B)	2.576 Metric Tonnes	0.323 Metric Tonnes
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable
Other Hazardous waste. Please specify, if any. (G)	Not Applicable	Not Applicable
Other Non-hazardous waste generated (H). Please specify, if any.(Break-up by composition i.e. by materials relevant to the sector)	Not Applicable	Not Applicable
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>1110.57 Metric Tonnes</b>	<b>0.323 Metric Tonnes</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	Not Applicable	Not Applicable
(ii) Re-used	Not Applicable	Not Applicable
(iii) Other recovery operations	Not Applicable	Not Applicable
<b>Total</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		



Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
<b>Category of waste</b>		
(i) Incineration	Not Applicable	Not Applicable
(ii) Landfilling	Not Applicable	Not Applicable
(iii) Other disposal operations	Not Applicable	Not Applicable
Total	Not Applicable	Not Applicable

Note:

E-waste recycling is carried out by various e-waste vendors across all locations of the Company.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No**

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Your Company has adopted practices to introduce sustainable products in its product range and re-usable eco-friendly products in few of category ranges.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details:

Not Applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, since your Company is not into manufacturing business and does not manufacture products aforesaid laws are not directly applicable. However, at store level your Company is compliant with all applicable environmental laws for disposal of waste.

**Leadership Indicators**

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
<b>From renewable sources</b>		
Total electricity consumption (A)	Not Applicable	Not Applicable
Total fuel consumption (B)	Not Applicable	Not Applicable
Energy consumption through other sources (C)	Not Applicable	Not Applicable
<b>Total energy consumed from renewable sources (A+B+C)</b>	Not Applicable	Not Applicable
<b>From non-renewable sources</b>		
Total electricity consumption (D)	81,030,446	4,53,18,501
Total fuel consumption (E)	Not Applicable	Not Applicable
Energy consumption through other sources (F)	Not Applicable	Not Applicable
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	81,030,446	4,53,18,501

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No**

2. Provide the following details related to water discharged:  
Not Applicable

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

Not Applicable

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable

For each facility/plant located in areas of water stress, provide the following information:

- (i) Name of the area
  - (ii) Nature of operations
  - (iii) Water withdrawal, consumption and discharge
- Not Applicable

4. Please provide details of total Scope 3 emissions & its intensity  
Not Applicable

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. - Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Waste Recycling	<ul style="list-style-type: none"> <li>• Revised partition details for new stores resulting in 70% lesser usage of cladding material.</li> <li>• Recycled store fixtures and lighting from closed down store Aurangabad, Ahmedabad to other stores in the same region. Recycled 70% lighting fixtures in Durgapur and Bandra store during renovations and new store at Bata Chowk. Revamped and reused, all back of house furniture in Chandigarh store.</li> <li>• Eliminated dedicated toilets within the store in all new and renovation stores that are 25,000 sq.ft. or lesser in size utilising the common facilities available in the mall.</li> <li>• Minimise scope of works in all renovation stores by retaining 90%+ false ceiling and all services above false ceiling.</li> <li>• Used environment-friendly alternatives wherever possible, in line with best-in-class store planning and maintenance practices.</li> <li>• Usage of 100% recyclable paper bags made of corn for packaging.</li> <li>• Registered as a brand owner on the EPR portal of Central Pollution Control Board. In terms of the same, your Company has engaged a CPCB Registered Plastic Waste Processor for collecting and disposing of plastic waste equivalent to its target. The said work is being done in the area of operations of your Company, effectively reducing the plastic waste which would have gone untreated in landfills/water. In terms of same, the agency collected and recycled 1108 MT of plastic under EPR guidelines of Plastic Waste Management Rules, 2016.</li> <li>• Your Company is receiving the merchandise in 100% recyclable cartons, which your Company re-uses for product replenishment between the DC and Stores and at the end of life of cartons, same will be given for recycle through the scrap vendors.</li> <li>• Usage of fabrics for garments which are sustainable (using Bamboo Cotton, Linen, plastic waste, etc.)</li> </ul>	Reduced waste which resulted into economising of costs to large extent.
2.	Energy efficient	<ul style="list-style-type: none"> <li>• Hi-lumen LED lighting in all our new and renovation stores resulting in approx. 20% lesser light fixtures.</li> <li>• Planned generic fixtures for all categories in 19+ new and renovated to eliminate fixtures scrapping due to frequent brand changes.</li> </ul>	This helped in reduction of electricity which resulted into cost saving.

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

Your Company has business continuity management systems (BCMS) policies in place, to cover the risk to business continuity. Further the continuity risks for the Company has also been mitigated, by deployment of new software's to the cloud platform. The Company has initiated changes in technological solutions ensuring mitigation of risks of continuity. The BCMS systems and processes is an exercise to analyse specific risk scenarios and document dependencies on both system and personnel including third party vendor personnel. The policy and programs helps in ensuring better resilience and preparedness to business continuity related challenges, arising out of any unforeseen calamities or risk. All major risks including continuity risks are also reviewed on a periodic basis.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Your Company is into retail industry. It evaluates environmental impact at various stages such as designing, manufacture (through external vendors), management of inventory and disposal of waste. The Company anticipates to achieve environmental impact at each of these stages to ensure a sustainable product life cycle.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

None

**PRINCIPLE 7 BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/associations.
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/ National)
1.	Confederation of Indian Industry (CII)	National
2.	Retailers Association Of India (RAI)	

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities. - No issues reported.**

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity**

The Company's representatives participate on various discussion include advocacy pursued by such industry boards such as TRAINN/RAI. The advocacy of such bodies is a collective effort to communicate with key stakeholders on the viewpoint of industry.

**PRINCIPLE 8 BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**Essential Indicators**

**1. Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not Applicable

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format**

Not Applicable

**3. Describe the mechanisms to receive and redress grievances of the community**

Not Applicable

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers**

Your Company is not engaged in manufacturing, however it does get apparels and other retail products manufactured from vendors. Accordingly, there is no input material. The final product is sold by your Company under its brands.

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/small producers	12.70%	12.09%
Sourced directly from within the district and neighbouring districts	NA	NA

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above) -**

Not Applicable

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

The CSR Projects undertaken by your Company do not cover any designated aspirational districts.

**3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

No. However, your Company does work with MSME vendors.

**b) From which marginalised/vulnerable groups do you procure?**

MSME vendors.

**c) What percentage of total procurement (by value) does it constitute?**

NA (for reason as explained herein above)

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

Not Applicable

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved**

Not Applicable

**6. Details of beneficiaries of CSR Projects:**

S.No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	The Company had no CSR Activities during the year	Nil	Nil

**PRINCIPLE 9 BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Your Company has a customer care number, email, website through which customers can log and register their queries/feedback/complaints.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about**

As a percentage to total turnover	
Environmental and social parameters relevant to the product	Currently, your Company has negligible percentage of total turnover. 100% of products contain instructions for safe and responsible usage.
Safe and responsible usage	100% of packaging material carry a message for safe disposal.
Recycling and/or safe disposal	

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Received During the Year	Pending resolution at end of	Remarks	Received During the Year	Pending resolution at end of	Remarks
Data privacy	Nil	Nil		Nil	Nil	
Advertising	Nil	Nil		Nil	Nil	
Cyber-security	Nil	Nil		Nil	Nil	
Delivery of essential services	Nil	Nil		Nil	Nil	
Restrictive Trade Practices	Nil	Nil		Nil	Nil	
Unfair Trade Practices	Nil	Nil		Nil	Nil	
Other	Nil	Nil		Nil	Nil	

**4. Details of instances of product recalls on accounts of safety issues -**

No such case reported

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, your Company has a privacy policy in place for the online consumers and its first citizen members which can accessed at <https://www.shoppersstop.com/privacy>.

Your Company also has an in-house policy which is available on Spandhan (in house-HRMS Portal) on cyber security.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

Your Company is constantly making efforts to improve its products and product deliveries. Any consumer complaint is duly analyzed and necessary action taken to ensure improvement in products and product deliveries. No corrective action is taken or underway.

**Leadership Indicators**

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information relating to all the products provided by your Company are available on its website <https://www.shoppersstop.com/>. Moreover, your Company actively uses various social media and digital platforms to disseminate information on its products.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Your Company educates consumers by highlighting product information through labels which are available on products. Further, information is also highlighted on your Company's website and app.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not Applicable

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

Yes, your Company displays all requisite product information on the product features and safe usage. Such information in multiple cases exceeds the mandate as per the local laws.

**5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, your Company considers customer feedback as one of the important factor, Company regularly conducts surveys through at store levels and through social handles to understand customer preference.

**6. Provide the following information relating to data breaches:**

**(a) Number of instances of data breaches along-with impact**

Nil

**(b) Percentage of data breaches involving personally identifiable information of customers**

Nil

## To the Members of Shoppers Stop Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Shoppers Stop Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement 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 profit 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.

### Emphasis of Matter

We draw attention to Note 30 to the standalone financial statements regarding non-provision of retrospective levy of service tax for the period from June 01, 2007 to March 31, 2010 on renting of immoveable properties given for commercial use, aggregating to ₹ 16.60 crores, pending final disposal of the appeal filed before the Supreme Court.

Our opinion is not modified in respect of this matter.

### 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
<p><b>(a) Allowance for inventory obsolescence and shrinkage</b> (as described in Note 2.4 of the standalone financial statements)</p> <p>As at March 31, 2023, the carrying amount of inventories amounted to ₹ 1,486.33 crores after considering allowance for Inventory obsolescence and shrinkage of ₹ 36.22 crores. These inventories are held at the stores and distribution centres of the Company.</p> <p>Allowance for Inventory obsolescence and shrinkage was an audit focus area since inventory cycle counts were carried out during the year at periodic intervals during the year and further significant judgement is involved in identifying the amount of provision for shrinkages. In addition, the Company also makes specific provisions for obsolescence as per its policy.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls that the Company has in relation to allowance for inventory obsolescence and shrinkage;</li> <li>We performed testing on the Company's controls over the inventory cycle count process. In testing these controls, we observed the inventory cycle count process at selected store and distribution centers on a sample basis, inspected the results of the inventory cycle count and confirmed variances were accounted for and approved by management;</li> </ul>

Key audit matters	How our audit addressed the key audit matter
<p><b>Impairment of Property, Plant &amp; Equipment and ROU Assets</b> (as described in Note 2.5 of the standalone financial statements)</p> <p>As at March 31, 2023, the carrying amount of immoveable assets under Property, plant &amp; equipment (PPE) and Right to Use (ROU) Assets is ₹ 209.48 crores and ₹ 1,636.06 crores respectively.</p> <p>As required as per Para 9 of Ind As, the Company assesses whether there is any indication that an asset or cash generating unit (CGU) may be impaired. As a result, management has performed an impairment assessment by estimating the recoverable values for all CGU's.</p> <p>The processes and methodologies for assessing and determining the value in use are based on assumptions, that by their nature imply the use of the management's judgment, in particular with reference to forecast of future cash flows, as well as the long-term growth rates and discount rates applied to such forecasted cash flows. Considering the judgment required for estimating the cash flows and the assumptions used, this is considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>We tested the accuracy of the aging report of inventories. On a sample basis we agreed the purchase date recorded in the inventory ageing report to the supplier invoice, obtained inventory provision calculation from the Company and re-performed the calculation of the inventory provision as per the policy of the Company;</li> <li>We assessed the Company's disclosures concerning this in Note 2A on significant accounting estimates and judgements and Note 9 Inventories to the financial statements.</li> </ul> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the Company's policy on assessment of impairment of Property, Plant &amp; Equipment and ROU Assets and assumptions used by the management including design and implementation of control;</li> <li>Tested the operating effectiveness of these controls;</li> <li>Assessing the methodology applied in determining the recoverable amount of each CGU compared with the requirements of IND AS 36 "Impairment of assets";</li> <li>Obtained and read the projections / future cashflows along with sensitivity analysis thereof;</li> <li>Evaluated management's methodology, key assumptions and estimates used in the calculations of discounted future cash flows;</li> <li>Performed sensitivity analysis around impact on future cash flows due to changes in key assumptions considered by management;</li> <li>Verified the arithmetical accuracy of the future cash flow model including comparison with approved budget on sample basis;</li> <li>Assessed the recoverability of CGU with regard to the value in use;</li> <li>Assessed the disclosures in accordance with the requirements of Ind AS 36 "Impairment of assets".</li> </ul>
<p><b>Assessment of Recoverability of Deferred Tax Assets</b> (as described in Note 2.7 of the standalone financial statements)</p> <p>The carrying value of deferred tax asset as at March 31, 2023 is ₹ 331.18 crore. Deferred tax assets are recognised 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.</p> <p>The Company's ability to generate future taxable profit to utilise the deferred tax balance available is assessed by the management at the end of each reporting period taking into account forecasts of future taxable profits and the applicable tax laws. In assessing the future taxable profits, management has made estimates based on assumptions in relation to financial projections and future taxable income of the entity.</p> <p>The recoverability of deferred tax assets is a key audit matter as its utilisation within the allowed time frame involves estimate of financial projections and availability of sufficient taxable income in the future.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the Company's accounting policy with respect to recognition of deferred taxes in accordance with Ind AS 12 "Income Taxes";</li> <li>Assessed the consistency of financial projections used by management in assessing recoverability of deferred tax assets with the financial budgets approved by senior management of the Company and the reliability of the process by which the estimates were calculated, by assessing the reasons for differences between projected and actual performances;</li> <li>Analysed the performance of the Company and assessed the assumptions used in forecast of future profits and expected utilisation of the unabsorbed business losses and unabsorbed depreciation, including understanding of management's estimate of business impact based on current market and economic conditions;</li> <li>Assessed the disclosures in Note 7 and 26 of the Standalone Ind AS financial statements in accordance with the requirements of Ind AS 12 "Income Taxes";</li> </ul>

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 draft Corporate Governance Report and draft Directors' 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, based on our audit 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 except that we are unable to comment whether daily backups were taken due to absence of logs beyond the cyclic period of 30 to 60 days (refer note 41 (h) to the financial statements).
- (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 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 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:

## "Annexure 1"

### REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 29 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 has been no delay in transferring amounts, 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, 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 persons or entities, 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, no funds have been received by the Company from any persons or entities, 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.
- vii. The qualification relating to the maintenance of accounts and other matters connected therewith is as stated in the paragraph 2(b) above.

For **SRBC & COLLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**  
Partner

Place of Signature: Mumbai      Membership Number: 109360  
Date: April 26, 2023              UDIN: 23109360BGYBGV4621

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) 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.
- (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.
- (e) 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 management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies were less than 10% in aggregate for each class of inventory which were noticed on such physical verification and have been properly dealt with in the books of account.
- (b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from banks and financial institutions 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 and financial institutions are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has provided loans to companies as follows:
- |  | Loans |
|--|-------|
| Aggregate amount granted/ provided during the year                     | 20    |
| - Subsidiaries   | 20    |
| - Associates   | -     |
| - Others   | -     |
| Balance outstanding as at balance sheet date in respect of above cases |       |
| - Subsidiaries   | -     |
| - Associates   | -     |
| - Others   | -     |
- (b) During the year the investments made, loans given to the companies are not prejudicial to the Company's interest.
- (c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies which had fallen due during the year.
- (f) The Company has not granted any loans or advances in the nature of loan, either repayable on demand or without specifying any terms or period of repayment to companies. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by 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 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) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, 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.

(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 statute	Nature of the dues	Amount (₹ in crores) *	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	TDS	176.34	2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21	Commissioner of Income Tax (Appeals)
The Customs Act 1962	Duty of Customs	0.43	2007-08, 2011-12	Appellate Authority Tribunal level
Maharashtra VAT	VAT	7.65	2015-16, 2016-17, 2017-18	Deputy Commissioner

\*Net Amounts paid

(viii) 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.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis in the form of cash credit facility from banks and other Working capital changes aggregating to ₹ 81.55 crores for long-term purposes representing acquisition of property plant and equipment, repayment of loans.

(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 and associate.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company. 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.

(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) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by 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.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (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 Companies Act, 2013 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.

(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.

(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.

(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.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(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 40 to the financial statements, ageing and expected dates of realisation 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 25.2 to the financial statements

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 25.2 to the financial statements.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**

Partner

Place of Signature: Mumbai Membership Number: 109360  
Date: April 26, 2023 UDIN: 23109360BGVYBGV4621

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SHOPPERS STOP 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 Shoppers Stop 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 Companies Act, 2013.

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

per **Firoz Pradhan**  
Partner  
Place of Signature: Mumbai    Membership Number: 109360  
Date: April 26, 2023                    UDIN: 23109360BGYBGV4621



# Standalone Balance Sheet

as at March 31, 2023

(All amounts in ₹ crores)

	Notes	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	412.64	378.63
Capital work in progress	3B	29.57	14.03
Other Intangible assets	3	48.51	68.36
Intangible assets under development	3C	4.35	-
Right of Use Assets	27	1,636.06	1,276.43
Financial Assets			
(i) Investments	4	25.39	0.43
(ii) Loans	5	3.69	3.88
(iii) Other financial assets	6	136.85	102.47
Deferred tax assets (net)	7	331.18	373.95
Other non-current assets	8	76.79	68.72
<b>Total non-current assets</b>		<b>2,705.03</b>	<b>2,286.90</b>
<b>Current assets</b>			
Inventories	9	1,486.33	1,007.54
Financial assets			
(i) Investments	4	48.02	145.95
(ii) Trade Receivables	10	30.36	38.20
(iii) Cash and cash equivalents	11	5.23	11.85
(iv) Bank balances other than (iii) above	12	20.15	19.93
(v) Loans	5	-	11.78
(vi) Other financial assets	6	47.20	71.65
Other current assets	8	256.21	188.01
		<b>1,893.50</b>	<b>1,494.91</b>
Assets held for Sale		-	1.18
<b>Total assets</b>		<b>4,598.53</b>	<b>3,782.99</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	13	54.83	54.76
Other equity	14	177.12	43.52
<b>Total equity</b>		<b>231.95</b>	<b>98.28</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	15	20.84	89.59
(ii) Lease liability	27	1,976.76	1,677.90
<b>Total non-current liabilities</b>		<b>1,997.60</b>	<b>1,767.49</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	15A	83.22	104.27
(ii) Lease liability	27	271.89	221.61
(iii) Trade payables	16		
(a) Total outstanding dues of Micro enterprises and small Enterprises		43.21	35.16
(b) Total outstanding dues of creditors other than Micro Enterprises and small Enterprises		1,782.69	1,406.71
(iv) Other financial liabilities	17	75.67	48.59
Provisions	18	3.86	8.55
Other current liabilities	19	108.44	92.33
<b>Total current liabilities</b>		<b>2,368.98</b>	<b>1,917.22</b>
<b>Total liabilities</b>		<b>4,366.58</b>	<b>3,684.71</b>
<b>Total equity and liabilities</b>		<b>4,598.53</b>	<b>3,782.99</b>

Summary of significant accounting policies 2  
The accompanying Notes 1 to 43 are an integral part of the financial statements.  
In terms of our attached report of even date For and on Behalf of the Board of Directors

**For S R B C & CO LLP**  
ICAI Firm Reg.No.324982E/E300003  
Chartered Accountants

**B.S. Nagesh**  
Customer Care Associate  
& Chairman  
(DIN:00027595)

**Neel Raheja**  
Director  
(DIN:00029010)

**Venugopal Nair**  
Customer Care Associate & Managing  
Director & Chief Executive Officer  
(DIN:00046163)

**Firoz Pradhan**  
Partner  
Membership No.109360

**Karunakaran Mohanasundaram**  
Customer Care Associate  
& Chief Financial Officer

**Vijay Kumar Gupta**  
Customer Care Associate & Company  
Secretary  
Membership No.A14545

Mumbai: April 26, 2023

Mumbai: April 26, 2023

# Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ crores)

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income</b>			
Revenue from Operations	20	3,998.36	2,493.81
Other income	21	56.07	166.05
<b>Total Income</b>		<b>4,054.43</b>	<b>2,659.86</b>
<b>Expenses</b>			
Purchase of Stock-in-Trade	22a	2,806.20	1,663.78
Changes in Inventories of stock-in-trade	22b	(478.79)	(160.35)
Employee benefits expense	23	349.26	269.29
Finance costs	24	209.15	205.39
Depreciation and amortisation expense	3A	381.60	351.97
Other expenses	25	622.90	453.57
<b>Total expenses</b>		<b>3,890.32</b>	<b>2,783.65</b>
<b>Profit / (Loss) before exceptional item and tax</b>		<b>164.11</b>	<b>(123.79)</b>
Exceptional Item - impairment in value of investments	31	2.00	15.00
<b>Profit / (Loss) before tax</b>		<b>162.11</b>	<b>(138.79)</b>
Tax expense	26	-	-
Current tax		-	-
Tax provision of earlier years		-	(20.59)
Deferred tax		42.86	(31.52)
<b>Income tax expenses</b>		42.86	(52.11)
<b>Net Profit / (Loss) for the year [A]</b>		<b>119.25</b>	<b>(86.68)</b>
<b>Other comprehensive income / (loss)</b>			
Items that will not be reclassified to profit or loss :			
i) Remeasurement of employee defined benefit obligation		(0.36)	(1.09)
Income tax relating to (i) above	26	0.09	0.27
<b>Total other comprehensive income / (loss) [B]</b>		<b>(0.27)</b>	<b>(0.82)</b>
<b>Total comprehensive income / (loss) for the year [A] + [B]</b>		<b>118.98</b>	<b>(87.50)</b>
<b>Earning per equity share</b>			
Equity shares of face value ₹5 each	28		
Basic (₹)		10.88	(7.92)
Diluted (₹)		10.80	(7.92)

Summary of significant accounting policies 2  
The accompanying Notes 1 to 43 are an integral part of the financial statements.  
In terms of our attached report of even date For and on Behalf of the Board of Directors

**For S R B C & CO LLP**  
ICAI Firm Reg.No.324982E/E300003  
Chartered Accountants

**B.S. Nagesh**  
Customer Care Associate  
& Chairman  
(DIN:00027595)

**Neel Raheja**  
Director  
(DIN:00029010)

**Venugopal Nair**  
Customer Care Associate & Managing  
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(DIN:00046163)

**Firoz Pradhan**  
Partner  
Membership No.109360

**Karunakaran Mohanasundaram**  
Customer Care Associate  
& Chief Financial Officer

**Vijay Kumar Gupta**  
Customer Care Associate &  
Company Secretary  
Membership No.A14545

Mumbai: April 26, 2023

Mumbai: April 26, 2023

# Standalone Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flows from operating activities</b>		
<b>Net Profit / (loss) after exceptional item and before tax</b>	<b>162.11</b>	<b>(138.79)</b>
<b>Adjustments to reconcile loss before tax to net cashflow :</b>		
Depreciation and amortisation	381.60	351.97
Bad Debts/ Allowance for doubtful debts / advances	5.17	7.77
Impairment of investment in Crossword Bookstores Pvt. Ltd.	2.00	15.00
Share-based payment expense	11.77	1.66
Finance costs	209.15	205.39
(Profit) / Loss on sale of property, plant and equipment	(0.35)	0.76
Profit on sale of investments in shares	(0.77)	-
Covid-19-Related Rent Concessions (Refer note 27.3)	-	(107.63)
Gain on account of remeasurement in lease term	(19.89)	(34.00)
Profit from sale of mutual fund investments	(4.64)	(4.38)
Interest(time value) recognised on interest free lease deposit	(10.82)	(10.80)
Interest income	(1.27)	(8.69)
<b>Operating profit before working capital changes</b>	<b>734.06</b>	<b>278.26</b>
<b>Working capital adjustment :</b>		
(Increase) / Decrease in inventories	(478.79)	(160.35)
(Decrease) / Increase in trade receivables	2.67	(10.86)
Decrease / (Increase) in financial assets and non current assets	(63.45)	(19.94)
(Increase) / Decrease in lease deposits - net	(32.75)	(13.56)
(Decrease) / Increase in provisions	(5.05)	1.29
(Decrease) / Increase in trade payables, other financial liabilities and other current liabilities	409.10	293.32
<b>Cash generated/(used) from/in operations</b>	<b>565.79</b>	<b>368.16</b>
Income tax refund (net of taxes paid)	(3.61)	21.01
<b>Net cash from operating activities (A)</b>	<b>562.18</b>	<b>389.17</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(145.62)	(107.71)
Proceeds from disposal of property, plant and equipment	1.24	0.98
Repayment of loan by Crossword Bookstores Pvt.Ltd.(Crossword)	9.79	23.19
Loan given to Crossword Bookstores Pvt.Ltd.	-	(3.50)
Repayment of loan by Shoppers Stop Dotcom (India) Ltd	0.20	-
Redemption of fixed deposits with bank	-	14.00
Investments in fixed deposits with bank	(0.22)	(4.93)
Net proceeds from sale of investment in equity shares	1.94	2.56
Equity/Preference investment in Global SS Beauty / Crossword	(24.95)	(26.50)
Purchases of investments in mutual funds	(1,262.94)	(761.96)
Proceeds from sale of investments in mutual funds	1,365.51	748.17
Finance Income (Interest Received)	3.06	6.45
<b>Net cash used in investing activities (B)</b>	<b>(51.99)</b>	<b>(109.25)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares (Refer Note 13.7)	0.07	0.07
Securities premium on issue of share capital	2.60	2.38
Share application money pending allotment	0.23	-
Repayment of lease liability	(220.50)	(121.03)
Proceeds from long term borrowings	-	100.00
Repayment of long term borrowings	(110.17)	(56.24)
Finance costs paid	(209.41)	(205.60)
<b>Net cash from / (used in) financing activities (C)</b>	<b>(537.18)</b>	<b>(280.42)</b>
<b>Net (Decrease) / Increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>(26.99)</b>	<b>(0.50)</b>

(All amounts in ₹ crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash and cash equivalents as at beginning of the year	11.74	12.24
Cash and cash equivalents as at the end of the year	(15.25)	11.74
	<b>(26.99)</b>	<b>(0.50)</b>
<b>Note (i)</b>		
<b>Components of cash and cash equivalents (Refer note 11.3)</b>		
Cash and Cash Equivalents as at end of the year	5.23	11.85
Add: Bank overdraft / Cash credit	(20.48)	(0.11)
<b>Total cash and cash equivalents</b>	<b>(15.25)</b>	<b>11.74</b>

## Note (ii)

### Reconciliation between the opening and closing balances for liabilities arising from financing activities

Particulars	Long - term borrowings	Short - term borrowings	Non-current lease liability	Non-current lease liability
<b>March 31, 2021 including current maturities of long term borrowings</b>	150.00	0.09	1,695.01	216.56
Cash flow	43.76	0.02	(121.03)	-
Non- Cash Changes				
Foreign exchange movement	-	-	-	-
Classified as current maturity	104.17	-	-	-
New Leases	-	-	103.92	5.05
<b>March 31, 2022 including current maturities of long term borrowings</b>	193.76	0.11	1,677.90	221.61
Cash flow	(110.17)	20.37	(220.50)	-
Non- Cash Changes				
Foreign exchange movement	-	-	-	-
Classified as current maturity	62.75	-	-	-
Accrual for the period	-	-	519.36	50.28
<b>March 31, 2023 including current maturities of long term borrowings</b>	83.59	20.48	1,976.76	271.89

Summary of significant accounting policies 2

The accompanying Notes 1 to 43 are an integral part of the financial statements.

In terms of our attached report of even date For and on Behalf of the Board of Directors

#### For S R B C & CO LLP

ICAI Firm Reg.No.324982E/E300003  
Chartered Accountants

#### B.S. Nagesh

Customer Care Associate  
& Chairman  
(DIN:00027595)

#### Neel Raheja

Director  
(DIN:00029010)

#### Venugopal Nair

Customer Care Associate & Managing  
Director & Chief Executive Officer  
(DIN:00046163)

#### Firoz Pradhan

Partner  
Membership No.109360

#### Karunakaran Mohanasundaram

Customer Care Associate  
& Chief Financial Officer

#### Vijay Kumar Gupta

Customer Care Associate &  
Company Secretary  
Membership No.A14545

Mumbai: April 26, 2023

Mumbai: April 26, 2023

# Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in ₹ crores)

## a. Equity share capital

Particulars	No. of shares	(₹ in Crs)
<b>Authorised Share Capital</b>		
Equity shares of ₹5/- each	200,000,000	100.00
Equity shares of ₹5/- each issued, subscribed and fully paid up		
<b>Balance as on March 31, 2021</b>	<b>109,358,910</b>	<b>54.69</b>
Issue of equity shares under right issue (note 13.7)	141,315	0.07
<b>Balance as on March 31, 2022</b>	<b>109,500,225</b>	<b>54.76</b>
Issue of equity shares under employee share option plan	147,614	0.07
<b>Balance as on March 31, 2023</b>	<b>109,647,839</b>	<b>54.83</b>

## b. Other equity

Particulars:	Securities premium account	General reserve	Retained earnings	Share Options outstanding account	Share application money received pending allotment	Total
<b>Balance as on March 31, 2021</b>	940.71	19.09	(833.95)	1.13	-	126.98
Loss for the year	-	-	(86.68)	-	-	(86.68)
Other comprehensive income for the year, net of income tax	-	-	(0.82)	-	-	(0.82)
<b>Total comprehensive income for the year</b>	-	-	(87.50)	-	-	(85.85)
Recognition of share based payments*	-	-	-	1.66	-	1.66
Transferred to retained earnings for vested cancelled options	-	-	0.69	-	-	0.69
Transferred to stock options reserves for vested cancelled options	-	-	-	(0.69)	-	(0.69)
Securities premiums proceeds received on issue of equity shares (note 13.7)	2.38	-	-	-	-	2.38
Right issue expenses	-	-	-	-	-	-
<b>Balance as on March 31, 2022</b>	<b>943.09</b>	<b>19.09</b>	<b>(920.76)</b>	<b>2.10</b>	<b>-</b>	<b>43.52</b>
Profit for the year	-	-	119.25	-	-	119.25
Other comprehensive income for the year, net of income tax	-	-	(0.27)	-	-	(0.27)
<b>Total comprehensive income for the year</b>	-	-	118.98	-	-	118.98
Recognition of share based payments*	-	-	-	11.77	-	11.77
Transferred to retained earnings for vested cancelled options	-	-	1.06	-	-	1.06
Transferred to stock options reserves for vested cancelled options	-	-	-	(1.06)	-	(1.06)
Received on issue of shares (note 13.7)	2.60	-	-	-	-	2.60
Share application money received pending allotment	-	-	-	-	0.23	0.23
<b>Balance as on March 31, 2023</b>	<b>945.69</b>	<b>19.09</b>	<b>(800.72)</b>	<b>12.81</b>	<b>0.23</b>	<b>177.12</b>

\* after transfers to retained earnings for options lapsed/exercised.

Summary of significant accounting policies

2

The accompanying Notes 1 to 43 are an integral part of the financial statements.

In terms of our attached report of even date

For and on Behalf of the Board of Directors

**For SRBC & CO LLP**

**B.S. Nagesh**

**Neel Raheja**

**Venugopal Nair**

ICAI Firm Reg.No.324982E/E300003  
Chartered Accountants

Customer Care Associate & Chairman  
(DIN:00027595)

Director  
(DIN:00029010)

Customer Care Associate & Managing Director & Chief Executive Officer  
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**Firoz Pradhan**  
Partner  
Membership No.109360

**Karunakaran Mohanasundaram**  
Customer Care Associate & Chief Financial Officer

**Vijay Kumar Gupta**  
Customer Care Associate & Company Secretary  
Membership No.A14545

Mumbai: April 26, 2023

Mumbai: April 26, 2023

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 1. General Background

Shoppers Stop Limited ('SSL' or 'the Company') is a Company limited by shares and is domiciled in India. The Company was incorporated on June 16, 1997. The Company's registered office is at Umang Tower, 5th Floor, Mindspace, Off. Link Road, Malad (West) Mumbai, Maharashtra India 400064.

The Company is engaged in the business of retailing a variety of household and consumer products through departmental stores. At March 31, 2023, the Company operated through departmental stores located in different cities of India.

The financial statements were approved for issue by the board of directors on April 26, 2023.

## 2. Significant Accounting Policies

### 2.1.1 Statement of compliance

Statement of Compliance with Indian Accounting Standards (Ind ASs): The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act 2013, other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III).

### 2.1.2 Basis of preparation and presentation

These standalone Financial Statements which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, the Statement of changes in equity and the Statement of Cash flows for the year ended March 31, 2023, and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

These financial statements have been prepared on historical cost basis, except for certain assets and liabilities that are measured at fair values at the end of each reporting period. The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crores, except where otherwise indicated.

### 2.1.3 Fair Value Measurement

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, (regardless of whether that price is directly observable or estimated using

another valuation technique). In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability, at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.2 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/ 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
- Held primarily for the purpose of trading
- 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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

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
- It is held primarily for the purpose of trading
- 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 Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## 2.3 Revenue from contract with customer

**2.3.1** 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 Company has generally concluded that it is the principal in its revenue arrangements except for the agency services because it typically controls the goods before transferring them to the customer and sales under sale or return basis arrangements where in the Company has w.e.f. April 01, 2018 adopted modified retrospective approach in line with Ind AS 115, Revenue from Contracts with customers.

### 2.3.2 Retail sale of Merchandise:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts, schemes, Goods and Service Tax ( GST) offered by the Company as part of the contract.

Retail sales are recognised on delivery of the merchandise to the customer, when the property in goods and control are transferred for a price and no effective ownership control is retained.

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 difference between the revenue and the cost of the merchandise is disclosed as other operating income. (Refer Note 20)

Point award schemes: The fair value of the consideration on sale of goods that result in award credits for customers, under the Company's point award schemes, is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to fair value from the standpoint of the holder and is recognised as revenue on redemption and / or expected redemption after breakage.

**2.3.3** Gift vouchers: The amount collected on sale of a gift voucher is recognised as a liability and transferred to revenue (sales) when redeemed or to revenue (other retail operating revenue) on expiry.

**2.3.4** Other retail operating revenue: Facility management fees are recognised pro-rata over the period of the contract. Revenue from store displays and sponsorships are recognised based on the period for which the products or the sponsors' advertisements are promoted / displayed.

**2.3.5** Dividend and Interest income: Dividend income from investments is recognised when the Company's right to receive payment has been established. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

## 2.4 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories comprise of all cost of purchase and other related costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on a weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

make the sale. Provision is made for obsolete/ slow moving inventories.

## 2.5 Property, Plant and Equipment and Intangible Assets

**2.5.1** Property, Plant and Equipment and Intangible Assets are stated at cost less accumulated depreciation or

amortisation and accumulated impairment losses. Cost comprises of all cost of purchase, construction and other related costs incurred in bringing the assets to their present location and condition.

**2.5.2** Depreciation / amortisation is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Sr no	Property, Plant and Equipment:	Useful Life as Prescribed by Schedule II of the Companies Act, 2013 (In Years)	Estimated Useful Life (In Years)
<b>A</b>	<b>Tangible Asset</b>		
<b>1</b>	<b>Air Conditioning and other equipment</b>		
	a) Plant and Machinery	15	5 to 17
	b) Electrical Installations	15	Life as per below or lease term whichever is lower
	Components -		
	Cabling	-	5 to 11
	LED Bulbs & Non LED Fixtures	-	5 to 7
	Electrical works	-	5 to 17
	Firefighting systems/CCTV	-	5 to 17
	EAS Systems	-	5 to 17
<b>2</b>	<b>Furniture, fixtures and other fittings</b>	10	5 to 10
<b>3</b>	<b>Office Equipment's</b>	5	5 to 6
<b>4</b>	<b>Computers</b>		
	a) Servers and networks	6	5 to 6
	b) End user devices such as, desktops, laptops, etc.	3	3
<b>5</b>	<b>Leasehold Improvements</b>	On lease term	Life as per below or lease term whichever is lower
	Components -		
	Partition Works	-	5 to 10
	Flooring & Cladding	-	5 to 11
	False Ceiling	-	5 to 11
	Fit out works	-	5 to 12
	Civil & Painting Works	-	5 to 10
	Other Components	-	5 to 10
<b>6</b>	<b>Vehicles</b>	8	8
<b>B</b>	<b>Intangible Asset</b>		
<b>1</b>	<b>Computer Software</b>	-	6
<b>2</b>	<b>Trademark and Patents</b>	10	10

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

**2.5.3** Impairment losses: At the end of each reporting period, the Company reviews the carrying amounts of the assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication of impairment loss exists, the recoverable amount, (i.e. higher of

fair value less costs of disposal and value in use) of the asset is estimated, or, when it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is estimated. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**2.5.4 Deemed cost on transition to Ind AS:** The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible Assets as of April 1, 2015 (transition date) measured as per the previous GAAP, and use that carrying value as its deemed cost as of the transition date.

## 2.6 Financial Instruments

### Classification:

The Company classifies its financial assets in the following measurement categories: -those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and - those measured at amortised cost. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### Measurement:

At initial recognition, All financial assets (except trade receivable) are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

### Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement

categories into which the Company classifies its debt instruments:

### Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

### Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

### Fair value through profit and loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. A gain or loss on a debt investment that is subsequently measured at fair value through Statement of Profit and Loss and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

### Equity instruments:

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through the Statement of Profit and Loss are recognised in other income / other expenses in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### Derecognition of financial assets:

A financial asset is derecognised only when -the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### Offsetting financial instruments:

Financial assets and liabilities are offset 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 and must be enforceable in the normal course of business and in the event of default insolvency or bankruptcy of the Company or the counterparty.

**2.6.1 Investments in subsidiaries and joint ventures:** The Company has elected to account for its equity investments in subsidiaries and joint ventures under Ind AS 27 on Separate Financial Statements, at cost.

At the end of each reporting period the Company assesses whether there are indicators of diminution in the value of its investments and provides for impairment loss, where necessary. .

**2.6.2 Financial liabilities are initially measured at fair value.**

Transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of the financial liabilities on initial recognition. After initial recognition, all financial liabilities (other than financial guarantee contracts and derivative instruments - see below) are subsequently measured at amortised cost using the effective interest method. The Company has not designated any financial liability as FVTPL.

**2.6.3 Financial guarantee contracts:** The Company on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Company has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in profit or loss.

**2.6.4 Derivative instruments:** The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. These contracts are initially recognised at fair value and subsequently, at the end of each reporting period, re-measured at their fair values on reporting date. The resulting gain or loss is recognised in profit or loss in the same line as the movement in the hedged exchange rate.

**2.6.4 Derivative instruments:** The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. These contracts are initially recognised at fair value and subsequently, at the end of each reporting period, re-measured at their fair values on reporting date. The resulting gain or loss is recognised in profit or loss in the same line as the movement in the hedged exchange rate.

## 2.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

**2.7.1 Current tax:** The tax currently payable is based on the taxable profit for the year and is calculated

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

using applicable tax rates and tax laws that have been enacted or substantively enacted.

## 2.7.2 Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the 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 and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.8 Employee benefits

### 2.8.1 Defined Contribution Plan

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance and ESI, which are recognised in the statement of profit and loss on accrual basis. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

**2.8.2 Retirement benefit costs and termination benefits:** Payments to defined benefit plans are recognised as expense when employees have rendered service entitling them to the contributions.

The Company determines the present value of the defined benefit obligation and fair value of plan assets and recognises the net liability or asset in the balance sheet. The net liability or asset represents the deficit or surplus in the Company's defined benefit plans. (The surplus is limited to the present value of economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans).

The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year.

#### Defined benefit costs are composed of:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Re-measurement

The first two components are recognised in profit or loss. re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet and a charge or credit, (as the case may be), is recognised in other comprehensive income. Re-measurement recognised in other comprehensive income is reflected in retained earnings. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

The retirement benefit liability or asset recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. The surplus is limited to the present value of economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

**2.8.3 Short-term benefits:** A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and other short term benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Other long-term benefits: Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## 2.9 Share based payment arrangements

Equity-settled share-based payments to employees of the Company are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 34. The fair value determined at the grant date of the equity-settled share-based payments to 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 equity-settled employee benefits reserve.

## 2.10 Leases

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

The Company assesses at contract inception whether a contract is or contains a lease. That is, of the contract conveys the right to control the use of

an identified asset for a period of time in exchange for consideration.

### Where the Company is the lessee

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

### Right of use assets

The Company recognises right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right of use assets are also subject to impairment.

### Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

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.

## Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (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). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

## Where the Company is the Lessor:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an assets are classified the asset are classified as operating leases. Rental income arising is accounted for on a straight line basis over the lease terms. Initial direct costs incurred in negotiating and arranging on operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## 2.11 Foreign Currency transactions

The Company's financial statements are presented in INR which is also its functional currency. Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on settlement or translation of monetary items are recognised in the profit or loss.

## 2.12 Borrowing Costs

Borrowing Cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, as defined in Ind AS 23 are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred

## 2.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

## 2.14 Cash and cash equivalents

Cash and Cash Equivalents in the balance sheet and for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less net of outstanding bank over drafts as they are considered an integral part of the Company's cash management.

## 2.15 Cash dividend and non-cash distribution to equity holders

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

## 2.16 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## 2.17 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an assets.

The criteria held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal is available for immediate sale in the present condition. Action require to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sale will be withdrawn. The Company must be committed to the sale and the sale expected within one year from the date of classification.

Assets classified as held for sale are presented separately from other items in the balance sheet.

## 2.A Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses that are not readily apparent from other sources. Such judgments, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is

revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## Share based payment

The Company has a share option scheme for certain employees of the Company, In accordance with the terms of the share option scheme, as approved by shareholders at a previous general meeting. Employees with a pre-defined grade may be granted options to purchase equity shares and restricted stock units (stock units). Each share option and stock unit converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised with in two-four years from the date of grant, as per vesting schedule. The share options vests based on a pre-determined vesting schedule from the date of grant.

## Equity settled transactions

The Company initially measures the cost of equity-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 34.

## Taxes

### Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

(All amounts in ₹ crores)

As stated in Note 26, tax expense is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted.

In arriving at taxable profit and tax bases of assets and liabilities, the Company recognised taxability of amounts in accordance with tax enactments, case law and opinions of tax counsel, as relevant. Where differences arise on tax assessment, these are booked in the period in which they are agreed or on final closure of assessment.

#### Deferred tax

Deferred tax is provided using the liability method on temporary difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in Note 26.

The carrying amount of deferred tax assets is reviewed at each reporting 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 assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

#### Useful lives of property, plant and equipment and intangible assets

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

The Company at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a store (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in profit or loss.

#### Point award schemes

Customer award credits having a predetermined life are granted to customers when they make purchases. The fair value of the consideration on sale of goods resulting in such award credits is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to fair value from the standpoint of the holder and revenue is deferred. The Company at the end of each reporting period estimates the number of points redeemed and that it expects will be further redeemed, based on empirical data of redemption /lapses, and revenue is accordingly recognised.

#### Service tax on renting of immovable properties given for commercial use

As stated in Note 30, the Company has challenged the retrospective levy of service tax on renting of immovable properties given for commercial use and pending the final disposal of the matter, which is presently before the Supreme Court, the Company continues not to provide for the retrospective levy.

#### Inventories

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, the seasonality of the item's sales profile and losses associated with obsolete / slow-moving inventory items.

#### Employee Benefits

Provision for employee benefits in the nature of gratuity and unpaid leave balance is estimated on actuarial basis using a number of assumptions which include assumptions for discount rate, future salary increases, mortality rates, attrition rates for employees, return on planned assets etc. Any changes in these assumptions will impact the carrying amount of these provisions. Key assumptions are disclosed in Note 35.

#### Leases:

##### Ind AS 116 Leases - Estimating the lease term

The Company adopted Ind AS 116 using the modified retrospective -2A method of adoption, with the date of initial application on April 1, 2019. The comparative figures are not restated and the cumulative effect of initially applying the standard is recognised as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

(All amounts in ₹ crores)

Please refer Note 27 for detail disclosures on leases.

#### Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### Impairment of Right to use assets and Property, Plant and Equipment

The Company is carrying out the assessment of impairment on annual basis for Right to Use of Assets (ROU) and Property, Plant and Equipment (PPE). To assess the same, the Company has defined each store as a separate Cash Generating Unit (CGU). The unit shall be tested for impairment whenever there is an indication that the unit may be impaired by comparing the unit's carrying amount with its recoverable amount.

The Company has computed "Value in Use" based on expected future cashflow over the balance lease term considering store wise budgets and other internal and external factors like growth etc. for CGU where there are indicators of impairment.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 3. Property, Plant and Equipment and Intangible Assets

	Leasehold improvements	Air conditioning and other equipments	Furniture, fixtures and other fittings	Office Equipments	Computers	Total PPE	Trademarks	Software	Total Intangible assets	Total
<b>Cost or Deemed Cost</b>										
As at April 1, 2021	299.71	280.09	321.58	26.76	87.12	1,015.26	1.51	175.51	177.02	1,192.28
Additions	15.32	21.58	32.65	1.72	3.75	75.02	0.29	9.73	10.02	85.04
Disposal	(26.32)	(20.88)	(31.82)	(1.20)	(5.07)	(85.29)	-	-	-	(85.29)
As at March 31, 2022	<b>288.71</b>	<b>280.79</b>	<b>322.41</b>	<b>27.28</b>	<b>85.80</b>	<b>1,004.99</b>	<b>1.80</b>	<b>185.24</b>	<b>187.04</b>	<b>1,192.03</b>
Additions	36.20	29.20	49.68	5.15	16.59	136.82	0.13	6.01	6.14	142.96
Disposal	(23.36)	(28.13)	(41.08)	(3.19)	(8.70)	(104.45)	-	(22.53)	(22.53)	(126.99)
As at March 31, 2023	<b>301.55</b>	<b>281.86</b>	<b>331.01</b>	<b>29.24</b>	<b>93.70</b>	<b>1,037.36</b>	<b>1.93</b>	<b>168.72</b>	<b>170.65</b>	<b>1,208.00</b>
<b>Accumulated depreciation and Amortisation</b>										
As at April 1, 2021	(187.12)	(165.18)	(169.94)	(17.76)	(55.94)	(595.98)	(0.96)	(94.29)	(95.25)	(691.20)
Depreciation and amortisation expense for the year (Refer note ii)	(36.85)	(30.49)	(33.18)	(2.95)	(10.45)	(113.92)	(0.11)	(23.32)	(23.43)	(137.35)
Disposal	25.91	20.65	30.80	1.18	4.96	83.54	-	-	-	83.54
As at March 31, 2022	<b>(198.06)</b>	<b>(175.02)</b>	<b>(172.32)</b>	<b>(19.53)</b>	<b>(61.43)</b>	<b>(626.36)</b>	<b>(1.07)</b>	<b>(117.61)</b>	<b>(118.68)</b>	<b>(745.01)</b>
Depreciation and amortisation expense for the year (Refer note ii)	(29.93)	(25.31)	(32.50)	(3.10)	(11.08)	(101.92)	(0.13)	(25.86)	(25.99)	(127.90)
Disposal	23.31	28.05	40.45	3.10	8.65	103.55	-	22.53	22.53	126.08
As at March 31, 2023	<b>(204.68)</b>	<b>(172.28)</b>	<b>(164.37)</b>	<b>(19.53)</b>	<b>(63.86)</b>	<b>(624.72)</b>	<b>(1.20)</b>	<b>(120.94)</b>	<b>(122.14)</b>	<b>(746.85)</b>
<b>Net Book Value</b>										
As at March 31, 2023	96.87	109.58	166.64	9.71	29.84	412.64	0.73	47.78	48.51	461.15
As at March 31, 2022	90.65	105.77	150.09	7.74	24.37	378.63	0.73	67.63	68.36	446.99

Note :

- Movable assets have been pledged to secure borrowings of the Company (Refer Note 15)
- Depreciation for the year includes accelerated amounts aggregating to ₹17.60 Crores (2022: ₹8.46 Crores) primarily in case of Leasehold improvement, electrical installation and software on account of change in estimate of useful lives of property, plant & equipment resulting from store closures/shifting premises."
- The Company has not revalued any of its Property, plant and equipments during the year.
- All immovable properties of the Company are situated at the properties where the Company is lessee and the lease agreements are duly executed in favour of the lessee.
- During the year ended March 31, 2023, the Company has not capitalised expenses to cost of property, plant and equipment, details of previous year is as under :-

	As at March 31, 2023	As at March 31, 2022
Employee Costs	-	2.16
Consultancy	-	0.95
<b>Total</b>	<b>-</b>	<b>3.11</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 3. Property, Plant and Equipment and Intangible Assets (continued)

### 3A Depreciation and amortisation expenses

	As at March 31, 2023	As at March 31, 2022
Depreciation of tangible assets (Refer note 3)	101.91	113.92
Depreciation of intangible assets (Refer note 3)	25.99	23.43
Depreciation on right to use assets (Refer note 27)	253.70	214.62
	<b>381.60</b>	<b>351.97</b>

### 3B Capital work in progress

	As at March 31, 2023	As at March 31, 2022
<b>Cost or deemed cost</b>		
Opening	14.03	2.93
Additions	152.36	86.12
Capitalisation	(136.82)	(75.02)
	<b>29.57</b>	<b>14.03</b>

### Capital work in progress (CWIP) ageing schedule

#### As on March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	29.38	0.19	-	-	29.57
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>29.38</b>	<b>0.19</b>	<b>-</b>	<b>-</b>	<b>29.57</b>

#### As on March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	14.03	-	-	-	14.03
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>14.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.03</b>

Note :

Completion of the Capital work in progress is not over due and the cost of the same has not exceeded the budget, hence disclosure relating to the timelines and budget has not been given.

### 3C Intangible assets under development (IAUD)

	As at March 31, 2023	As at March 31, 2022
Opening	-	-
Additions	10.49	10.02
Capitalisation	(6.14)	(10.02)
	<b>4.35</b>	<b>-</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 3. Property, Plant and Equipment and Intangible Assets (continued)

### As on March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	4.35	-	-	-	4.35
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>4.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.35</b>

#### Note :

- 1 Completion of the Intangible asset under development is not over due and the cost of the same has not exceeded the budget, hence disclosure relating to the timelines and budget has not been given.
- 2 As there are no intangible assets under development outstanding as of March 31, 2022, the disclosures pertaining to the ageing is not given.

## 4. Investments-Non current

	As at March 31, 2023	As at March 31, 2022
<b>a. (Unquoted at cost unless otherwise stated)</b>		
<b>Investments in equity instruments</b>		
<b>i) In subsidiary companies</b>		
Shoppers' Stop Brands (India) Limited (formerly known as Shoppers Stop Services (India) Limited)		
50,000 ( 2022 : 50,000) Equity Shares of ₹ 10/- each Fully Paid	0.05	0.05
Less: Impairment in value	(0.05)	(0.05)
	-	-
Global SS Beauty Brands Limited (formerly known as Upasna Trading Limited)		
5,00,000 ( 2022: 5,000) Equity Shares of ₹100/- each Fully Paid	5.00	0.05
Less: Impairment in value	(0.05)	(0.05)
	4.95	-
Shoppers' Stop.com (India) Limited		
50,000 (2022: 50,000) Equity shares of ₹ 10/- each Fully Paid	0.05	0.05
Less: Impairment in value	(0.05)	(0.05)
	-	-
Gateway Multichannel Retail (India) Limited		
50,000 (2022: 50,000) Equity shares of ₹10/- each Fully Paid	0.05	0.05
Less: Impairment in value	(0.05)	(0.05)
	0.00	0.00
<b>ii) In associate companies</b>		
Crossword Bookstores Private Limited		
40,06,249 (2022: 1,96,30,625) Equity shares of ₹10/- each Fully Paid	6.41	31.43
Less: Impairment in value (refer note 31)	(5.98)	(31.00)
	0.43	0.43
<b>Investments in other instruments (in preference shares)</b>		
<b>iii) In subsidiary companies</b>		
Global SS Beauty Brands Limited (formerly known as Upasna Trading Limited) **		
2,000 ( 2022: Nil) 0.01 % Non- Cumulative Optionally Convertible Preference Shares (NOCPs) of face value of ₹ 1,00,000/- each Fully paid	20.00	-
Less: Impairment in value	-	-
	20.00	-

\*\* Not in dematerialised form due to technical glitches in filing Form PAS-3 (being a pre-requisite from NSDL to credit shares to Demat Account) and other forms on Ministry of Corporate affairs website.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 4. Investments-Non current (continued)

	As at March 31, 2023	As at March 31, 2022
<b>iv) Other investments</b>		
<b>(At fair value through Profit and Loss)</b>		
Stargaze Properties Private Limited		
1,000 (2022:1,000) equity shares of ₹ 10/- each Fully paid	0.00	0.00
Retailers Association of India		
10,000 (2022:10,000) equity shares of ₹ 10/- each Fully paid	0.00	0.00
Retailers Association's Skill Council of India		
500 (2022: 500) equity shares of ₹ 100/- each Fully paid	0.00	0.00
Aesthetic Realtors Private Limited		
66 (2022: 66) Equity Shares of ₹ 10/- each Fully Paid	0.00	0.00
Less: Impairment in value	(0.00)	(0.00)
	-	-
<b>iv) Deemed equity investments in*:</b>		
Crossword Bookstores Private Limited	-	0.09
Less: Impairment in value	-	(0.09)
* Being share options to employees of subsidiary companies		
<b>Total (A)</b>	<b>25.39</b>	<b>0.43</b>
<b>Aggregate amount of impairment in value of unquoted equity investments</b>	<b>6.18</b>	<b>31.20</b>
<b>4. Investments - Current</b>		
<b>Investments in mutual funds</b>		
<b>Unquoted (At fair value through Profit and Loss)</b>		
SBI Mutual Fund	8.00	20.39
22,174.339 (2022: 59,522.743) units in Overnight fund - Regular Growth		
Axis Mutual Fund	8.00	21.35
67,676.982 (2022: 190,330.458) units in Overnight fund - Regular Growth		
Kotak Mutual Fund	8.01	22.24
67,191.938 ( 2022 : 196,661,496) units in Overnight fund - Regular Plan Growth		
ICICI Prudential Mutual Fund	-	20.78
Nil (2022: 18,19,276.774) units in Overnight Fund -Regular Growth		
Aditya Birla Sun Life Mutual Fund	8.00	22.61
66,364.847 (2022 : 197,459.150 ) units in Overnight fund - Regular Growth		
Nippon India Mutual Fund	8.01	-
6,67,792.512 (2022: Nil) units in Overnight fund - Regular Growth		
UTI Mutual Fund	-	18.75
Nil (2022: 65,038.732) units in Overnight fund - Regular Growth		
<b>Total (A)</b>	<b>40.02</b>	<b>126.12</b>
<b>Quoted (At fair value through Profit and Loss)</b>		
HDFC Mutual Fund	8.00	19.83
24,236.571 ( 2022: 63,240.595) units in Overnight fund - Regular Growth		
<b>Total (B)</b>	<b>8.00</b>	<b>19.83</b>
<b>Total (A) + Total (B)</b>	<b>48.02</b>	<b>145.95</b>
<b>Aggregate value of quoted investment</b>	<b>8.00</b>	<b>19.83</b>
<b>Aggregate value of unquoted investment</b>	<b>65.41</b>	<b>126.55</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>6.18</b>	<b>31.20</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 5. Loans

	As at March 31, 2023	As at March 31, 2022
(unsecured)		
<b>Non-current</b>		
Loans to associate/subsidiary/other companies (Refer note 37)		
- Considered good	3.69	3.88
- Considered credit impaired	23.29	23.29
	<b>26.98</b>	<b>27.17</b>
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	23.29	23.29
	<b>3.69</b>	<b>3.88</b>
<b>Current</b>		
Loans to associate/subsidiary/other Companies (Refer note 37)		
- Considered good	-	11.78
- Considered doubtful	-	-
- Considered credit impaired	-	-
	-	11.78
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	-	-
	-	<b>11.78</b>
<b>Total (excluding impairment allowance)</b>	<b>26.98</b>	<b>38.95</b>

5.1 The above loans are given for general corporate and business purposes. Please refer note 5.3 for terms of repayments, rate of interest and other details. The loans are carried at amortised cost.

5.2 These financial assets have been pledged to secured borrowings of the Company (Refer note 15)

5.3 Disclosure as per Regulations 34(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and section 186 of the Companies Act, 2013 :

### a) Loan given to subsidiaries/associate

Name of the subsidiaries companies/associate	Terms	Maximum Balance Outstanding during the		Amount outstanding as on March 31, 2023	% of total Loans and Advances in the nature of loans	Amount outstanding as on March 31, 2022	% of total Loans and Advances in the nature of loans
		March 31, 2023	March 31, 2022				
Crossword Bookstores Private Limited	Refer Note 36(4)	15.46	33.66	3.69	13.68%	15.46	39.69%
Global SS Beauty Brands Limited	Refer Note 36(3)	20.00	-	-	0.00%	-	0.00%
Shoppers' Stop.com (India) Limited	Interest rate 9.00% p.a.; payable on demand (2022: 9.00%)	0.20	0.20	-	0.00%	0.20	0.51%
Gateway Multichannel Retail (India) Limited	Payable on demand	23.29	23.29	23.29	86.32%	23.29	59.80%

b) Refer Note 36.1 for investments in Subsidiaries.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 6. Other financial assets

	As at March 31, 2023	As at March 31, 2022
(unsecured)		
<b>Non-current</b>		
Premises and other deposits		
- Considered good	136.55	102.18
- Considered credit impaired	5.42	5.42
	<b>141.97</b>	<b>107.60</b>
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	5.42	5.42
	<b>136.55</b>	<b>102.18</b>
Other Bank Balance		
Margin money accounts (under lien against bank guarantee)	0.30	0.29
	<b>136.85</b>	<b>102.47</b>
<b>Current</b>		
Advances to employees	0.69	0.74
Advances to subsidiary companies (refer note 37)	0.02	0.02
Premises and other deposits (unsecured, considered good)	45.05	62.94
Other receivables		
- Considered good	1.44	7.95
- Considered credit impaired	3.56	3.76
	5.00	11.71
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	3.56	3.76
	<b>1.44</b>	<b>7.95</b>
	<b>47.20</b>	<b>71.65</b>

6.1 These are carried at amortised cost.

6.2 These have been pledged to secure borrowings of the Company (Refer note 15)

## 7. Deferred tax assets / Liabilities (net)

	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	331.18	373.95
	<b>331.18</b>	<b>373.95</b>

Deferred tax assets/(liabilities) relates to the following :

	Balance Sheet		Maximum Balance Outstanding during the	
	As at March 31, 2023	As at March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2023
<b>Deferred tax Assets</b>				
Property, plant and equipment & Intangible assets	71.11	65.36	5.75	8.72
Right to use assets	176.49	175.05	1.44	(15.42)
Impairment allowance (allowance for bad and doubtful debts)	7.35	5.52	1.83	2.23
Provision for expenses	5.60	5.94	(0.34)	2.43
Employee benefits	4.51	5.01	(0.59)	0.90
Lease Deposits	1.35	1.55	(0.20)	0.01
Short Term Capital Loss	-	-	-	(0.48)
Business loss and unabsorbed depreciation	64.77	115.52	(50.75)	33.13
<b>Net deferred tax assets / (liabilities)</b>	<b>331.18</b>	<b>373.95</b>	<b>(42.86)</b>	<b>31.52</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 8. Other assets

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good )		
<b>Non-current</b>		
Capital Advances	21.10	16.64
Service tax deposited under protest (Note 30)	35.41	35.41
Advance Income tax (Net of provision)	20.28	16.67
	<b>76.79</b>	<b>68.72</b>
<b>Current</b>		
Recoverables - Statutory dues	235.83	172.06
Advance for Goods & Services		
- Considered good	17.79	12.34
- Considered credit impaired	8.62	7.55
	<b>26.41</b>	<b>19.89</b>
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	8.62	7.55
	<b>17.79</b>	<b>12.34</b>
Prepaid Expenses	2.59	3.11
<b>Other assets</b>		
- Considered good	-	0.50
- Considered credit impaired	2.36	2.36
	<b>2.36</b>	<b>2.86</b>
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	2.36	2.36
	-	0.50
	<b>256.21</b>	<b>188.01</b>

### 9. Inventories

	As at March 31, 2023	As at March 31, 2022
(At lower of cost and Net realisable value) Stock-in-trade: Retail merchandise	<b>1,486.33</b>	<b>1,007.54</b>

9.1 Inventories have been pledged as security for borrowings. (Refer note 15)

9.2 The mode of valuation of inventories has been stated in Note 2.4

### 10. Trade receivables - current

	As at March 31, 2023	As at March 31, 2022
(Unsecured)		
Considered good	30.36	38.20
Considered credit impaired	6.02	8.17
	<b>36.38</b>	<b>46.37</b>
Less: Impairment Allowance (allowance for bad and doubtful debts)		
Considered credit impaired	(6.02)	(8.17)
	<b>30.36</b>	<b>38.20</b>

10.1 Trade receivables are carried at amortised cost

10.2 These financial assets have been pledged to secure borrowings of the Company (Refer note 15)

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 10. Trade receivables - current (continued)

10.3 No trade or other receivables are due from directors or other officer of the Company either severally or jointly with any other persons.

10.4 For terms and conditions relating to related party receivables, Refer Note No 37

10.5 Trade receivables are non interest bearing and are generally on terms of 30 to 90 days.

### 10.6 Trade receivable Ageing Schedule

As on March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of transaction					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	1.99	27.36	0.19	0.82	-	-	30.36
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	0.26	5.03	0.42	0.31	6.02
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1.99</b>	<b>27.36</b>	<b>0.45</b>	<b>5.85</b>	<b>0.42</b>	<b>0.31</b>	<b>36.38</b>

As on March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of transaction					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	7.21	30.96	-	0.03	-	-	38.20
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	7.45	-	0.42	-	0.30	8.17
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>7.21</b>	<b>38.41</b>	<b>-</b>	<b>0.45</b>	<b>-</b>	<b>0.30</b>	<b>46.37</b>

### 11. Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balance with banks in current accounts	2.03	8.36
Cash on hand	3.20	3.49
	<b>5.23</b>	<b>11.85</b>

11.1 These financial assets have been pledged as secure borrowings ( Refer note 15)

11.2 Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 11. Cash and cash equivalents (continued)

11.3 For the purpose of statement of cash flow, cash and cash equivalents comprise the followings :

	As at March 31, 2023	As at March 31, 2022
Balance with banks in current accounts	2.03	8.36
Cash on hand	3.20	3.49
	<b>5.23</b>	<b>11.85</b>
Less : Bank overdraft / Cash credit (Refer Note 15A)	(20.48)	(0.10)
	<b>(15.25)</b>	<b>11.74</b>

## 12 Other bank balances

	As at March 31, 2023	As at March 31, 2022
Margin money accounts (under lien against bank guarantee)		
Deposit with original maturity for more than 3 months but less than 12 months	20.15	19.93
Earmarked accounts (for unpaid dividend)	0.00	0.00
	<b>20.15</b>	<b>19.93</b>

## 13. Share capital

	As at March 31, 2023	As at March 31, 2022
<b>13.1 Authorised</b>		
200,000,000 equity shares of ₹ 5/- each	100.00	100.00
<b>13.2 Issued, subscribed and fully paid up shares</b>		
109,647,839 (2022 : 109,500,225) equity shares of ₹ 5/- each fully paid up	54.83	54.76
	<b>54.83</b>	<b>54.76</b>

### 13.3 Reconciliation of number of equity shares

Particulars:	March 31, 2023		March 31, 2022	
	Numbers	₹ Crs	Numbers	₹ Crs
<b>Balance at the beginning of the year</b>	109,500,225	54.76	109,358,910	54.69
Issued during the year (Refer Note 13.7)	147,614	0.07	141,315	0.07
<b>Balance at the end of the year</b>	<b>109,647,839</b>	<b>54.83</b>	<b>109,500,225</b>	<b>54.76</b>

### 13.4 Details of shareholders holding more than 5% shares as at March 31:

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	Shares held (Nos)	Shares held (%)	Shares held (Nos)	Shares held (%)
Palm Shelter Estate Development LLP	8,977,558	8.19%	8,977,558	8.20%
Anbee Construction LLP	13,231,919	12.07%	13,231,919	12.08%
Cape Trading LLP	13,231,919	12.07%	13,231,919	12.08%
Aditya Birla Sun Life Trustee Private Limited	6,922,496	6.31%	7,102,276	6.49%
Raghukool Estate Development LLP	8,977,560	8.19%	8,977,560	8.20%
Capstan Trading LLP	8,977,560	8.19%	8,977,560	8.20%
Casa Maria Properties LLP	8,977,560	8.19%	8,977,560	8.20%

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 13. Share capital (continued)

### 13.5 Details of shares held by promoters & promoter group

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	Shares held (Nos)	Shares held (%)	Shares held (Nos)	Shares held (%)
<b>Balance at the beginning of the year</b>	71,774,535	65.55%	71,583,725	65.46%
Change during the year (Refer Note)	-	-0.09%	190,810	0.09%
<b>Balance at the end of the year</b>	<b>71,774,535</b>	<b>65.46%</b>	<b>71,774,535</b>	<b>65.55%</b>

Note : During the year, no changes in shareholding of promoters and promoter group, the same has been diluted due to allotments of ESOPs.

### 13.6 Other disclosures :

The Company has one class of equity shares having a par value of ₹ 5 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders' approval. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the 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.

13.7 The Company has issued and allotted 1,47,614 (2022 : 1,41,315 ) number of shares under Share options schemes to certain employees- Refer Note 34

## 14. Other equity

	As at March 31, 2023	As at March 31, 2022
Securities premium	945.69	943.09
General reserves	19.09	19.09
Retained earnings	(800.72)	(920.76)
Share options outstanding account	12.81	2.10
Share application money pending allotment	0.23	-
	<b>177.12</b>	<b>43.52</b>

For addition and deductions under each of the above heads see Statement of changes in equity.

### 14.1 Securities premium

Securities premium is used to record the premium received on issue of shares. The securities premium can be utilised only in accordance with the provisions of the Companies Act 2013.

### 14.2 General reserve

The General Reserve is mainly created/built by the Company from time to time by transferring the profits from retained earnings. This reserve may be utilised mainly to declare dividend as permitted under the Companies Act 2013.

### 14.3 Share options outstanding account

Share options outstanding account relates to share options granted by the Company to certain employees under share option plan. Further information about share based payments to employees is set out in Note 34.

## 15. Borrowings

	As at March 31, 2023	As at March 31, 2022
Non-current		
Term Loans (Secured) from banks	83.59	193.76
Less : Current maturities (Refer note 15A)	62.75	104.17
	<b>20.84</b>	<b>89.59</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 15. Borrowings (continued)

**15.1** Term Loans are secured by First Pari Passu charge on entire Current Assets including Stocks & Books debts, the entire movable fixed assets, Lease deposit excluding exclusive lien on lease Deposit to the extent of ₹ 26.62 Crores by Axis Bank Ltd , Escrow Account of debit card and credit card receivables.

### 15.2 Terms of the Facilities :

#### Non-current borrowings

Name of the Bank	Rate of Interest	Repayment Schedule	Loan Balance	
			March 31, 2023	March 31, 2022
ICICI Bank	8.50% (2022: 7.85%)	Repayable in 24 equal monthly installments from September 30,2022 till August 13,2024	70.84	100.00
HDFC Bank	8.25% (2022: 7.95%)	Repayable in 8 equal quarterly installments from August 8,2021 to May 8,2023	9.38	46.88
IDFC First Bank	9.15% (2022: 8.60%)	Repayable in 8 equal quarterly installments from September 30,2021 to June 30, 2023	3.37	46.88
<b>Total Non-current borrowings</b>			<b>83.59</b>	<b>193.76</b>

#### Current maturities of long-term borrowings

Name of the Bank	Rate of Interest	Repayment Schedule	Loan Balance	
			March 31, 2023	March 31, 2022
ICICI Bank	8.50% (2022: 7.85%)	Repayable in 24 equal monthly installments from September 30,2022 till August 13,2024	50.00	29.17
HDFC Bank **	8.25% (2022: 7.95%)	Repayable in 8 equal quarterly installments from August 8, 2021 to May8, 2023	9.38	37.50
IDFC First Bank	9.15% (2022: 8.60%)	Repayable in 8 equal quarterly installments from September 30,2021 to June 30, 2023	3.37	37.50
<b>Total Current maturities of long-term borrowings</b>			<b>62.75</b>	<b>104.17</b>

**15.3** Borrowings are carried at amortised cost.

**15.4** The Company has used the borrowings from the banks for the specific purpose for which it was taken at the balance sheet date. All the quarterly returns filed by the Company with the banks in which total income, total current assets and current liabilities are in agreement with the books of accounts for financial year 22-23 and 21-22.

**15.5** The term loan from HDFC bank has a lien against Fixed deposits of ₹15 crs kept with HDFC.

### 15A Current

	As at March 31, 2023	As at March 31, 2022
<b>From banks</b>		
- Secured	20.47	0.10
Current maturities of Long Term debts ( Refer Note 15.2)	62.75	104.17
	<b>83.22</b>	<b>104.27</b>

**15.A1** Loans are secured by a first pari passu charge on stock,book debts, hypothecation charge on credit card/debit card receivables (Escrow account) and all the movable fixed assets of the Company, both present & future except ICICI Bank loan which is secured by first pari passu charge on the current assets and all the movable fixed assets of the company both present & future excluding leasehold rights,lease deposits & Shoppers Stop brands.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 15. Borrowings (continued)

#### 15.A2 Terms of the Facilities :-

Name of the Bank	Rate of Interest	Repayment Schedule	Loan Balance	
			March 31, 2023	March 31, 2022
<b>Secured :</b>				
ICICI Bank (Cash Credit)	Nil (2022 : 8.35%)	On demand	-	0.10
Axis Bank Ltd (Cash Credit)	9.40% (2022 : Nil)	On demand	1.09	-
Kotak Mahindra Bank Ltd. (Cash Credit)	9.40% (2022 : Nil)	On demand	18.96	-
			<b>20.05</b>	<b>0.10</b>

### 16. Trade payables

	As at March 31, 2023	As at March 31, 2022
- Total outstanding dues of micro enterprises and small enterprises	43.21	35.16
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,782.69	1,406.71
	<b>1,825.90</b>	<b>1,441.87</b>

**16.1** There are no micro, small and medium enterprises, to whom the Company owes dues which are outstanding for more than 45 days during the year except stated in note 16.1.b. This information as required to be disclosed under the Micro,small and Medium Enterprise Development Act,2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	43.21	35.16
b) The amount of interest paid by the buyer in terms of section 16 of the Micro and Small enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) 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 Enterprise Development Act, 2006.	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro and Small Enterprise Development Act, 2006.	-	-

### 16.2 Trade payable ageing schedule

#### As on March 31, 2023

Particulars	Not due	Outstanding for following periods from				Total
		Less than 1 years	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	43.21	-	-	-	43.21
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,347.56	187.09	3.86	7.17	10.05	1,555.73
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled	226.96	-	-	-	-	226.96
<b>Total</b>	<b>1,574.52</b>	<b>230.30</b>	<b>3.86</b>	<b>7.17</b>	<b>10.05</b>	<b>1,825.90</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 16. Trade payables (continued)

#### As on March 31, 2022

Particulars	Not due	Outstanding for following periods from				Total
		Less than 1 years	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	35.16	-	-	-	35.16
Total outstanding dues of creditors other than micro enterprises and small enterprises	954.96	167.83	12.16	7.47	4.16	1,146.58
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled	260.13	-	-	-	-	260.13
<b>Total</b>	<b>1,215.09</b>	<b>202.99</b>	<b>12.16</b>	<b>7.47</b>	<b>4.16</b>	<b>1,441.87</b>

### 17. Other financial liabilities

	As at March 31, 2023	As at March 31, 2022
<b>Other financial liabilities measured at amortised cost</b>		
Interest accrued but not due on borrowings	0.09	0.35
Unpaid dividends	0.00	0.00
Creditors for capital expenditure	41.27	19.58
Accrued payroll	29.11	21.89
Income received in advance	4.92	5.32
Security deposits	0.27	0.29
Related parties payables (Refer Note 37)	-	1.15
Overdrawn bank balances	0.01	0.01
	<b>75.67</b>	<b>48.59</b>

### 18. Provisions

	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits:		
Gratuity ( Refer Note 35(2)(d) )	2.86	2.94
Leave encashment	1.00	5.61
	<b>3.86</b>	<b>8.55</b>

### 19. Other current liabilities

	As at March 31, 2023	As at March 31, 2022
Statutory liabilities	13.46	14.32
Award schemes and gift vouchers	83.38	71.38
Others	11.60	6.63
	<b>108.44</b>	<b>92.33</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 20. Revenue from operations

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Sale of Products</b>		
Retail Sales of Merchandise	<b>3,705.06</b>	<b>2,342.44</b>
<b>Other Retail operating revenue</b>		
Net proceeds from SOR	169.63	90.14
Net income from concessionaire & consignment model	61.38	34.99
Facility management fees	22.05	7.56
Gift vouchers lapsed	8.58	5.12
Income from store displays and sponsorship	0.54	0.30
Direct marketing	31.12	13.26
	<b>293.30</b>	<b>151.37</b>
	<b>3,998.36</b>	<b>2,493.81</b>

#### 20.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Type of goods or services</b>		
Sale of goods (net of taxes)	3,705.06	2,342.44
Net proceeds from SOR	169.63	90.14
Net income from concessionaire & consignment model	61.38	34.99
Other operating income	62.29	26.24
<b>Total revenue from contracts with customers</b>	<b>3,998.36</b>	<b>2,493.81</b>
India	3,998.36	2,493.81
Outside India	-	-
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	3,936.07	2,467.57
Services transferred over time (Other operating income)	62.29	26.24
<b>Total Revenue from contracts with customers</b>	<b>3,998.36</b>	<b>2,493.81</b>

#### 20.2

	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract balances		
Trade receivables*	30.36	38.20

\*Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

#### 20.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price.

Particulars	March 31, 2023	March 31, 2022
Revenue as per contracted price (net of sales return)	4,448.92	2,759.88
Adjustments		
Loyalty points	(59.79)	(28.10)
Discount	(390.77)	(237.97)
<b>Revenue from contract with customers</b>	<b>3,998.36</b>	<b>2,493.81</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 21. Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest on financial assets :</b>		
Inter-corporate deposit to subsidiary companies (Refer Note 37)	0.21	1.19
Bank deposits	1.06	0.68
Interest on IT Refund	-	6.82
Lease deposits measured at amortised cost	10.82	10.80
Profit on sale of Property, plant and equipment	0.35	-
Profit on sale of mutual fund investment	4.64	4.38
Profit on sale of investment	0.77	-
Covid-19-Related Rent Concessions (Refer note 27)	-	107.63
Gain on account of remeasurement of lease life	19.89	34.00
Miscellaneous Income*	18.33	0.55
	<b>56.07</b>	<b>166.05</b>

\* During the year ended March 31, 2023, the company evaluated certain amendments relating to a statute and assessed certain provision of earlier period is no longer required. Accordingly, an amount of ₹ 17.06 crores was reversed and accounted as income in the current financial year.

## 22a. Purchase of Stock in trade

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>22a. Purchase of Stock in trade</b>		
Retail Merchandise		
Apparels	1,659.87	939.54
Non-apparels	1,146.33	724.24
	<b>(A) 2,806.20</b>	<b>1,663.78</b>
<b>22b. Changes in inventories of stock in trade</b>		
Opening inventory - Retail merchandise	1,007.54	847.19
Closing inventory - Retail merchandise	1,486.33	1,007.54
Decrease / (Increase)	<b>(B) (478.79)</b>	<b>(160.35)</b>
<b>22c. Cost of inventories recognised as an expenses*</b>	<b>(A)+(B) 2,327.41</b>	<b>1,503.43</b>
* Includes write-downs/offers (net) of inventory to net realisable value on account of old season stock and shrinkages arising from stock count.	36.22	63.63

## 23. Employee costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Wages	308.20	245.39
Contribution to provident and other funds (Refer note 35)	20.51	16.76
Share-based payments cost *	11.77	1.66
Staff welfare expenses	8.78	5.48
	<b>349.26</b>	<b>269.29</b>

\* Measured at fair value For details of share options granted by the Company to the certain employees, Refer Note 34

## 24. Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on borrowings	13.13	26.44
Interest on Lease Liabilities	195.63	178.39
Bank charges	0.39	0.56
	<b>209.15</b>	<b>205.39</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 25. Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Lease rent and hire charges	100.10	58.26
Rates and taxes	3.48	2.26
Repairs and maintenance		
- Buildings	108.21	96.74
- Others	19.25	15.13
Legal and professional fees (Note 25.1)	8.85	6.67
Housekeeping charges	19.30	12.30
Security charges	23.48	13.98
Computer expenses	57.46	58.25
Conveyance and travelling expenses	12.75	4.16
Electricity charges	111.34	72.71
Advertisement and publicity	67.10	40.79
Charges on credit card transactions	23.54	15.06
Bad Debts	7.33	-
Less : Provision for doubtful debts utilised	(7.33)	-
Allowances for bad and doubtful financial assets*	5.17	7.77
Loss on sale of property, plant and equipment (net)	-	0.76
Corporate Social Responsibility expenses	-	0.75
Miscellaneous expenses	62.87	47.98
	<b>622.90</b>	<b>453.57</b>

\*excludes exceptional items

## 25.1 Payments to Auditors (excluding GST) :

	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Audit fees	0.67	0.63
ii) Other matters	0.04*	0.10*
iii) Out of pocket expenses	0.01	0.02

## 25.2 Expenditure related to corporate social responsibility as per Section 135 of the Companies Act, 2013 read with schedule VIII thereof :

	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Gross amount required to be spent by the Company	-	-
b) Details of amount spent / unspent are as under :		
i) Sustained livelihood throughout the year for women involved in kit development and making of mypads	-	0.75
ii) Unspent amounts in relation to :		
- Ongoing project	-	-
- Other than ongoing project	-	-
<b>Total</b>	<b>-</b>	<b>0.75</b>

\*\* F.Y.21-22 - The Company has transferred unspent amount of ₹0.75 crores to a special bank account called as Unspent Corporate Social Responsibility Account (UCSRA) within 30 days from the end of the F.Y.20-21. During the year, Company has utilised the money and completed the project which is disclosed above.

**Note :** Company has "average loss" in three immediately preceding financial years and hence Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility (CSR) is not applicable.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 26. Income tax expense recognised in profit or loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current income tax:</b>		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	(20.59)
	-	<b>(20.59)</b>
<b>Deferred tax</b>		
In respect of current year	42.86	(31.52)
In respect of prior years	-	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>42.86</b>	<b>(52.11)</b>
OCI section - Deferred tax related to items recognised in OCI during in the year:		
Net loss / (gain) on remeasurements of defined benefit plans	(0.09)	(0.27)
<b>Income tax expense charged to OCI</b>	<b>(0.09)</b>	<b>(0.27)</b>

## Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting Profit before income tax (before exceptional item)	162.11	(138.79)
Income tax expense calculated at 25.17% (2022 :25.17%)	40.80	(34.93)
<b>Effect of expenses that are not deductible in determining taxable profit</b>		
Corporate social responsibility expenses	-	0.19
Employee stock option expenses	3.93	-
Impairment provision on investments in Crossword Bookstores Private Limited	-	3.78
<b>Adjustments in respect of current income tax of previous year</b>		
Adjustments in respect of current income tax of previous year	-	(20.59)
<b>Others</b>		
Others	(1.87)	(0.56)
<b>Income tax expense recognised in profit or loss</b>	<b>42.86</b>	<b>(52.11)</b>

**27.** Ind AS 116 Leases was notified by MCA on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

## 27.1 Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year :

Particulars	March 31, 2023	March 31, 2022
Opening Balance	1,276.43	1,209.60
Additions during the year	625.67	298.05
Modifications during the year	(12.34)	(16.60)
Depreciation Expenses for the year	(253.70)	(214.62)
Balance at the end of the year	<b>1,636.06</b>	<b>1,276.43</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 27 (continued)

## 27.2 Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	March 31, 2023	March 31, 2022
Opening Balance	1,899.51	1,911.57
Additions	625.67	298.05
Finance Charge	195.63	178.39
Modifications	(38.57)	(50.59)
Others	(17.46)	(30.86)
Repayment	(416.13)	(299.43)
Lease waivers	-	(107.63)
<b>Balance at the end of the year</b>	<b>2,248.65</b>	<b>1,899.51</b>
Current	271.89	221.61
Non-current	1,976.76	1,677.90

The effective interest rate for lease liabilities is 8.10% as on March 31, 2023 (8.50 % as on March 31, 2022)

## 27.3 Covid-19-Related Rent Concessions :

As described in Note 2.2.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 w.r.t. "Covid-19 Related Rent Concessions" effective from the period beginning on or after April 1, 2020.

Many lessors have provided rent concessions to the Company as a result of the Covid-19 pandemic. Rent concession include rent holidays or rent reductions for a period of time. The amendment is to provide lessees that have been granted Covid-19 related rent concessions with practical relief, while still providing useful information about leases to users of the financial statements.

As a practical expedient, the Company elected not to assess a Covid-19 related rent concession from a lessor is a lease modification. and 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 practical expedient applies only to rent concessions occurring as a direct consequence of the Covid-19 pandemic.

Pursuant to the above amendment, the Company has applied the practical expedient by accounting the unconditional rent concessions in "Other income" in the Statement of Profit and Loss as under :

For the Financial Year Ended March 31, 2023	For the Financial Year Ended March 31, 2022
-	107.63

## 27.4 The following are the amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense of right-of-use assets	253.70	214.62
Interest expense on lease liabilities	195.63	178.39
Expense relating to short-term leases (included in other expenses)	23.44	24.24
Expense relating to leases of low-value assets (included in other expenses)	0.51	0.42
Variable lease payments (included in other expenses)	76.15	33.60
<b>Total amount recognised in profit or loss</b>	<b>549.43</b>	<b>451.27</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

27 (continued)

## 27.5 The following provides information on the Company's variable Lease payments including the magnitude in relation to fixed payments

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fixed rent	118.74	84.79
Variable rent with minimum payment	386.81	251.24
Variable rent only	10.68	13.18

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

## 27.6 Set out below are the future minimum lease rentals payments in respect of lease for offices, store premises and warehouses as follows

Particulars	As at March 31, 2023	As at March 31, 2022
Within one year	450.48	380.49
After one year but not more than five years	1,495.36	1,272.73
More than five years	1,115.74	1,124.01
<b>Grand Total</b>	<b>3,061.58</b>	<b>2,777.23</b>

## 28. EARNING PER EQUITY SHARE

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the Company by weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations :

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Profit attributable to equity share holders (₹ In Crores)	119.25	(86.68)
(b) Weighted Number of equity shares outstanding during the year	10,95,81,130	10,94,25,863
(c) Weighted Number of equity shares outstanding during the year after adjustment for dilution	11,04,21,619	10,94,25,863
(d) Nominal value per share (₹)	5	5
(e) EPS:		
Basic (₹)	10.88	(7.92)
Diluted (₹)	10.80	(7.92)
<b>Weighted Average number of Equity shares for basic EPS</b>	<b>10,95,81,130</b>	<b>10,94,25,863</b>
Effect of dilution :		
Share options	8,40,489	*
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	<b>11,04,21,619</b>	<b>10,94,25,863</b>

\*Note- Since there is loss hence it becomes antidilutive.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 29. Contingent liabilities and commitments:

Particulars	March 31, 2023	March 31, 2022
<b>i) Contingent liabilities</b>		
a) Claims against the Company not acknowledged as debts, comprising of :		
Income tax claims disputed by the Company relating to disallowances aggregating *	182.12	249.39
*2023 : As at March 31, 2023, the Company has outstanding demands amounting to ₹180.24 crores w.r.t TDS Disallowances and ₹1.88 crores w.r.t. notional interest and disallowances under Section 14A for AY 2020-21 and order u/s. 201 for AY 2019-20.		
Update in FY 22-23 : During the year ended March 31, 2023, the Company has received favourable ITAT order for A.Y.2017-18 and A.Y.2012-13 amounting to ₹44.09 crores and ₹23.41 crores respectively against non deduction on TDS on contract manufacturing goods. The Company has received order u/s.201 for AY 2019-20 amounting to ₹0.23 crores for non deduction of TDS, the Company has filed appeal with CIT (Appeal) against the same.		
* 2022: As of March 31, 2022, the Company had outstanding demands amounting to ₹ 247.74 crores w.r.t. to TDS Disallowances and amounting to ₹ 1.65 crores w.r.t. notional interest and disallowances under Section 14A.		
Indirect tax claims disputed by the Company relating to issues of applicability and classification aggregating		
- Service tax other than on rent (Refer note 30 (i))	-	-
- Service tax on rent (Refer note 30 (ii))	16.60	16.60
- VAT/ Sales tax <sup>®</sup>	5.47	6.16
- Customs Duty <sup>#</sup>	0.47	0.47
<sup>®</sup> The demand is on account of disallowance of VAT set off due to J1-J2 mis-match or GSTR 1 Vs 3B and on account of disallowance of GST Input tax credit on account of mis-match of ITC between GSTR 3B V/s GSTR2A. The Company has filed an appeal for F.Y.15-16 to F.Y.17-18 and matter is still pending before Asst./ Dep.Commissioner Commercial Tax.		
<sup>#</sup> Aggrieved with the decision of custom department for demanding the payment of SAD refund of ₹0.42 Crores the Company has filed an appeal before CESTAT. Further, the company has received demand order of ₹0.05 Crores on account of misclassification of imported goods. Against the said order the Company has filed an appeal before CESTAT. Both these matters are pending with CESTAT.		
b) Other matters	0.25	0.25
c) Bank Guarantees	8.03	7.53
Note: Future cash outflows in respect of (a) (b), and (c) above are determinable only on receipt of judgements/decisions pending with various forums/authorities.		
<b>ii) Commitments</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	37.22	23.94
b) Corporate guarantee given to bank jointly and severally	-	-

## 30. Service tax

i) During the year ended March 31, 2022, The Service tax authority has raised demand through SCN amounting to ₹3.45 Crores (Basic Duty of ST) towards business support services (concessionaire business model) for the period from May'2006 to May'2007. The final liability after considering the penalty and interest amounting to ₹11.20 Crores (deposit paid under protest ₹ 3.45 Crores). During the year, Company has filed for Sabka Vishwas - (Legacy Dispute Resolution) Scheme, 2019 (SVLDRS) and basis the final order, the matter is concluded without any further liability."

ii) Pursuant to levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from June 1, 2007, the Company has challenged the said levy and, inter-alia, its retrospective application based on a legal advice. Pending the final disposal of the matter, which is presently before the Supreme Court, the Company continues not to provide for the retrospective levy aggregating ₹16.60 Crores out of total demand of ₹35.41 Crores for the period June 1, 2007 to March 31, 2010 which has been paid under protest. The Company has made an aggregate deposit of ₹35.41 Crores in respect of the liability for such service tax.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 31. Exceptional Items :

During the year, the Company has written off ₹2 Crores towards ICD receivable from Crossword Bookstores Limited (Crossword) (Previous year - ₹15.00 Crores for impairment on loan/investments towards Crossword ) and disclosed as exceptional item in the financial statement. Please also refer note 36.4 to the financial statement.

## 32. Segment reporting

The Company is primarily engaged in the business of retail trade through retail and departmental store facilities, which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.

- The Company operates in a single geographical environment i.e.in India.
- No single customer contributed 10% or more to Company's revenue.

## 33. Derivatives / Forward foreign exchange contracts

- The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency exposures relating to the underlying transactions and firm commitments. The company does not enter into any derivative instruments for trading and speculative purposes.

There are no outstanding Forward Exchange Contracts entered into by the Company as at March 31, 2023.

- Unhedged Foreign Currency exposure

The following are the foreign currency exposures that have not been hedged by a derivative instrument or otherwise at the end of the year.

Particulars	March 31, 2023		March 31, 2022	
	₹ In Crores	In Foreign currency	₹ In Crores	In Foreign currency
Trade Payable	-	-	0.04	GBP 3,928
Creditors for capital expenditure	0.08	USD 9,565	0.11	USD 14,469
	0.02	EURO 2,742	1.46	EURO 1,74,212
Creditors for expenses (professional fees)	0.69	USD 84,136	2.68	USD 3,54,843
	-	-	0.14	SGD 24,326
	0.02	CHF 1,945	0.01	CHF 1,149
	0.03	GBP 3,426	0.01	GBP 1,271

## 34. Share-based payments

The expense recognised for employee services received during the year is show in the following table :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Expense arising on Employee Stock Option Scheme	11.77	1.66
<b>Total expense arising from share-based payment transactions</b>	<b>11.77</b>	<b>1.66</b>

### 34.1 Employee share option plan of the Company

The Company has a share option scheme for certain employees of the Company. In accordance with the terms of the share option scheme, as approved by shareholders at general meeting, employees with a pre-defined grade may be granted options to purchase equity shares. Each share option converts into one equity share of the company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised with in four years from the date of grant, as per vesting schedule.The share options vests based on a pre-determined vesting schedule from the date of grant.

The fair value of the share options is estimated at the grant date using a binomial option pricing model, taking into account the terms and conditions upon which the share options are granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 34. Share-based payments (continued)

The Contractual term of each option granted is three years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these share options.

The following share-based payment arrangements were in existence during the current and prior years :

Options series	Number	Grant date	Expiry date	Exercise Price (₹)	Fair value at grant date (₹)
Granted on June 8,2018	9,191	08.06.2018	07.06.2021	544.00	219.45
Granted on June 8,2018	5,253	08.06.2018	08.06.2021	544.00	189.71
Granted on July 27,2018	28,720	27.07.2018	27.07.2021	546.00	167.93
Granted on January 28,2019	17,210	28.01.2019	28.01.2022	514.00	160.20
Granted on April 30,2019	10,684	30.04.2019	29.04.2021	468.00	137.41
Granted on April 30,2019	24,197	30.04.2019	30.04.2022	468.00	139.39
Granted on July 30,2019	21,582	30.07.2019	30.07.2022	387.00	110.22
Granted on January 30,2020	26,452	30.01.2020	31.01.2023	383.00	135.80
Granted on July 10,2020	2,03,097	10.07.2020	10.07.2021	174.00	45.27
Granted on August 13,2020	8,485	13.08.2020	13.08.2021	165.00	43.97
Granted on October 30,2020	43,718	30.10.2020	29.10.2023	171.00	50.59
Granted on January 15,2021	41,436	15.01.2021	14.06.2024	181.00	73.79
Granted on January 15,2021	54,509	15.01.2021	14.06.2026	181.00	86.16
Granted on January 15,2021	3,45,114	15.01.2021	14.06.2026	192.00	82.06
Granted on July 29,2021	28,671	29.07.2021	14.06.2026	218.00	94.28
Granted on March 29,2022	34,147	29.03.2022	30.03.2026	410.00	179.71
Granted on June 28,2022	4,79,898	28.06.2022	27.06.2026	5.00	462.71
Granted on June 28,2022	9,51,327	28.06.2022	27.06.2026	412.00	210.95
Granted on July 25,2022	1,23,983	25.07.2022	24.07.2026	489.00	233.10
Granted on July 25,2022	7,546	25.07.2022	24.07.2026	5.00	539.10
Granted on July 25,2022	15,091	25.07.2022	24.07.2026	442.00	254.32
Granted on October 19,2022	5,847	19.10.2022	18.10.2028	5.00	775.14
Granted on October 19,2022	11,694	19.10.2022	18.10.2028	568.00	394.73
Granted on January 23,2023	13,760	23.01.2023	22.01.2029	5.00	673.72
Granted on January 23,2023	27,519	23.01.2023	22.01.2029	688.00	255.47

All options vested based on the pre determined vesting schedule (i.e. three years) from the date of grant and expire after 12 months from the last date of vesting schedule, six months from the date of retirement or twelve months after the resignation of the employee, whichever is the earlier.

### 34.2 Fair value of share options granted in the year

The following are the new grants during the F.Y.2022-23

Options series	Number	Grant date	Expiry date	Exercise Price (₹)	Fair value at grant date (₹)
Granted on June 28,2022	479,898	28.06.2022	27.06.2026	5.00	462.71
Granted on June 28,2022	951,327	28.06.2022	27.06.2026	412.00	210.95
Granted on July 25,2022	123,983	25.07.2022	24.07.2026	489.00	233.10
Granted on July 25,2022	7,546	25.07.2022	24.07.2026	5.00	539.10
Granted on July 25,2022	15,091	25.07.2022	24.07.2026	442.00	254.32
Granted on October 19,2022	5,847	19.10.2022	18.10.2028	5.00	775.14
Granted on October 19,2022	11,694	19.10.2022	18.10.2028	568.00	394.73
Granted on January 23,2023	13,760	23.01.2023	22.01.2029	5.00	673.72
Granted on January 23,2023	27,519	23.01.2023	22.01.2029	688.00	255.47

### 34.3 Movements in share options during the year

Number of Employee Stock Option Outstanding :	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
	March 31, 2023		March 31, 2022	
Outstanding at the beginning of the year	495,120	203.71	670,000	183.59
Granted during the year	1,636,665	297.77	62,818	322.37
Lapsed/Cancelled during the year	328,375	-	96,383	-
Exercised during the year	147,614	-	141,315	-
Outstanding at the end of the year	1,655,796	285.40	495,120	203.71

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 34. Share-based payments (continued)

Of the above outstanding share options 16,55,796 (2022: 4,95,120) shares are exercisable at the end of the respective reporting periods.

Details of year-wise grant and exercise:

Year / (date of Grant)	Options granted (net of lapsed)	Exercised till 31.3.2022	Lapsed/ Surrender in 2021-22	Exercised till 31.3.2022	Outstanding 31.3.2022	Exercised in 2022-23	Lapsed/ Surrender in 2022-23	Outstanding 31.3.2023
2018-19 (08.06.2018)	9,191	-	9,191	-	-	-	-	-
2018-19 (08.06.2018)	5,253	-	5,253	-	-	-	-	-
2018-19 (27.07.2018)	23,810	-	23,810	-	-	-	-	-
2018-19 (08.06.2018)	6,610	-	6,610	-	-	-	-	-
2019-20 (30.04.2019)	10,684	-	10,684	-	-	-	-	-
2019-20 (30.04.2019)	20,712	-	20,712	-	-	-	-	-
2019-20 (30.07.2019)	21,582	-	21,582	-	-	-	-	-
2019-20 (30.01.2020)	26,452	-	26,452	-	-	-	-	-
2020-21 (10.07.2020)	203,097	-	140,045	-	63,052	50,316	-	12,736
2020-21 (13.08.2020)	8,485	-	8,485	-	-	-	-	-
2020-21 (30.10.2020)	43,718	22,166	11,973	22,166	9,579	9,579	-	-
2020-21 (15.01.2021)	41,436	-	-	-	41,436	39,364	-	2,072
2020-21 (15.01.2021)	54,509	-	-	-	54,509	5,849	-	48,660
2020-21 (15.01.2021)	345,114	-	81,388	-	263,726	39,753	74,733	149,240
2021-22 (29.07.2021)	28,671	-	-	-	28,671	2,753	14,909	11,009
2021-22 (29.03.2022)	34,147	-	-	-	34,147	-	9,455	24,692
2022-23 (28.06.2022)	479,898	-	-	-	-	-	70,141	409,757
2022-23 (28.06.2022)	951,327	-	-	-	-	-	140,281	811,046
2022-23 (25.07.2022)	123,983	-	-	-	-	-	18,856	105,127
2022-23 (25.07.2022)	7,546	-	-	-	-	-	-	7,546
2022-23 (25.07.2022)	15,091	-	-	-	-	-	-	15,091
2022-23 (19.10.2022)	5,847	-	-	-	-	-	-	5,847
2022-23 (19.10.2022)	11,694	-	-	-	-	-	-	11,694
2022-23 (23.01.2023)	13,760	-	-	-	-	-	-	13,760
2022-23 (23.01.2023)	27,519	-	-	-	-	-	-	27,519
		<b>366,185</b>		<b>22,166</b>	<b>495,120</b>	<b>147,614</b>	<b>328,375</b>	<b>1,655,796</b>

## 34.4 Share options exercise during the year

The following share options were exercised during the year

Options series	Number Exercised	Exercise date	Weighted Average Share price at exercise date (₹)
2020-21 (15.01.2021)	17,424	26.07.2022	192
2020-21 (10.07.2020)	2,033	26.07.2022	174
2020-21 (15.01.2021)	39,364	26.07.2022	181
2020-21 (15.01.2021)	1,984	26.07.2022	181
2020-21 (30.10.2020)	3,127	26.07.2022	171
2020-21 (30.10.2020)	6,451	19.10.2022	171
2020-21 (15.01.2021)	3,865	19.10.2022	181
2020-21 (15.01.2021)	21,157	19.10.2022	192
2021-22 (29.07.2021)	2,753	19.10.2022	218
2020-21 (10.07.2020)	48,283	19.10.2022	174
2020-21 (15.01.2021)	1,173	23.01.2023	192

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 34. Share-based payments (continued)

### 34.5 New Schemes Launched

The compensation cost of stock options granted to employees is calculated using the intrinsic value of the stock options.

Date of grant	2022-23										2021-22	
	28.06.2022	28.06.2022	25.07.2022	25.07.2022	25.07.2022	19.10.2022	19.10.2022	23.01.2023	23.01.2023	29.07.2021	29.03.2022	
Date of grant	28.06.2022	28.06.2022	25.07.2022	25.07.2022	25.07.2022	19.10.2022	19.10.2022	23.01.2023	23.01.2023	29.07.2021	29.03.2022	
Number of option granted	479,898	951,327	123,983	7,546	15,091	5,847	11,694	13,760	27,519	28,671	34,147	
Contractual life	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	2.21 years	4.00 years	
Vesting Schedule (from the date of grant)												
First Year	0%	25%	25%	0%	25%	0%	25%	0%	25%	25%	100%	
Second Year	15%	25%	25%	15%	25%	15%	25%	15%	25%	25%	0%	
Third Year	35%	25%	25%	35%	25%	35%	25%	35%	25%	25%	0%	
Fourth Year	50%	25%	25%	50%	25%	50%	25%	50%	25%	25%	0%	
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	
Estimated Fair Values( Arrived at by applying Binomial option pricing model)	464.76	205.73	233.10	464.76	205.73	775.14	394.73	673.72	NA	94.28	179.71	
Model inputs (share price at the grant date) ₹	5	412	489	5	442	5	568	5	688	218	410	
Exercise Price ₹	5	412	489	5	442	5	568	5	688	218	410	
Expected Volatility	40.85%	43.02%	43.11%	40.85%	43.02%	40.06%	42.37%	40.08%	42.17%	44.21%	50.64%	
Risk free rate of return	1.77%	1.72%	1.71%	1.77%	1.72%	1.81%	1.78%	1.78%	1.76%	1.25%	1.29%	

34.6 The weighted average contractual life of the options outstanding is 2.07 years

## 35. Employee Benefits

### 35.1 Defined contribution plans

The Company operates defined contribution plan (Provident fund) for all qualifying employees of the Company. The employees of the company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions. The Company's contribution to Provident Fund aggregating ₹15.05 Crores (2022: ₹ 13.05 Crores) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

Information about the contribution to defined contribution plans for key managerial personnel is disclosed in note 37.

### 35.2 Defined benefit plan

The Company sponsors funded defined benefit (Gratuity) plan for qualifying employees, covered under the Payment of Gratuity Act, 1972. The defined benefit plan is administered by a third-party insurer (Life Insurance Corporation of India). This third-party insurer is responsible for the investment policy with regard to the assets of the plan.

Under the plan, the employees are entitled to a lump-sum amounting to 15 days' final basic salary for each year of completed service payable at the time of retirement / resignation provided the employee has completed 5 years of continuous service.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 35. Employee Benefits (continued)

- a) The principal actuarial risks to which the Company is exposed are investment risk, interest rate risk, salary risk and longevity risk.

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Longevity risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act,1972 ( as amended from time to time) . There is a risk of change in the regulations requiring higher gratuity payouts.
Asset liability mismatching or market risk	The duration of liability is longer as compare to duration of assets, exposing the Company to market risk for volatilities / fall in the interest rate.

- b) The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.15% p.a.	5.70% p.a.
Expected rate of salary increase	5.50% p.a.	4.50% p.a.
Average Longevity at retirement age for current beneficiaries of the plan (years)	Indian Assured Lives Mortality 2012-14	
<b>Rate of employee turnover</b>		
Upto 5 Year	49.00% p.a.	45.00% p.a.
Above 5 Year	25.00% p.a.	21.00% p.a.

- c) Amount recognised in statement of profit and loss in respect of these defined benefit plan

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	2.31	2.31
Net interest cost	0.16	0.13
<b>Components of defined benefits costs recognised in profit or loss.</b>	<b>2.47</b>	<b>2.44</b>
Remeasurements on the net defined benefit liability :		
- Return on plan assets, excluding amount included in interest expense/(income)	(0.04)	(0.17)
- Actuarial (gain)/loss from change in demographic assumptions	0.04	0.15
- Actuarial (gain)/loss from change in financial assumptions	(0.33)	(0.05)
- Actuarial (gain)/loss from change in experience adjustments	0.69	1.16
<b>Total amount recognised in other comprehensive income</b>	<b>0.36</b>	<b>1.09</b>
<b>Total</b>	<b>2.83</b>	<b>3.53</b>

- d) The amount included in the balance sheet arising from Company's obligation in respect of its defined benefit plan is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligation	17.82	17.88
Fair value of plan assets	14.96	14.94
<b>Net asset arising from defined benefit obligation</b>	<b>2.86</b>	<b>2.94</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 35. Employee Benefits (continued)

- e) Movement in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening defined benefit obligation	17.88	16.14
Current service cost	2.31	2.31
Interest cost	1.01	0.91
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	0.04	0.15
- Actuarial (gain)/loss from change in financial assumptions	(0.33)	(0.05)
- Actuarial (gain)/loss from change in experience adjustments	0.69	0.65
Benefits paid	(3.78)	(2.23)
<b>Closing defined benefit obligation</b>	<b>17.82</b>	<b>17.88</b>

- f) Movement in the fair value of the plan assets are as follows.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening fair value of plan assets	14.94	13.84
Interest income	0.85	0.78
Remeasurement (gains)/losses:		
- Return on plan assets, excluding amount included in net interest expense	0.04	0.05
Contributions from the employer	2.91	2.50
Benefits paid/transferred	(3.78)	(2.23)
<b>Closing fair value of plan assets</b>	<b>14.96</b>	<b>14.94</b>

- g) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is as follows :

Particulars	March 31, 2023	March 31, 2022		
Defined benefit obligation (base)	17.82	17.88		
Particulars	March 31, 2023		March 31, 2022	
	Decrease	Increase	Decrease	Increase
Discount rate (- / +1%)	18.65	17.18	18.65	17.18
% change compared to base due to sensitivity	4.30%	-4.00%	4.30%	-4.00%
Salary growth rate (- / +1%)	17.16	18.65	17.16	18.65
% change compared to base due to sensitivity	-4.00%	4.30%	-4.00%	4.30%
Attrition rate (- / +50%)	18.21	17.41	18.21	17.41
% change compared to base due to sensitivity	1.80%	-2.60%	1.80%	-2.60%
Mortality rate (- / +10%)	17.88	17.89	17.88	17.89
% change compared to base due to sensitivity	0.00%	0.00%	0.00%	0.00%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognised in the balance sheet.

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note 36.2b above.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 35. Employee Benefits (continued)

### h) Asset liability matching strategies:

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset)."

### i) Effect of plan on entity's future cash flows

- Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.
- The Company expects to contribute ₹4.92 crores to its gratuity plan for the next year.
- Weighted average duration of the defined benefit obligation is 4 years (based on discounted cashflows).

Expected cash flows over the next (valued on undiscounted basis):	₹ In Crs
1 year	4.92
2 to 5 years	11.72
6 to 10 years	5.13
More than 10 years	1.98

## 36. Subsidiaries

### 36.1 Details of the Company's subsidiaries at the end of the reporting period are as follows :

Sr. No	Name of subsidiary	Principal activity	Place of incorporate and operation	Proportion of ownership interest and voting rights held	
				As at March 31, 2023	As at March 31, 2022
1	Shoppers' Stop Brands (India) Limited ( Refer Note 36.2)	Services	India	100%	100%
2	Global SS Beauty Brands Limited ( Refer Note 36.3)	Distribution of International Beauty Brands	India	100%	100%
3	Shoppers' Stop.com (India) Limited	Services	India	100%	100%
4	Gateway Multichannel Retail (India) Limited	Catalogue retailing business	India	100%	100%
5	Crossword Bookstores Limited	Retailing in books and other allied items through departmental stores operated by self or by franchisees	India	Refer below note 36.4	Refer below note 36.4

**36.2** W.e.f. June 23, 2022, the name of Shoppers Stop Services (India) Ltd, the wholly owned subsidiary of Shoppers Stop Ltd has been changed to Shoppers Stop Brands (India) Ltd.

**36.3** W.e.f. June 20,2022, the name of Upasna Trading Ltd, the wholly owned subsidiary of Shoppers Stop Ltd has been to Global SS Beauty Brands Ltd.

**36.4** During the year ended March 31, 2022, In terms of the Share Purchase Agreement executed with Agarwal Book House (ABH) and the board of directors of the Company had accorded their approval for sale of 100% equity shares held by the Company in Crossword Bookstores Ltd (Crossword), a wholly owned subsidiary ( now known as Crossword Bookstores Pvt. Ltd.) to M/s. Dinesh Gupta, Aakash Gupta & Family (Owners of Agarwal Business House, Pune). The business of Crossword was valued at ₹41.60 Crs. Under the agreement, ABH will take over all the assets and brand. Any liabilities will be adjusted for arriving at the final consideration.

The Company has completed sale of 51% of investment in Crossword and Crossword ceased to be subsidiary of the Company and remain associate as on March 31,2022.

During the current year, the Company has completed additional sale of 39.00% of investment in Crossword and last tranche of 10% stake sale is expected to be completed by October 31, 2024.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Related party disclosures

### Names of related parties and description of relationship:

(a) Subsidiaries	Crossword Bookstores Private Limited. ( upto October 11,2021)	
	Gateway Multi Channel Retail (India) Limited.	
	Global SS Beauty Brands Limited ( formerly known as Upasna Trading Limited)	
	Shoppers Stop Brands (India) Limited (formerly known as Shoppers Stop Services (India) Limited)	
	Shoppers Stop.com (India) Limited.	
(b) Associate	Crossword Bookstores Private Limited. ( w.e.f. October 12,2021)	
(c) Key Management Personnel	Executive Director & Chief Executive Officer :	Venugopal Nair
	Non-executive Directors:	Ravi Raheja
		Neel Raheja
		B.S. Nagesh
		Deepak Ghaisas (upto March 31,2023)
		Nirvik Singh
		Ameera Shah (upto January 20,2022)
		Manish Chokhani
		Robert Bready (upto January 23,2023)
		William Kim (upto January 20,2022)
		Arun Sirdeshmukh (w.e.f. October 20,2021)
		Christine June Kasoulis ( w.e.f. October 20,2021)
		Mahesh Chhabria (w.e.f. January 23,2023)
	Smita Jatia (w.e.f. February 20,2023)	
	Chief Financial Officer	Karunakaran Mohanasundaram
	Company Secretary	Vijay Kumar Gupta
(d) Entities in which a director is a directors / trustees	Ivory Properties and Hotels Private Limited *	
	Inorbit Malls (India) Private Limited*	
	Trion Properties Private Limited *	
	Chalet Hotels Limited*	
	Retailers Association of India	
	K.Raheja Corp. Private Limited*	
	K.Raheja Private Limited*,	
	Juhu Beach Resorts Ltd.*,	
	Genext Hardware and Parks Private Limited *	
	Palm Shelter Estate Development LLP	
	Anbee Construction LLP	
	Cape Trading LLP	
	Capstan Trading LLP	
	Casia Maria Properties LLP	
	Raghukool Estate Development LLP	
	Trrain Circle Technologies Pvt.Ltd.	
	K Raheja Corporate Services Private Limited	

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Related party disclosures (continued)

Nature	Subsidiaries (refer (a) above)	Associate (refer (b) above)	Entities in which the directors are directors / trustees (refer (d) above)	Key Management Personnel	Total
<b>Trading transactions</b>					
<b>Purchase of Merchandise</b>	<b>10.69</b>		-	-	<b>10.69</b>
	-				-
Global SS Beauty Brands Limited	10.69		-	-	
	-				-
<b>Sale of Merchandise</b>	<b>60.55</b>	-	<b>0.00</b>	-	<b>60.55</b>
	(56.47)	-	-	-	(56.47)
Shoppers Stop.Com (India) Limited	60.55		-	-	
	(56.47)				
K Raheja Corporate Services Private Limited	-		0.00	-	
	-		-	-	
K.Raheja Private Ltd.	-		0.00	-	
	-		-	-	
Inorbit Malls (India) Private Limited *	-	-	0.00	-	
	-		-	-	
<b>Loan to related parties</b>					
<b>Loan Given</b>	<b>20.00</b>	-	-	-	<b>20.00</b>
	(3.50)				(3.50)
Crossword Bookstores Private Limited	-		-	-	
	(3.50)				
Global SS Beauty Brands Limited	20.00		-	-	
	-				
<b>Loan received back /consideration received back - ICD</b>	<b>20.20</b>	<b>9.79</b>	-	-	<b>29.99</b>
	(23.20)	-	-	-	(23.20)
Crossword Bookstores Private Limited	-	9.79	-	-	
	(23.20)				
Shoppers Stop.Com (India) Limited	0.20				
	-				
Global SS Beauty Brands Limited	20.00		-	-	
	-				
<b>Investments made</b>	<b>24.95</b>				<b>24.95</b>
	(6.50)				(6.50)
Crossword Bookstores Private Limited	-				
	(26.50)				
Global SS Beauty Brands Limited - Equity Shares	4.95				
Global SS Beauty Brands Limited - Non Cum- Redeemable Preference shares	20.00				
	-				
<b>Compensation to key management personnel</b>					
<b>Remuneration to managing director</b>				<b>9.69</b>	<b>9.69</b>
(Mr. Venugopal Nair)					
Short term benefits				5.88	
Post employment benefits				0.39	
Share based payments (4,56,181 equity share options)				3.41	
	-			(4.04)	(4.04)
<b>Remuneration to Company Secretary</b>				<b>1.10</b>	<b>1.10</b>
(Mr. Vijay Kumar Gupta)					
Short term benefits				0.91	
Post employment benefits				0.03	
Share based payments				0.16	
Share based payments (19,240 equity share options)				(0.77)	(0.77)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Related party disclosures (continued)

Nature	Subsidiaries (refer (a) above)	Associate (refer (b) above)	Entities in which the directors are directors / trustees (refer (d) above)	Key Management Personnel	Total
<b>Remuneration to Chief Financial Officer</b>				<b>3.34</b>	<b>3.34</b>
(Mr. Karunakaran Mohanasundaram)	-		-	2.37	
Short term benefits					
Post employment benefits				0.10	
Share based payments (1,38,350 equity share options)				0.87	
				(2.26)	
<b>Other related party transactions</b>					
<b>Payment of Variable Lease rent</b>	-		<b>10.99</b>	-	<b>10.99</b>
	-		(4.41)	-	(4.41)
Ivory Properties and Hotels Private Limited *			10.99		
			(3.26)		
Inorbit Malls (India) Private Limited *			-		
			(0.94)		
Chalet Hotels Pvt Ltd *			-		
			(0.00)		
Trion Properties Private Limited *			(0.00)		
			(0.21)		
<b>Repayment of lease liability - IND-AS 116</b>	-		<b>23.73</b>	-	<b>23.73</b>
	-		(28.49)	-	(28.49)
Ivory Properties and Hotels Private Limited *			8.20		
			(13.18)		
Inorbit Malls (India) Private Limited *			13.20		
			(13.68)		
Chalet Hotels Ltd *			-		
			-		
Trion Properties Private Limited *			2.33		
			(1.63)		
<b>Repayment of finance charges - IND-AS 116</b>	-		<b>17.12</b>	-	<b>17.12</b>
	-		(21.87)	-	(21.87)
Ivory Properties and Hotels Private Limited *			0.31		
			(1.35)		
Inorbit Malls (India) Private Limited *			10.10		
			(11.64)		
Chalet Hotels Ltd *			-		
			(2.05)		
Trion Properties Private Limited *			6.71		
			(6.83)		
<b>Waiver of Lease Rentals due to COVID-19 - IND-AS 116</b>	-		-	-	-
	-		(19.02)	-	(19.02)
Ivory Properties and Hotels Private Limited *			-		
			(4.01)		
Inorbit Malls (India) Private Limited *			-		
			(9.63)		
Chalet Hotels Ltd *			-		
			(1.40)		
Trion Properties Private Limited *			-		
			(3.98)		
<b>Payment of common area maintenance (Repair &amp; Maintenance- Building)</b>	-		<b>9.17</b>	-	<b>9.17</b>
	-		(10.71)	-	(10.71)
Inorbit Malls (India) Private Limited *			6.96		

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Related party disclosures (continued)

Nature	Subsidiaries (refer (a) above)	Associate (refer (b) above)	Entities in which the directors are directors / trustees (refer (d) above)	Key Management Personnel	Total
			(8.08)		
Chalet Hotels Ltd *			-		
Trion Properties Private Limited *			2.21		
			(2.62)		
<b>Sale of E-Gift Vouchers</b>	-		<b>0.42</b>	-	<b>0.42</b>
			<b>(0.02)</b>	-	<b>(0.02)</b>
K Raheja Corporate Services Private Limited			0.12		
			(0.02)		
K.Raheja Corp Private Ltd.			0.02		
			-		
Inorbit Malls (India) Private Limited *			0.07		
			-		
Trion Properties Private Limited *			0.06		
			-		
Genext Hardware and Parks Private Limited			0.13		
			-		
Chalet Hotels Ltd *			0.00		
			-		
<b>Reimbursement of Expenses</b>	<b>2.30</b>	<b>1.16</b>	<b>6.69</b>	<b>0.01</b>	<b>10.16</b>
	(0.04)	-	(4.48)	-	(4.52)
Crossword Bookstores Private Limited	-	1.16	-		
	(0.04)	-	-		
Shoppers Stop.Com (India) Limited	2.30				
	-				
Inorbit Malls (India) Private Limited *			4.26		
			(3.01)		
Trion Properties Private Limited *			1.31		
			(1.16)		
Chalet Hotels Ltd*			0.00		
			(0.25)		
Trrain Circle Pvt Ltd			-		
			(0.02)		
Trrain Circle Technologies Pvt.Ltd.			0.02		
			(0.04)		
Palm Shelter Estate Development LLP			0.07		
			-		
Anbee Construction LLP			0.08		
			-		
Cape Trading LLP			0.08		
			-		
Capstan Trading LLP			0.07		
			-		
Casia Maria Properties LLP			0.07		
			-		
Raghukool Estate Development LLP			0.07		
			-		
Genext Hardware & Parks Pvt.Ltd.			0.65		
			-		
B.S. Nagesh			-	0.01	
			-	-	
<b>Interest received on Inter-corporate deposit to subsidiary companies</b>	<b>0.21</b>	-	-	-	<b>0.21</b>
	<b>(1.18)</b>	-	-	-	<b>(1.18)</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Related party disclosures (continued)

Nature	Subsidiaries (refer (a) above)	Associate (refer (b) above)	Entities in which the directors are directors / trustees (refer (d) above)	Key Management Personnel	Total
Crossword Bookstores Private Limited	-				
	(1.17)				
Shoppers Stop.Com (India) Limited	0.01		-	-	-
	(0.01)				
Global SS Beauty Brands Limited	0.20				
	-				
<b>Advances given / Recoverable</b>	<b>0.00</b>		-	<b>0.02</b>	<b>0.02</b>
	(0.01)			-	(0.01)
Gateway Multi Channel Retail (India) Limited	0.00				
	(0.01)				
Shoppers Stop Services (India) Limited	0.00				
	(0.00)				
Nirvik Singh @	-	-	-	0.02	
	-	-	-	-	
<b>Paid against payables</b>	-		<b>0.71</b>	-	<b>0.71</b>
	-				-
Global SS Beauty Brands Limited	-				
	(0.01)				
<b>Deposits Paid</b>	-		<b>0.71</b>	-	<b>0.71</b>
	-				-
Inorbit Malls (India) Private Limited *	-		0.66		
	-				
Ivory Properties and Hotels Private Limited *	-		0.05		
	-				
<b>Deposits received back</b>	<b>0.50</b>		<b>2.03</b>	-	<b>2.53</b>
	-				-
Global SS Beauty Brands Limited	0.50				
	-				
Chalet Hotels Ltd	-		2.03		
	-				
<b>Expenses Paid</b>	-		<b>0.86</b>	-	<b>0.86</b>
	-	-	(0.09)	-	(0.09)
Staff welfare expenses / Travelling expenses					
Chalet Hotels Ltd*			0.13		
			-		
Juhu Beach Resorts Ltd.*			0.03		
			(0.00)		
Retailers Association of India			-		
			-		
Advertisement and publicity			<b>0.51</b>		
Inorbit Malls (India) Private Limited *			0.36		
Trion Properties Private Limited *			0.15		
			(0.04)		
Salaries & Wages (Staff Welfare - Others)					
Trion Properties Private Limited *			-		
			(0.01)		
Membership & Subscription			<b>0.14</b>		
Retailers Association of India			0.14		



# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Related party disclosures (continued)

Nature	Subsidiaries (refer (a) above)	Associate (refer (b) above)	Entities in which the directors are directors / trustees (refer (d) above)	Key Management Personnel	Total
					-
<b>Operating expenses - Others</b>			<b>0.02</b>		
			(0.04)		
K.Raheja Private Ltd.			-		
			(0.02)		
Newfound Properties And Leasing Pvt. Ltd.			-		
			(0.02)		
Inorbit Malls (India) Private Limited *			0.02		
<b>Provision towards Bad &amp; Doubtful debts</b>	<b>5.00</b>				<b>5.00</b>
	(6.03)				(6.03)
Shoppers Stop.Com (India) Limited	5.00				
	(6.03)		-		
<b>Royalty Income</b>	<b>0.10</b>		-	-	<b>0.10</b>
	(0.10)		-	-	(0.10)
Shoppers Stop.Com (India) Limited	0.10		-	-	
	(0.10)		-	-	
<b>Recovery of Share cost</b>	<b>0.04</b>		-	-	<b>0.04</b>
	(0.04)		-	-	(0.04)
Shoppers Stop.Com (India) Limited	0.04		-	-	
	(0.04)		-	-	
<b>Expenses recovered</b>	<b>4.20</b>	<b>0.92</b>	<b>0.01</b>	-	<b>5.13</b>
	(2.25)	(1.01)	-	-	(3.26)
Crossword Bookstores Private Limited	-	0.92	-	-	
	(0.65)	(1.01)	-	-	
Shoppers Stop.Com (India) Limited	1.71		-	-	
	(1.60)		-	-	
Global SS Beauty Brands Limited	2.49				
	-				
Trion Properties Private Limited *			0.01		
			-		
<b>Commission and Sitting fees to Non Executive Directors</b>				<b>1.12</b>	
Ravi Raheja				0.12	
Neel Raheja				0.11	
B.S. Nagesh				0.10	
Deepak Ghaisas				0.16	
Nirvik Singh				0.16	
Manish Chokhani				0.10	
Robert Bready				0.06	
Arun Sirdeshmukh				0.15	
Christine June Kasoulis				0.12	
Mahesh Chhabria				0.03	
Smita Jatia				0.02	
				(1.08)	(1.08)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Related party disclosures (continued)

Balance outstanding at the year end	March 31, 2023	March 31, 2022
<b>Payable</b>		
Global SS Beauty Brands Limited ( formerly known as Upasna Trading Limited)	5.92	1.06
<b>Lease liability as per Ind-AS 116</b>		
Ivory Properties and Hotels Private Limited *	4.75	10.48
Inorbit Malls (India) Private Limited *	98.97	119.00
Chalet Hotels Ltd*	-	-
Trion Properties Private Limited*	43.83	71.67
<b>Receivables</b>		
Shoppers Stop Brands (India) Limited (formerly known as Shoppers Stop Services (India) Limited)	0.02	0.02
Shoppers Stop.Com (India) Limited :	14.65	14.79
Provision March 31, 2023 : ₹5.00 Crores		
Provision March 31, 2022 : ₹6.03 Crores		
Gateway Multi Channel Retail (India) Limited :	-	-
Provision March 31, 2023 : ₹23.29 Crores		
Provision March 31, 2022 : ₹23.29 Crores		
Crossword Bookstores Private Limited	5.05	16.23
Provision March 31, 2023 : ₹Nil		
Provision March 31, 2022 : ₹Nil		
Ivory Properties and Hotels Private Limited *	9.78	10.78
Inorbit Malls (India) Private Limited *	7.67	7.69
Chalet Hotels Ltd*	0.03	3.91
Trion Properties Private Limited*	1.94	3.45
K. Raheja Corp Private Limited	0.02	-
K. Raheja Corporate Services Private Limited.	0.02	-
Nirvik Singh	0.02	-

# All the amount is provided for in the books

The Company has given corporate guarantee to banks for loans taken by subsidiaries - Refer Note 29(ii)(b)

The figure in bracket pertain to previous year

© The advance has been paid to Directors erroneously and refunded back by him subsequently in April'23.

\* These parties are not related to Shoppers Stop Ltd. per Ind AS 24 definition. These parties have been reported on the basis of their classification as related party under the Companies Act 2013.

\*\* Post employment benefits have been provided at gross level on totality basis and not available at individual employee level.

### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Company has recorded ₹5.00 crores impairment of receivables relating to amounts owed by related parties (March 31, 2022: ₹6.03 Crores). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## 38. Financial Instruments

### A. Capital risk management

The Company's objectives when managing capital are to safeguard continuity as a going concern, provide appropriate return to shareholders and maintain a cost efficient capital structure. The Company determines the amount of capital required on the basis of an annual budget and a five-year plan, including, for working capital, capital investment in stores, technology, and strategic investment in subsidiary companies. The Company's funding requirements are met through internal accruals and a combination of both long-term and short-term borrowings.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 38. Financial Instruments (continued)

Majorly Company raise long term loan for it's CAPEX requirement and based on the working capital requirement utilise the working capital loans.

The Company monitors capital on the basis of total debt to total equity on a periodic basis. The following table summarises the capital of the Company:

Capital	As at March 31, 2023	As at March 31, 2022
Long term borrowings (including current maturities)	83.59	193.76
Short term borrowings	20.47	0.10
Interest accrued and not due on borrowings	0.09	0.35
Lease liability	2,248.65	1,899.51
<b>Total debt *</b>	<b>2,352.80</b>	<b>2,093.72</b>
Equity Share Capital	54.83	54.76
Other equity	177.12	43.52
<b>Total equity</b>	<b>231.95</b>	<b>98.28</b>
<b>Debt Equity Ratio</b>	<b>10.14</b>	<b>21.30</b>

## B. Financial risk management

A wide range of risks may affect the Company's business and operational / financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews the short term and long-term budgets and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the Company's operational and financial performance.

### a) Market risk:

Market Risk is the risk that changes in market place could affect the future cash flows to the Company. The market risk for the Company arises primarily from product price risk, interest rate risk and, to some extent, foreign currency risk.

Product price risk: In a potentially inflationary economy, the Company expects periodical price increases across its retail product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/retail sales volumes. In such a scenario, the risk is managed by offering judicious product discounts to retail customers to sustain volumes. The Company negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps the Company protect itself from significant product margin losses. This mechanism also works in case of a downturn in the retail sector, although overall volumes would get affected.

Interest risk: The Company is exposed to interest rate risk primarily due to borrowings having floating interest rates. The Company uses available working capital limits for availing short term working capital demand loans with interest rates negotiated from time to time so that the Company has an effective mix of fixed and variable rate borrowings. Interest rate sensitivity analysis shows that an increase / decrease of 50 bps in floating interest rates would result in decrease / increase in the Company's profit before tax by approximately ₹ 0.09 Crores (2022: ₹0.13 Crores).

Currency risk: The Company's significant transactions are in Indian Rupees and therefore there is minimal foreign currency risk. Generally, the Company fully covers the foreign currency risk for transactions in foreign currency which are primarily for import of merchandise, by entering into forward cover contracts to hedge foreign currency exposure. Also Refer Note 33 for the forward cover contracts outstanding at the end of the reporting period.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 38. Financial Instruments (continued)

### b) Credit risk:

Credit risk is a risk that the counterparty will default on its contractual obligation resulting in financial loss to the Company. The credit risk for the Company primarily arises from credit exposures to trade receivables (mainly institutional customers), deposits with landlords for store properties taken on leases and other receivables including balances with banks.

Trade and other receivables: The Company's retail business is predominantly on 'cash and carry' basis which is largely through credit card collections. The credit risk on such collections is minimal, since they are primarily owned by customers' card issuing banks. The Company has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Company by credit worthiness checks. The Company also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

The Company's experience of delinquencies and customer disputes have been minimal. Further, Trade and other receivables consist of a large number of customers, across geographies; hence, the Company is not exposed to concentration risks.

### c) Liquidity Risk:

Liquidity risk is a risk that the Company may not be able to meet its financial obligations on a timely basis through its cash and cash equivalents, and funds available by way of committed credit facilities from banks.

Management manages the liquidity risk by monitoring rolling cash flow forecasts and maturity profiles of financial assets and liabilities. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities.

The table below summarises the maturity profile (remaining period of contractual maturity at the balance sheet date) of the Company's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 5 years	More than 5 years	Carrying amounts
<b>At March 31, 2022</b>				
Borrowings (long term and short term)	104.27	89.59	-	193.86
Interest payable	0.35	-	-	0.35
Lease liability	221.61	761.90	916.00	1,899.51
Trade payables and other accruals	1,441.87	-	-	1,441.87
Other financial liabilities	48.24	-	-	48.24
<b>At March 31, 2023</b>				
Borrowings (long term and short term)	83.22	20.84	-	104.06
Interest payable	0.09	-	-	0.09
Lease liability	271.89	973.87	1,002.89	2,248.65
Trade payables and other accruals	1,825.90	-	-	1,825.90
Other financial liabilities	75.58	-	-	75.58

In respect of financial guarantee contracts, no amounts are recognised based on the results of the liability adequacy test for likely deficiency / defaults by the entities on whose behalf the Company has given guarantees, grounded on the Company's actual experience.

The Company has access to following fund based financing facilities which were undrawn as at the end of reporting periods mentioned.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 38. Financial Instruments (continued)

	As at March 31, 2023	As at March 31, 2022
Undrawn financing facility		
Secured working capital facilities		
Amount unused	131.16	149.00
<b>Total</b>	<b>131.16</b>	<b>149.00</b>

## C. Fair Value Measurement

### i) Financial assets and liabilities that are measured at amortised cost:

	As at March 31, 2023	As at March 31, 2022
Financial Assets (amortised cost)		
Loan to associate/subsidiary companies	3.69	15.66
Trade receivables	30.36	38.20
Cash & Cash equivalents	5.23	11.85
Other bank balances	20.15	19.93
Other financial assets		
- Premises and other deposits	181.59	165.41
- Others	2.46	8.71
<b>Total</b>	<b>243.48</b>	<b>259.76</b>
Financial Liabilities (amortised cost)		
Borrowings - long term	20.84	89.59
Borrowings - short term	83.22	104.27
Lease liability	2,248.65	1,899.51
Trade payables	1,825.90	1,441.87
Other financial liabilities	75.67	48.59
<b>Total equity</b>	<b>4,254.28</b>	<b>3,583.83</b>

The fair values of the above financial assets and liabilities approximate their carrying amounts.

Financial assets / Financial liabilities	Fair value as at		Fair value Hierarchy
	March 31, 2023	March 31, 2022	
<b>Fair Value through Profit and Loss</b>			
Forward foreign currency contracts	Assets Nil	Assets Nil	Level 2
Investment in Mutual Funds	Assets 48.02	Assets 145.95	Level 2

Valuation technique and key input used: Fair value is determined using discounted future cash flows, which are estimated at the end of the reporting period, discounted at a rate that reflects the credit risk of the Company.

The fair values of the quoted instruments (Investment in Mutual funds) are based on the price quotations at the reporting date.

## 39. Events after the reporting period

The Board of Directors has not recommended any dividend for the financial year 2022-23. The Company has evaluated subsequent events from the balance sheet date through April 26, 2023, the date at which the financial statement were available to be issued, and determine that there are no material items to disclose other than those disclosed above.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 40. Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for major variance
Current ratio	Current Assets	Current Liabilities	0.80	0.78	2.43%	-
Debt Equity ratio	Total Debt	Shareholder's Equity	10.14	21.30	-52.38%	Debt equity ratio in current year has been improved on account of increase in equity due to profit and repayment of debt.
Debt Service Coverage ratio	Earning for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.28	0.90	42.07%	Debt service coverage ratio in current year has been improved on account of improved EBIDTA in current year .
Return on Equity ratio	Net Profit after taxes before exceptional item- Preference dividend	Average Shareholder's Equity	73.44%	-51.21%	243.40%	Return on equity in current year has increased as compared to the previous year due to improved operational performance.
Inventory turnover ratio	Cost of goods sold	Average Inventory	1.87	1.62	15.22%	Improved on account of increase in sales
Trade receivable turnover ratio	Retail Sales	Average Trade Receivable	108.09	64.19	68.38%	Improved on account of increase in sales
Trade Payable turnover ratio	Net credit purchases = Gross credit purchases - purchases return	Average Trade Payables	1.72	1.29	33.14%	Improved on account of operational efficiency.
Net Capital Turnover ratio	Net Sales = Total sales - sales return	Working capital = Current assets - Current liabilities	(7.79)	(5.57)	39.84%	Net Capital turnover ratio changed in current year due to increase in sales as compared to previous year.
Net Profit ratio	Net Profit before exceptional item	Net Sales = Total sales - sales return	3.27%	-3.06%	206.95%	Improved in current year as compared to previous year as explained in return on equity ratio.
Return on capital employed	Earning before exceptional item, interest and taxes	Capital employed = Net worth + Total debt + Deferred tax liability	14.44%	3.72%	287.84%	Increased in current year due to healthy operational performance.
Return on Investment	Interest (Finance Income)	Investment	5.26%	5.21%	0.98%	-

## 41. Other Statutory Information

- The Company do not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The details of transactions with Companies struck off are as under :

Nature	Name of the vendor	Amount of transactions		Amount Outstanding Balance		Strike off date
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
Service/Other Income/Other	Bennett Coleman and Co. Ltd.	0.01	0.42	0.00	(0.02)	March 31, 2021
Expenses	Octel Cloud Solutions Pvt.Ltd.	0.00	0.00	0.01	(0.01)	February 1, 2022
	Entomist Pest Control Services Pvt.Ltd.	0.00	0.00	(0.00)	-	August 9, 2018
	Oh My Rooms Private Limited	0.00	0.00	(0.02)	(0.02)	February 1, 2022
	Swift Securitas Pvt.Ltd.	3.44	-	(0.16)	-	March 31, 2021
	Agarwal Packers & Movers Ltd.	0.02	-	(0.00)	-	December 27, 2021

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 41. Other Statutory Information (continued)

Nature	Name of the vendor	Amount of transactions		Amount Outstanding Balance		Strike off date
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
	AKM Enterprises Pvt.Ltd.	7.64	-	0.09	-	August 31,2017
	Associated Hospitality Pvt.Ltd.	0.00	-	-	-	October 12,2027
	Basant Sales Pvt.Ltd.	0.00	-	-	-	March 31,2021
	Duet India Hotels (Jaipur) Pvt.Ltd.	0.02	-	-	-	February 2,2022
	Entertainment City Ltd.	9.51	-	(0.08)	-	July 21,2017
	Greenpark Hotels & Resorts Ltd.	0.04	-	0.00	-	March 31,2021
	Intertek India Private Ltd.	0.00	-	-	-	March 31,2021
	SKP Unicare Facilities Pvt.Ltd.	0.00	-	(0.01)	-	April 12,2022
	Phonographic Performance Ltd	0.25	-	-	-	March 31,2021
	Piccadilly Holiday Resorts Ltd.	0.00	-	-	-	March 31,2021
	Scorpion Express Pvt.Ltd.	0.01	-	-	-	July 7,2017
	Security & Intelligence Services (I) Ltd	0.42	-	-	-	March 31,2021
	Mediaedge CIA India Pvt.Ltd.	0.34	-	-	-	March 31,2021
Merchandise Vendor	Altius Retail Pvt.Ltd.	-	-	-	-	October 10,2022
	Perfect Fusion Pvt.Ltd	0.00	-	-	-	March 31,2021
	Indo American Hybrid Seeds (I) Pvt.Ltd	0.00	-	-	-	March 31,2021
	Suryavanshi Home Furnishing Pvt Ltd	0.05	-	-	-	January 10,2022
	Duroflex Pvt.Ltd	0.00	-	(0.00)	-	July 27,2018
	Shree Concept Pvt.Ltd	0.00	-	-	-	April 20,2022
	Ginni Filament Ltd.	0.39	0.15	(0.15)	0.15	March 31,2021
	Wave Gear International Pvt.Ltd.	0.03	-	-	-	April 4,2022
	Mountain Valley Springs Ind.Pvt.Ltd.	0.75	-	(0.12)	-	March 31,2021
	Entrack International Trading Pvt.Ltd	0.00	-	-	-	December 4,2018
	Fashion Cottage Pvt.Ltd.	0.05	-	0.00	-	March 29,2022
	Winsome Knitwear	0.64	0.39	0.00	-	September 6,2017
	Ajanta Sales Private Limited	-	-	-	(0.02)	June 30,2020
Capex Vendor	Evergreen Traders Pvt.Ltd.	-	0.28	-	0.15	March 31,2021

- c. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.
- d. The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- e. The Company has not advanced or loaned or invested funds to any other persons or entities including the 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 or on behalf of the Company ( ultimate beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- f. The Company has not received any funds from any persons or entities including the foreign entities ( intermediaries) with the understanding (whether recorded in the writing or not)that the intermediary shall :
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever or on behalf of the Funding Party ( ultimate beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 41. Other Statutory Information (continued)

- g. The Company did not have any transaction which was not recorded in the books of accounts that was surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provisions of the Income Tax Act,1961."
- h. The Company has a defined process to take daily back-up of books of accounts maintained electroically which is in compliance with the relevant provisions of the Companies ( Accounts) Rules, 2014 (as amended). However, the Company maintains the logs of such backups for a cycle period of 30 to 60 days only and considering the new regulations., the management is taking steps to configure systems to ensure that logs of daily back up for books of accounts is maintained on servers physically located in India to demonstrate compliance with the regulations. "
- i. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2023 on 31st March, 2023 amending:
- Ind AS 1, 'Presentation of Financial Statements' - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies.
  - Ind AS 12 'Income Taxes' - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.
- The amendments clarify how companies account for deferred tax on transactions such as leases.
- Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - This amendment has introduced a definition of 'accounting estimates' and included amendments to help distinguish changes in accounting policies from changes in accounting estimates. The same are applicable for financial statements pertaining to annual periods beginning on or after 1st April, 2023. The Company expects that there will be no material impact on the financial statements resulting from the implementation of these amendments.

42. Amount appearing as zero "0.00" in financials are below the rounding off norm adopted by the Company.

43. The previous year's figures have been regrouped / reclassified wherever necessary.

In terms of our attached report of even date

For and on Behalf of the Board of Directors

**For S R B C & CO LLP**  
ICAI Firm Reg.No.324982E/E300003  
Chartered Accountants

**B.S. Nagesh**  
Customer Care Associate  
& Chairman  
(DIN:00027595)

**Neel Raheja**  
Director  
(DIN:00029010)

**Venugopal Nair**  
Customer Care Associate & Managing  
Director & Chief Executive Officer  
(DIN:00046163)

**Firoz Pradhan**  
Partner  
Membership No.109360

**Karunakaran Mohanasundaram**  
Customer Care Associate  
& Chief Financial Officer

**Vijay Kumar Gupta**  
Customer Care Associate & Company  
Secretary  
Membership No.A14545

Mumbai: April 26, 2023

Mumbai: April 26, 2023

Statement pursuant to Section 129(3) of the Companies Act, 2013  
PART A : SUBSIDIARIES F.Y.2022-23

Sr.No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves	Total Assets *	Total Liabilities **	Total Income ***	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend including Dividend distribution tax	% of shareholding	Country
1	Global SS Beauty Brands Limited (formerly known as Upasna Trading Limited)	INR	25.00	0.71	39.53	13.82	14.93	1.21	0.31	0.90	-	100%	India
2	Gateway Multi Channel Retail (India) Limited	INR	0.05	(45.09)	0.29	45.34	0.00	(0.01)	-	(0.01)	-	100%	India
3	Shoppers' Stop Brands (India) Limited (formerly known as Shoppers Stop Services (India) Limited)	INR	0.05	(0.02)	0.06	0.02	-	(0.01)	-	(0.01)	-	100%	India
4	Shoppers Stop.com (India) Limited	INR	0.05	(0.64)	9.39	9.98	20.53	(0.36)	0.00	(0.37)	-	100%	India

\* Total Assets = Non Current Assets + Current Assets

\*\* Total Liabilities = Non Current Liabilities + Current Liabilities

\*\*\* Total Income = Revenue from operations + Other Income

PART B : ASSOCIATES

Name of the Associate - Crossword Bookstores Private Limited	Latest audited Balance Sheet Date	Share of Associates held on the year end	No. of equity shares (Face value of ₹10/- each fully paid)	Amount of Investments in Associates (₹in Lakhs) @
	March 31, 2023		4,006,249	
	(March 31, 2022)	10%	Nil	
	(March 31, 2021)	49%	19,630,625	Nil

(All amounts in ₹ crores)

Name of the Associate - Crossword Bookstores Private Limited	Latest audited Balance Sheet Date	Share of Joint Ventures held on the year end	No. of equity shares (Face value of ₹10/- each fully paid)	Amount of Investments in Joint Ventures (₹in Lakhs)	Networth attributable to shareholding as per latest audited Balance Sheet
	March 31, 2023				
	(March 31, 2022)				
	(March 31, 2021)				

1. Considered in consolidation (₹in Lakhs) Profit / (Loss) for the year  
Profit/(Loss) for (March 31,2022)/(March 31,2021) -1.61

2. Not considered in consolidation  
(March 31,2022) / (March 31,2021) -

\*\* Crossword Bookstores Ltd. ceased to be a subsidiary of the Group w.e.f. 11 October,2021 and became associate thereon.

@ Total comprehensive loss for the period (share in associate company from October 11,2021 till March 31,2022)  
Group's share of loss for the period but restricted to cost of investments -3.99  
Carrying amount of investment as at March 31, 2023 / March 31, 2022 -1.61  
0

PART C : JOINT VENTURES

Name of the Joint Ventures	Latest audited Balance Sheet Date	Share of Joint Ventures held on the year end	No. of equity shares (Face value of ₹10/- each fully paid)	Amount of Investments in Joint Ventures (₹in Lakhs)	Networth attributable to shareholding as per latest audited Balance Sheet
	March 31, 2023				
	(March 31, 2022)				
	(March 31, 2021)				

1. Considered in consolidation (₹in Lakhs) Profit / (Loss) for the year  
Profit/(Loss) for (March 31,2022)/(March 31,2021) -

2. Not considered in consolidation -

\*\* The Company does not have any investments in Joint Ventures during the financial year ended March 31, 2023 and March 31,2022

# Independent Auditor's Report

## To the Members of Shoppers Stop Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Shoppers Stop Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate 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 and on management certified financial statements and other financial information of the associate, 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, its associate as at March 31, 2023, their consolidated profit including other comprehensive income, 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 and its associate, 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.

#### Emphasis of Matter

We draw attention to Note 29 to the Consolidated financial statements regarding non-provision of retrospective levy of service tax for the period from June 01, 2007 to March 31, 2010 on renting of immoveable properties given for commercial use, aggregating to ₹ 20.11 crores, pending final disposal of the appeal filed before the Supreme Court.

Our opinion is not modified in respect of this matter.

#### 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
<b>Allowance for inventory obsolescence and shrinkage (as described in Note 2.5 of the consolidated financial statements)</b>	
As at March 31, 2023, the carrying amount of inventories amounted to ₹ 1,499.79 crores after considering allowance for Inventory obsolescence and shrinkage of ₹ 36.22 crores. These inventories are held at the stores and distribution centres of the Group.	Our audit procedures included the following: <ul style="list-style-type: none"> <li>We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls that the Group has in relation to allowance for inventory obsolescence and shrinkage;</li> <li>We performed testing on the Group's controls over the inventory cycle count process. In testing these controls, we observed the inventory cycle count process at selected store and distribution centers on a sample basis, inspected the results of the inventory cycle count and confirmed variances were accounted for and approved by management;</li> <li>We tested the accuracy of the ageing report of inventories. On a sample basis we agreed the purchase date recorded in the inventory ageing report to the supplier invoice, obtained inventory provision calculation from the Company and re-performed the calculation of the inventory provision as per the policy of the group;</li> <li>We assessed the group's disclosures concerning this in Note 2A on significant accounting estimates and judgements and Note 9 Inventories to the financial statements.</li> </ul>
Allowance for Inventory obsolescence and shrinkage was an audit focus area since inventory cycle counts were carried out during the year at periodic intervals and further significant judgement is involved in identifying the amount of provision for shrinkages. In addition, the Group also makes specific provisions for obsolescence as per its policy.	
<b>Impairment of Property, Plant &amp; Equipment and ROU Assets (as described in Note 2.6 of the consolidated financial statements)</b>	
As at March 31, 2023, the carrying amount of immoveable assets under property, plant & equipment (PPE) and Right to Use (ROU) Assets is ₹ 209.48 crores and ₹ 1,636.06 crores respectively.	Our audit procedures included the following: <ul style="list-style-type: none"> <li>Obtained an understanding of the Group's policy on assessment of impairment of Property, Plant &amp; Equipment and ROU Assets and assumptions used by the management including design and implementation of control;</li> <li>Tested the operating effectiveness of these controls;</li> <li>Assessing the methodology applied in determining the recoverable amount of each CGU compared with the requirements of IND AS 36 "Impairment of assets";</li> <li>Obtained and read the projections / future cashflows along with sensitivity analysis thereof;</li> <li>Evaluated management's methodology, key assumptions and estimates used in the calculations of discounted future cash flows;</li> <li>Performed sensitivity analysis around impact on future cash flows due to changes in key assumptions considered by management;</li> <li>Verified the arithmetical accuracy of the future cash flow model including comparison with approved budget on sample basis;</li> <li>Assessed the recoverability of CGU with regard to the value in use.</li> <li>Assessed the disclosures in accordance with the requirements of Ind AS 36 "Impairment of assets".</li> </ul>
As required as per Para 9 of Ind AS 36, the Group assesses whether there is any indication that an asset or cash generating unit (CGU) may be impaired. As a result, management has performed an impairment assessment by estimating the recoverable values for all CGU's.	
The processes and methodologies for assessing and determining the value in use are based on assumptions, that by their nature imply the use of the management's judgment, in particular with reference to forecast of future cash flows, as well as the long-term growth rates and discount rates applied to such forecasted cash flows. Considering the judgment required for estimating the cash flows and the assumptions used, this is considered as a key audit matter.	

Key audit matters	How our audit addressed the key audit matter
<p><b>Assessment of Recoverability of Deferred Tax Assets</b> (as described in Note 2.9 of the consolidated financial statements)</p> <p>The carrying value of deferred tax asset as at March 31, 2023 is ₹ 331.18 crore. Deferred tax assets are recognised 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.</p> <p>The Group's ability to generate future taxable profit to utilise the deferred tax balance available is assessed by the management at the end of each reporting period taking into account forecasts of future taxable profits and the applicable tax laws. In assessing the future taxable profits, management has made estimates based on assumptions in relation to financial projections and future taxable income of the entity.</p> <p>The recoverability of deferred tax assets is a key audit matter as its utilisation within the allowed time frame involves estimate of financial projections and availability of sufficient taxable income in the future.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the Group's accounting policy with respect to recognition of deferred taxes in accordance with Ind AS 12 "Income Taxes";</li> <li>Assessed the consistency of financial projections used by management in assessing recoverability of deferred tax assets with the financial budgets approved by senior management of the Group and the reliability of the process by which the estimates were calculated, by assessing the reasons for differences between projected and actual performances;</li> <li>Analysed the performance of the Company and assessed the assumptions used in forecast of future profits and expected utilisation of the unabsorbed business losses and unabsorbed depreciation, including understanding of management's estimate of business impact based on current market and economic conditions;</li> <li>Assessed the disclosures in Note 7 and 25 of the consolidated Ind AS financial statements in accordance with the requirements of Ind AS 12 "Income Taxes";</li> </ul>

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 Holding Company's Board of Directors is responsible for the other information. The other information comprises the draft Corporate governance and draft Directors's report, 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 income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate 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 and of its associate 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 of its associate 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 and of its associate are responsible for assessing the ability of the group and its associate 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 and of its associate are also responsible for overseeing the financial reporting process of the Group and its associate.

### 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 and its associate 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 and its associate 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 and its associate of which we are the independent auditors and whose financial information we have audited, 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 three subsidiaries whose financial statements include total assets of ₹ 39.87 crores as at March 31, 2023, and total revenues of ₹ 14.02 crores and net cash inflows of ₹ 4.36 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 these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.
- (b) The consolidated financial statements also include the Group's share of net profit of ₹ NIL for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of one associate, whose financial statements, other financial information have not been audited and whose unaudited financial statements, 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 associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, 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.

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 companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
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' paragraph we 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 have been kept by the Company, so far as it appears from our examination of those books except that we are unable to comment whether daily backups were taken due to absence of logs beyond the cyclic period of 30 to 60 days (refer note 40(h) to the financial statements).
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, 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 2" 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, its subsidiaries, 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 and associate 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 28 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, 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, 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 persons or entities, 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, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, 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 subsidiary companies, incorporated in India.
- 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.

- vii. The qualification relating to the maintenance of accounts and other matters connected therewith is as stated in the paragraph 2(b) above.

For **SRBC & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Firoz Pradhan**  
Partner  
Membership Number: 109360  
UDIN: 23109360BGYBGU5535

Place of Signature: Mumbai  
Date: April 26, 2023

## "Annexure 1"

### REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

- (xxi) 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 except the report of the following component which has not been issued by its auditor till the date of our auditor's report.

Sr. No.	Name	CIN	Subsidiary/ associate/ joint venture
1	Crossword Bookstores Private Limited	U52396MH1999PTC122528	Associate

For **SRBC & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Firoz Pradhan**  
Partner  
Membership Number: 109360  
UDIN: 23109360BGYBGU5535

Place of Signature: Mumbai  
Date: April 26, 2023

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SHOPPERS STOP LIMITED**

**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 Shoppers Stop 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"), and its associate, 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, and its associate, 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 Holding Company and its subsidiaries, 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 three subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, incorporated in India.

For **SRBC & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003  
  
**per Firoz Pradhan**  
Partner  
Membership Number: 109360  
UDIN: 23109360BGYBGU5535

Place of Signature: Mumbai  
Date: April 26, 2023

# Consolidated Balance Sheet

as at March 31, 2023

(All amounts in ₹ crores)

	Notes	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	412.59	378.57
Capital work in progress	3B	29.57	14.03
Other Intangible Assets	3	48.80	68.36
Intangible assets under development	3C	4.35	-
Right of use Assets	26	1,636.06	1,276.43
Financial Assets			
i) Investments	4	0.01	0.01
ii) Loans	5A	4.10	4.09
iii) Other Financial Assets	6	136.85	102.47
Deferred tax assets (net)	7	331.18	373.95
Other non-current assets	8	79.26	69.99
<b>Total non-current assets</b>		<b>2,682.77</b>	<b>2,287.90</b>
<b>Current assets</b>			
Inventories	9	1,499.79	1,007.54
Financial assets			
i) Investments	4	48.02	145.95
ii) Trade Receivables	5	29.41	31.50
iii) Cash and cash equivalents	10	9.90	12.52
iv) Bank balances other than (iii) above	11	21.45	19.97
v) Loans	5A	-	12.96
vi) Other financial assets	6	47.18	71.51
Other current assets	8	264.92	192.73
<b>Total current assets</b>		<b>1,920.67</b>	<b>1,494.68</b>
Assets held for Sale		-	-
<b>Total assets</b>		<b>4,603.44</b>	<b>3,782.58</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	12	54.83	54.76
Other equity	13	151.22	21.17
<b>Equity attributable to owners of the Company</b>		<b>206.05</b>	<b>75.93</b>
<b>Non-current liabilities</b>			
Financial liabilities			
i) Borrowings	14	20.84	89.59
ii) Lease liability	26	1,976.76	1,677.90
iv) Provisions	17	0.03	-
<b>Total non-current liabilities</b>		<b>1,997.63</b>	<b>1,767.49</b>
<b>Current liabilities</b>			
Financial liabilities			
i) Borrowings	14.3	105.24	126.28
ii) Lease liability	26	271.89	221.61
iii) Trade payables due to :	16		
(a) Total outstanding dues of micro enterprises and small Enterprises		43.21	35.16
(b) Total outstanding dues of creditors other than micro enterprises and small Enterprises		1,785.30	1,406.66
iv) Other financial liabilities	15	80.20	47.66
Provisions	17	3.86	8.55
Other current liabilities	18	110.06	93.24
<b>Total current liabilities</b>		<b>2,399.76</b>	<b>1,939.16</b>
<b>Total liabilities</b>		<b>4,397.39</b>	<b>3,706.65</b>
<b>Total equity and liabilities</b>		<b>4,603.44</b>	<b>3,782.58</b>

Summary of significant accounting policies 2  
The accompanying Notes 1 to 43 are an integral part of the financial statements.  
In terms of our attached report of even date For and on Behalf of the Board of Directors

**For S R B C & CO LLP**  
ICAI Firm Reg.No.324982E/E300003  
Chartered Accountants

**B.S. Nagesh**  
Customer Care Associate  
& Chairman  
(DIN:00027595)

**Neel Raheja**  
Director  
(DIN:00029010)

**Venugopal Nair**  
Customer Care Associate & Managing  
Director & Chief Executive Officer  
(DIN:00046163)

**Firoz Pradhan**  
Partner  
Membership No.109360

**Karunakaran Mohanasundaram**  
Customer Care Associate  
& Chief Financial Officer

**Vijay Kumar Gupta**  
Customer Care Associate & Company  
Secretary  
Membership No.A14545

Mumbai: April 26, 2023

Mumbai: April 26, 2023

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ crores)

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income</b>			
Revenue from operations	19	4,022.13	2,518.75
Other income	20	56.73	167.76
<b>Total Income</b>		<b>4,078.86</b>	<b>2,686.51</b>
<b>Expenses</b>			
Purchase of stock-in-trade	21a	2,824.38	1,663.96
Changes in inventories of stock-in-trade - Decrease / (Increase)	21b	(496.00)	(157.96)
Employee benefits expense	22	352.31	272.53
Finance costs	23	209.16	206.60
Depreciation and amortisation expenses	3A	381.64	354.88
Other expenses	24	646.19	470.96
<b>Total expenses</b>		<b>3,917.68</b>	<b>2,810.97</b>
<b>Profit / (Loss) before exceptional item and tax</b>		<b>161.18</b>	<b>(124.46)</b>
Exceptional Item	30	2.00	(26.93)
<b>Profit/(loss) before tax</b>		<b>159.18</b>	<b>(97.53)</b>
Tax expenses	25		
Current tax		-	-
Tax adjustment of earlier years		0.31	(20.59)
Deferred tax		42.86	(31.52)
<b>Income tax expenses</b>		<b>43.17</b>	<b>(52.11)</b>
<b>Profit / (Loss) for the year before share of associate</b>		<b>116.01</b>	<b>(45.42)</b>
Add : Share of Profit / (Loss) from of associate		-	(1.58)
<b>Net Profit / (Loss) for the year [A]</b>		<b>116.01</b>	<b>(47.00)</b>
<b>Other comprehensive income / (Loss)</b>			
Items that will not be reclassified to profit or loss :			
Remeasurement of employee defined benefit obligation		(0.36)	(1.15)
Changes in fair value of equity instruments		-	-
Share of other comprehensive income of associate		-	(0.03)
Income tax relating to above	25	0.09	0.27
<b>Total Other comprehensive income / (Loss) for the year [B]</b>		<b>(0.27)</b>	<b>(0.91)</b>
<b>Total comprehensive Income / (Loss) for the year [A] + [B]</b>		<b>115.74</b>	<b>(47.91)</b>
<b>Profit / (loss) for the period attributable to:</b>			
- Owners of the Company		116.01	(47.00)
- Non-controlling interests		-	-
<b>Other comprehensive income for the period attributable to :</b>			
- Owners of the Company		(0.27)	(0.87)
- Non-controlling interests		-	-
<b>Total comprehensive income / (loss) for the period attributable to :</b>			
- Owners of the Company		115.74	(47.87)
- Non-controlling interests		-	-
<b>Earning per equity share</b>			
Equity shares of face value ₹5/- each	27		
Basic (₹)		10.59	(4.29)
Diluted (₹)		10.51	(4.29)

Summary of significant accounting policies 2  
The accompanying Notes 1 to 43 are an integral part of the financial statements.  
In terms of our attached report of even date For and on Behalf of the Board of Directors

**For S R B C & CO LLP**  
ICAI Firm Reg.No.324982E/E300003  
Chartered Accountants

**B.S. Nagesh**  
Customer Care Associate  
& Chairman  
(DIN:00027595)

**Neel Raheja**  
Director  
(DIN:00029010)

**Venugopal Nair**  
Customer Care Associate & Managing  
Director & Chief Executive Officer  
(DIN:00046163)

**Firoz Pradhan**  
Partner  
Membership No.109360

**Karunakaran Mohanasundaram**  
Customer Care Associate  
& Chief Financial Officer

**Vijay Kumar Gupta**  
Customer Care Associate &  
Company Secretary  
Membership No.A14545

Mumbai: April 26, 2023

Mumbai: April 26, 2023

# Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flows from operating activities</b>		
<b>Net Profit/ (loss) after exceptional item and before tax</b>	<b>159.18</b>	<b>(97.53)</b>
<b>Adjustments to reconcile profit / (loss) before tax to net cashflow :</b>		
Depreciation and amortisation	381.64	354.88
Bad debts / Allowance for doubtful debts / advances	7.09	7.77
Profit on sale of subsidiary - Crossword Bookstores Ltd.	-	(26.93)
Impairment of investment in Crossword Bookstores Ltd.	2.00	-
Share-based payment expense	11.77	1.66
Finance costs	209.16	206.60
(Profit) / Loss on sale of property, plant and equipment	(0.35)	0.75
Profit on sale of investments in shares	(0.77)	-
Profit from sale of mutual fund investments	(4.64)	(4.38)
Covid-19-Related Rent Concessions (Refer Note 26.3)	-	(108.73)
Gain on account of remeasurement in lease term	(19.89)	(34.00)
Interest(time value) recognised on interest free lease deposit	(10.82)	(10.95)
Interest income	(1.07)	(7.53)
<b>Operating Profit before working capital changes</b>	<b>733.30</b>	<b>281.61</b>
<b>Working capital adjustment :</b>		
(Increase) / Decrease in inventories	(492.25)	(157.96)
(Increase) / Decrease in trade receivables	(5.00)	(8.56)
(Increase) / Decrease in financial assets and other non current assets	(67.71)	(29.69)
(Increase) / Decrease in lease deposits - net	(32.75)	(12.28)
(Decrease) / Increase in provisions	(5.05)	1.26
(Decrease) / Increase in trade payables, other financial liabilities and other current liabilities	417.83	287.69
<b>Cash generated/(used) from/in operations</b>	<b>548.37</b>	<b>362.07</b>
Income tax refund (net of taxes paid)	(4.94)	20.57
<b>Net cash from operating activities (A)</b>	<b>543.43</b>	<b>382.64</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(145.94)	(107.90)
Proceeds from disposal of property, plant and equipment	1.24	0.99
Net proceeds from sale of investment in equity shares	1.95	2.56
Repayment of loan by Crossword Bookstores Ltd.	9.79	-
Redemption of fixed deposits with bank	-	14.00
Investments in fixed deposits with bank	(1.52)	(4.93)
Purchases of investments in mutual funds	(1,262.94)	(761.96)
Proceeds from sale of investments in mutual funds	1,365.51	748.17
Finance Income (Interest Received)	2.83	7.50
<b>Net cash used in investing activities (B)</b>	<b>(29.08)</b>	<b>(101.57)</b>
<b>Cash flows from financing activities</b>		
Proceeds from Issue of share capital (Refer Note 12.7)	0.07	0.07
Securities premium on issue of share capital	2.60	2.38
Share issue expenses of subsidiary	(0.15)	-
Share application money received pending allotment	0.23	-
Repayment of lease liability	(220.50)	(122.15)
Proceeds from long term borrowings	-	115.67
Repayment of long term borrowings	(110.17)	(59.00)
Finance costs paid	(209.42)	(207.16)

(All amounts in ₹ crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Net cash from / (used in) financing activities (C)</b>	<b>(537.34)</b>	<b>(270.19)</b>
<b>Net (Decrease) / Increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>(22.99)</b>	<b>10.88</b>
Cash and cash equivalents as at beginning of the year	12.42	1.54
Cash and cash equivalents as at the end of the year	(10.57)	12.42
	<b>(22.99)</b>	<b>10.88</b>

## Note (i)

### Components of cash and cash equivalents (Refer Note 10.3)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash and Cash Equivalents as at end of the year	9.90	12.52
Add: Bank overdraft / Cash credit	(20.47)	(0.10)
<b>Total cash and cash equivalents</b>	<b>(10.57)</b>	<b>12.42</b>

## Note (ii)

### Reconciliation between the opening and closing balances for liabilities arising from financing activities

Particulars	Long - term borrowings	Short - term borrowings	Non-current lease liability	Non-current lease liability
<b>March 31, 2021 including current maturities of long term borrowings</b>	<b>152.76</b>	<b>33.27</b>	<b>1,699.56</b>	<b>220.23</b>
Cash flow	41.00	(11.15)	(122.15)	-
Non- Cash Changes				
Classified as current maturity	104.17	-	-	-
New leases	-	-	100.49	1.38
<b>March 31, 2022 including current maturities of long term borrowings</b>	<b>193.76</b>	<b>22.12</b>	<b>1,677.90</b>	<b>221.61</b>
Cash flow	(110.17)	20.37	(220.50)	-
Non- Cash Changes				
Classified as current maturity	62.75	-	-	-
New leases	-	-	519.36	50.28
<b>March 31, 2023 including current maturities of long term borrowings</b>	<b>83.59</b>	<b>42.49</b>	<b>1,976.76</b>	<b>271.89</b>

Summary of significant accounting policies

2

The accompanying Notes 1 to 43 are an integral part of the financial statements.

In terms of our attached report of even date For and on Behalf of the Board of Directors

### For S R B C & CO LLP

ICAI Firm Reg.No.324982E/E300003  
Chartered Accountants

### B.S. Nagesh

Customer Care Associate & Chairman  
(DIN:00027595)

### Neel Raheja

Director  
(DIN:00029010)

### Venugopal Nair

Customer Care Associate & Managing Director & Chief Executive Officer  
(DIN:00046163)

### Firoz Pradhan

Partner  
Membership No.109360

### Karunakaran Mohanasundaram

Customer Care Associate & Chief Financial Officer

### Vijay Kumar Gupta

Customer Care Associate & Company Secretary  
Membership No.A14545

Mumbai: April 26, 2023

Mumbai: April 26, 2023

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in ₹ crores)

## a. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	(₹ in Crores)	No. of shares	(₹ in Crores)
<b>Authorised Share Capital</b>				
Equity shares of ₹5/- each	200,000,000	100.00	200,000,000	100.00
<b>Issued, Subscribed and Fully paid up shares</b>				
<b>Balance as on April 1,</b>	109,500,225	54.76	109,358,910	54.69
Issue of equity shares (Refer note 12.7)	147,614	0.07	141,315	0.07
<b>Balance as on March 31,</b>	<b>109,647,839</b>	<b>54.83</b>	<b>109,500,225</b>	<b>54.76</b>

## b. Other equity

Particulars:	Securities Premium	General Reserve	Retained earnings	Share Options Outstanding Account	Share application money pending allotment	Attributable to owners of Company	Total
<b>Balance as on March 31, 2021</b>	<b>940.71</b>	<b>23.29</b>	<b>(900.09)</b>	<b>1.13</b>	-	<b>65.04</b>	<b>65.04</b>
Profit/(Loss) for the year	-	-	(47.00)	-	-	(47.00)	(47.00)
Other comprehensive loss for the year, net of income tax	-	-	(0.87)	-	-	(0.87)	(0.87)
Share of other comprehensive income of associate	-	-	(0.03)	-	-	(0.03)	(0.03)
<b>Total comprehensive income for the year</b>	-	-	<b>(47.91)</b>	-	-	<b>(47.91)</b>	<b>(47.91)</b>
Recognition of share-based payments *	-	-	-	1.66	-	1.66	1.66
Transferred to retained earnings for vested cancelled options	-	-	0.69	-	-	0.69	0.69
Transferred from stock options reserved for vested cancelled options	-	-	-	(0.69)	-	-0.69	(0.69)
Securities premiums proceeds received on issue of equity shares ( note 12.7)	2.38	-	-	-	-	2.38	2.38
<b>Balance as on March 31, 2022</b>	<b>943.09</b>	<b>23.29</b>	<b>(947.31)</b>	<b>2.10</b>	-	<b>21.17</b>	<b>21.17</b>
Profit/(Loss) for the year	-	-	116.01	-	-	116.01	116.01
Other comprehensive loss for the year, net of income tax	-	-	(0.27)	-	-	(0.27)	(0.27)
Share of other comprehensive income of associate	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	<b>115.74</b>	-	-	<b>115.74</b>	<b>115.74</b>
Recognition of share-based payments *	-	-	-	11.77	-	11.77	11.77
Transferred to retained earnings for vested cancelled options	-	-	1.06	-	-	1.06	1.06
Transferred from stock options reserved for vested cancelled options	-	-	-	(1.06)	-	(1.06)	(1.06)
Share issue expenses	-	-	(0.29)	-	-	(0.29)	(0.29)
Securities premiums proceeds received on issue of equity shares ( note 12.7)	2.60	-	-	-	-	2.60	2.60
Share application money received pending allotment	-	-	-	-	0.23	0.23	0.23
<b>Balance as on March 31, 2023</b>	<b>945.69</b>	<b>23.29</b>	<b>(830.80)</b>	<b>12.81</b>	<b>0.23</b>	<b>151.22</b>	<b>151.22</b>

\* after transfers to retained earnings for options lapsed/exercised.

Summary of significant accounting policies

2

The accompanying Notes 1 to 43 are an integral part of the financial statements.

In terms of our attached report of even date

For and on Behalf of the Board of Directors

**For S R B C & COLL**

**B.S. Nagesh**

**Neel Raheja**

**Venugopal Nair**

ICAI Firm Reg.No.324982E/E300003  
Chartered Accountants

Customer Care Associate & Chairman  
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Director  
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**Firoz Pradhan**  
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**Karunakaran Mohanasundaram**  
Customer Care Associate  
& Chief Financial Officer

**Vijay Kumar Gupta**  
Customer Care Associate &  
Company Secretary  
Membership No.A14545

Mumbai: April 26, 2023

Mumbai: April 26, 2023

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 1. General Background

Shoppers Stop Limited ('SSL' or 'the Holding Company') is a Company limited by shares and is domiciled in India. The Company was incorporated on June 16, 1997. The Company is engaged in the business of retailing a variety of household and consumer products through departmental stores.

The Company has five subsidiaries, which along with the Company constitute "the Group". They are primarily engaged in the following activities:

SN	Entity	Business activity
1	Shoppers Stop Limited	Retailing a variety of household and consumer products through departmental stores
2	Crossword Bookstores Limited : - Subsidiary Company till October 11, 2021) - Associate Company w.e.f. October 12, 2021	Retailing in books and other allied items through departmental stores operated by self or by franchisees.
3	Shoppers' Stop Brands (India) Limited ( formerly known as Shoppers' Stop Services (India) Limited)	The Company is non-operational
4	Global SS Beauty Brands Limited (formerly known as Upasna Trading Limited)	Distribution of International Beauty Brands
5	Shoppers' Stop.com (India) Limited	Retailing a variety of consumer products through online channel
6	Gateway Multichannel Retail (India) Limited	Catalogue retailing business (Discontinued operations)

The financial statements were approved for issue by the board of directors on April 26, 2023.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1.1 Statement of compliance

These Consolidated Financial Statements have been prepared in accordance with the requirements of Indian Accounting Standards prescribed under the Section 133 of the Companies Act 2013, other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III), as applicable to the Consolidated Financial Statements.

### 2.1.2 Basis of preparation and presentation.

These Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at March 31, 2023, Consolidated Statement of Profit and Loss, the Consolidated Statement of changes

in equity and the Consolidated Statement of Cash flows for the year ended March 31, 2023, and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements").

The aforesaid Consolidated financial statements include the financial statements of the Holding Company and its subsidiaries (together referred to as 'the Group').

These Consolidated Financial statements have been prepared on historical cost basis except for certain assets and liabilities that are measured at fair values at the end of each reporting period. The Consolidated Financial Statement are presented in Indian Rupees (₹) and all values are rounded to the nearest crores, except where otherwise indicated.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest crores, except where otherwise indicated.

### 2.1.3 Fair Value Measurement

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, (regardless of whether that price is directly observable or estimated using another valuation technique). In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability, at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

- Level 3 inputs are unobservable inputs for the asset or liability.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

## 2.2 Consolidation of financial statements

The consolidated financial statements of the Group incorporate the assets, liabilities, equity, income, expenses and cash flows of the Company and its subsidiaries and are presented as those of a single economic entity. The Company has control of the subsidiaries as it has the rights to variable returns from its involvement and has the ability to affect those returns through its power over the subsidiaries.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation procedures principally followed are: (a) Like items of assets, liabilities, equity, income, expenses and cash flows of the Company and those of its subsidiaries are combined; (b) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are eliminated; (c) intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between entities of the Group are eliminated in full.

Goodwill is recognised when a change in the Group's ownership interest, (or otherwise), results in the Group acquiring control over a Company.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners)

Goodwill arising on consolidation is tested for impairment at each reporting date. If the recoverable amount of cash generating unit to which the goodwill is attributed is less than the

carrying amount of the unit, an impairment loss is recognised, first to reduce the carrying amount of goodwill (and thereafter to the balance assets of the unit, pro rata to their carrying amounts).

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from the equity of the owners of the Group. Total comprehensive income of subsidiaries is attributed to the owners and to the non-controlling interests, (even if this results in the non-controlling interests having a deficit balance).

### 2.2a Investment in associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate equals or exceeds its interest in the associate or joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate in the statement of profit and loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

### 2.3 Current versus Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ 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
- Held primarily for the purpose of trading
- 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
- It is held primarily for the purpose of trading
- 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 Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

### 2.4 Revenue from contract with customer

- 2.4.1 In 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 Group has generally concluded that it is the principal in its revenue arrangements except for the agency services because it typically controls the goods before transferring them to the customer and sales under sale or return basis arrangements where in the Group has w.e.f. April 01, 2018 adopted modified retrospective approach in line with Ind As 115, Revenue from Contracts with customers.

Retail sale of Merchandise: Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts, schemes,

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

- Goods and Service Tax ( GST) offered by the Company as part of the contract.
- 2.4.2 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 difference between the revenue and the cost of the merchandise is disclosed as other operating income. (Refer Note 19)
- 2.4.3 Point award schemes: The fair value of the consideration on sale of goods that result in award credits for customers, under the Company's point award schemes, is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to fair value from the standpoint of the holder and is recognised as revenue on redemption and / or expected redemption after breakage
- 2.4.4 Gift vouchers: The amount collected on sale of a gift voucher is recognised as a liability and transferred to revenue (sales) when redeemed or to revenue (other retail operating revenue) on expiry.
- 2.4.5 Other retail operating revenue: Revenue from store displays and sponsorships are recognised based on the period for which the products or the sponsors' advertisements are promoted / displayed. Facility management fees are recognised pro-rata over the period of the contract.
- Income from services are recognised as they are rendered based on agreements/ arrangements with the concerned parties and recognised net of goods and service tax.
- 2.4.6 Direct Marketing income: Such income is recognised on straight line basis over the validity of the cards.
- 2.4.7 Franchisee income: Such income is recognised in accordance with the rates specified in the franchisee agreements and is based on the sales recorded by the franchisees for the year.
- 2.4.8 Dividend and Interest income
- Dividend income from Investments is recognised when the right to receive the payment has been established. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

## 2.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories comprise of all cost of purchase and other related costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on a weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale. Provision is made for obsolete/ slow moving inventories.

## 2.6 Property, plant and equipment and Intangible Assets

2.6.1 Property, plant and equipment and Intangible Assets are stated at cost less accumulated depreciation or amortisation and accumulated impairment losses. Cost comprises of all cost of purchase, construction and other related costs incurred in bringing the assets to their present location and condition.

2.6.2 Depreciation / amortisation is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

Property, Plant and Equipment	Useful Life as Prescribed by Schedule II of the Companies Act, 2013 (In Years)	Estimated Useful Life (In Years)
<b>Air conditioning and other equipment</b>		
Plant and Machinery	15	5 to 17
<b>Electrical Installations</b>		
<b>Components</b>		Life as per below or lease term whichever is lower
Cabling		5-11
LED Bulbs & Non LED Fixtures		5-7
Electrical works		5-17
Firefighting systems/CCTV System		5-17
EAS Systems		5-17
Furniture, fixtures and other fittings	10	5-10
Computer Equipment (other than desktops and laptops)	6	5 - 6
Desktops and laptops	3	3
<b>Leasehold Improvements</b>		Life as per below or lease term whichever is lower
<b>Components</b>		
Partition Works		5-10
Flooring & Cladding		5-11
False Ceiling		5-11
Fit out works		5-12
Civil & Painting Works		5-10
Other Components		5-10
Office Equipment	5	2 to 6
Vehicles	8	8
<b>Intangible assets:</b>		
Computer Software		6
Trademark and Patents	10	10

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

### 2.6.3 Impairment losses

At the end of each reporting period, the Group reviews the carrying amounts of its property plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, (i.e. higher of fair value less costs of disposal and value in use) of the asset is estimated, or, when it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is estimated. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to

its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 2.6.4 Deemed cost on transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 2.7 Leases

Ind AS 116 Leases was notified by MCA on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

The Group assesses at contract inception whether a contract is or contains a lease. That is, of the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Where the Group is the lessee:

The Group applies a single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. The Group recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

### Right of use assets :

The Group recognises right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right of use assets are also subject to impairment.

### Lease liabilities :

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease

payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. 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.

### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (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). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

### Where the Group is the Lessor:

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an assets are classified the asset are classified as operating leases. Rental income arising is accounted for on a straight line basis over the lease terms. Initial direct costs incurred in negotiating and arranging on operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### Covid-19-Related Rent Concessions:

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 w.r.t. "Covid-19-Related Rent Concessions" effective from the period beginning

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

on or after April 01, 2020. Pursuant to the above amendment, the Group has applied the practical expedient by accounting the unconditional rent concessions in "Other income" in the Statement of Profit and Loss. The details of the same are disclosed in note 26.3 of the financial statement.

## 2.8 Financial Instruments

### Classification:

The Group classifies its financial assets in the following measurement categories: -those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and - those measured at amortised cost. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

### Measurement:

At initial recognition, All financial assets (except trade receivables) are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

### Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

### Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and

is not part of a hedging relationship is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

### Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

### Fair value through profit and loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. A gain or loss on a debt investment that is subsequently measured at fair value through Statement of Profit and Loss and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

### Equity instruments:

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at fair value through the Statement of Profit and Loss are recognised in other income / other expenses in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

at FVOCI are not reported separately from other changes in fair value.

## Impairment of financial assets:

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

## Derecognition of financial assets:

A financial asset is derecognised only when -the Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## Offsetting financial instruments:

**2.8.1** Financial assets and liabilities are offset 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 and must be enforceable in the normal course of business and in the event of default insolvency or bankruptcy of the Group or the counterparty.

**2.8.2** Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities are deducted from the fair value of the financial liabilities on initial recognition. After initial recognition, all financial liabilities (other than financial guarantee contracts and derivative instruments - see below) are subsequently

measured at amortised cost using the effective interest method. The Group has not designated any financial liability as FVTPL.

**2.8.3** Financial guarantee contracts: The Group on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Group has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in profit or loss.

**2.8.4** Derivative instruments: The Group enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. These contracts are initially recognised at fair value and subsequently, at the end of each reporting period, re-measured at their fair values on reporting date. The resulting gain or loss is recognised in profit or loss in the same line as the movement in the hedged exchange rate.

## 2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 2.9.1 Current tax

The tax currently payable is based on the taxable profit for the year for each entity in the Group and is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted.

### 2.9.2 Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the 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 and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.10 Employee benefits

**2.10.1** Defined Contribution Plan: The Group makes defined benefit to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance and ESI, which are recognised in the statement of profit and loss on accrual basis. The Group recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the provident fund.

**2.10.2** Retirement benefit costs and termination benefits: Payments to defined benefit plans are recognised as expense when employees have rendered service entitling them to the contributions.

The Group determines the present value of the defined benefit obligation and fair value of plan assets and recognises the net liability or asset in the balance sheet. The net liability or asset

represents the deficit or surplus in the Group's defined benefit plans. (The surplus is limited to the present value of economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans).

The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year.

### Defined benefit costs are composed of:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Re-measurement

The first two components are recognised in profit or loss. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet and a charge or credit, (as the case may be), is recognised in other comprehensive income. Re-measurement recognised in other comprehensive income is reflected in retained earnings. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit liability or asset recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. The surplus is limited to the present value of economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

### 2.10.3 Short-term benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and other short term benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Other long-term benefits: Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 2.10.4 Share-based payment arrangements

Equity-settled share-based payments to employees of the Group are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 36. The fair value determined at the grant date of the equity-settled share-based payments to employees of the Group is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity at the end of each year. The Group 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 equity-settled employee benefits reserve.

## 2.11 Foreign currency transactions

The Group's financial statements are presented in INR which is also its functional currency. Transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on settlement or translation of monetary items are recognised in the profit or loss.

## 2.12 Borrowing costs

Borrowing Cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition or construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred

## 2.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using

the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

## 2.14 Cash and cash equivalents

Cash and cash equivalents in the balance sheet and for the purpose of cash flow statement comprises cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less net of outstanding bank over drafts as they are considered an integral part of the Group's cash management.

## 2.15 Cash dividend and non-cash distribution to equity holders

The Group recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

## 2.16 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 2.17 Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an assets.

The criteria held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal is available for immediate sale in the present condition. Action require to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sale will be withdrawn. The Group must be committed to the sale and the sale expected within one year from the date of classification.

Assets classified as held for sale are presented separately from other items in the balance sheet.

## 2.A Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses that are not readily apparent from other sources. Such judgments, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Group's accounting policies and that have the most significant effect on the amount recognised in the financial statements and / or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## Taxes

### Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

As stated in Note 25, tax expense is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted.

In arriving at taxable profit and tax bases of assets and liabilities, the Company recognised taxability of amounts in accordance with tax enactments, case law and opinions of tax counsel, as relevant. Where differences arise on tax assessment, these are booked in the period in which they are agreed or on final closure of assessment.

### Deferred tax

Deferred tax is provided using the liability method on temporary difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in Note 25.

The carrying amount of deferred tax assets is reviewed at each reporting 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 assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

### Share based payment

The Company has a share option scheme for certain employees of the Company and its subsidiaries. In accordance with the terms of the share option scheme, as approved by shareholders at a previous general meeting, employees with a pre-defined grade and having more than five years of service may be granted options to purchase equity shares. Each share

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

option converts into one equity share of the company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised within four years from the date of grant, as per vesting schedule. The share options vest based on a pre-determined vesting schedule from the date of grant.

## Equity settled transactions

The Group initially measures the cost of equity-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 36.

## Useful lives of property, plant and equipment and intangible assets

The Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

The Group at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a store (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in profit or loss.

## Point award schemes

Customer award credits having a predetermined life are granted to customers when they make purchases. The fair value of the consideration on sale of goods resulting in such award credits is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to fair value from the standpoint of the holder and revenue is deferred. The Group at the end of each reporting period estimates the number of points redeemed and that it expects will be further redeemed, based on empirical data of redemption /lapses, and revenue is accordingly recognised.

## Service tax on renting of immovable properties given for commercial use

As stated in Note 29, the Group has challenged the retrospective levy of service tax on renting of immovable properties given for commercial use and pending the final disposal of the matter, which is presently before the Supreme Court, the Group continues not to provide for the retrospective levy.

## Inventories

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, the seasonality of the item's sales profile and losses associated with obsolete / slow-moving inventory items.

## Employee Benefits

Provision for employee benefits in the nature of gratuity and unpaid leave balance is estimated on actuarial basis using a number of assumptions which include assumptions for discount rate, future salary increases, mortality rates, attrition rates for employees, return on planned assets etc. Any changes in these assumptions will impact the carrying amount of these provisions. Key assumptions are disclosed in Note 31.

## Leases:

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

### Ind AS 116 Leases - Estimating the lease term

The Group adopted Ind AS 116 using the modified retrospective -2A method of adoption, with the date of initial application on April 1, 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 1, 2019. The comparative figures are not restated and the cumulative effect of initially applying the standard is recognised as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

(short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Please refer Note 26 for detail disclosures on leases.

### Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental

borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### Impairment of Right to use assets and Property, Plant and Equipment

The Group is carrying out the assessment of impairment on annual basis for Right to Use of Assets (ROU) and Property, Plant and Equipment (PPE). To assess the same, the Group has defined each store as a separate Cash Generating Unit. The unit shall be tested for impairment whenever there is an indication that the unit may be impaired by comparing the unit's carrying amount with its recoverable amount.

The Group has computed "Value in Use" based on expected future cashflow over the balance lease term considering store wise budgets and other internal and external factors like growth etc. for testing impairment indicator.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 3. Property, Plant and Equipment (PPE) and Intangible Assets

	Leasehold improvements	Air conditioning and other equipments	Furniture, fixtures and other fittings	Office Equipments	Computers	Total PPE	Trademarks	Software	Total Intangible assets
<b>Cost or deemed cost</b>									
<b>As at April 1, 2021</b>	285.23	261.83	302.60	24.10	75.72	949.45	2.36	176.66	179.02
Additions	15.33	21.58	32.67	1.72	3.76	75.06	0.29	9.73	10.02
Disposal	(26.32)	(20.88)	(31.82)	(1.20)	(5.07)	(85.29)	-	-	-
Disposal of subsidiary assets	(4.82)	(3.19)	(5.85)	(0.36)	(2.45)	(16.67)	(0.85)	(3.07)	(3.92)
<b>As at March 31, 2022</b>	<b>269.42</b>	<b>259.34</b>	<b>297.60</b>	<b>24.26</b>	<b>71.96</b>	<b>922.57</b>	<b>1.80</b>	<b>183.30</b>	<b>185.10</b>
Additions	36.20	29.20	49.68	5.15	16.59	136.82	0.13	6.34	6.47
Disposal	(23.36)	(28.13)	(41.08)	(3.19)	(8.70)	(104.45)	-	(22.53)	(22.53)
<b>As at March 31, 2023</b>	<b>282.26</b>	<b>260.41</b>	<b>306.20</b>	<b>26.22</b>	<b>79.85</b>	<b>954.94</b>	<b>1.93</b>	<b>167.10</b>	<b>169.04</b>
<b>Accumulated Depreciation and Amortisation</b>									
<b>As at April 1, 2021</b>	(172.16)	(146.53)	(148.93)	(16.00)	(44.12)	(527.73)	(2.36)	(94.13)	(96.49)
Depreciation and amortisation expense for the year (Refer note ii)	(36.92)	(30.63)	(33.39)	(2.96)	(10.54)	(114.45)	(0.12)	(23.46)	(23.57)
Disposal	25.95	20.65	30.80	1.18	4.96	83.54	-	-	-
Disposal of subsidiary assets	4.29	2.94	4.02	1.27	2.11	14.64	1.41	1.93	3.34
<b>As at March 31, 2022</b>	<b>(178.84)</b>	<b>(153.57)</b>	<b>(147.50)</b>	<b>(16.51)</b>	<b>(47.59)</b>	<b>(544.00)</b>	<b>(1.07)</b>	<b>(115.66)</b>	<b>(116.73)</b>
Depreciation and amortisation expense for the period (Refer note ii)	(29.93)	(25.31)	(32.50)	(3.10)	(11.08)	(101.92)	(0.12)	(25.90)	(26.02)
Disposal	23.32	28.05	40.45	3.10	8.65	103.57	(0.01)	22.53	22.52
<b>As at March 31, 2023</b>	<b>(185.44)</b>	<b>(150.83)</b>	<b>(139.55)</b>	<b>(16.51)</b>	<b>(50.01)</b>	<b>(542.35)</b>	<b>(1.20)</b>	<b>(119.03)</b>	<b>(120.24)</b>
<b>Net Book Value</b>									
<b>As at March 31, 2023</b>	<b>96.82</b>	<b>109.58</b>	<b>166.65</b>	<b>9.71</b>	<b>29.84</b>	<b>412.59</b>	<b>0.73</b>	<b>48.07</b>	<b>48.80</b>
<b>As at March 31, 2022</b>	<b>90.58</b>	<b>105.77</b>	<b>150.10</b>	<b>7.75</b>	<b>24.37</b>	<b>378.57</b>	<b>0.73</b>	<b>67.63</b>	<b>68.36</b>

Note :

- Movable assets have been pledged to secure borrowings of the Group (Refer Note 14)
- Depreciation for the year includes accelerated amounts aggregating to ₹17.60 Crores (March 31, 2022 ₹8.46 Crores) primarily in case of Leasehold improvements, electrical installation and software on account of change in estimate of useful lives of property, plant & equipment resulting from store closures/shifting premises.
- The Group has not revalued any of its Property, plant and equipments during the year.
- All immovable properties of the Group are situated at the properties where the Group is lessee and the lease agreements are duly executed in favour of the lessee.
- During the year ended March 31, 2023, the Company has not capitalised expenses to cost of Property, plant and equipment, details of previous year is as under :-

	As at March 31, 2023	As at March 31, 2022
Employee Costs	-	2.16
Consultancy	-	0.95
<b>Total</b>	<b>-</b>	<b>3.11</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 3. Property, Plant and Equipment and Intangible Assets (continued)

#### 3A Depreciation and amortisation expenses

	As at March 31, 2023	As at March 31, 2022
Depreciation of tangible assets (Refer note 3)	101.92	114.45
Amortisation of intangible assets (Refer note 3)	26.02	23.57
Depreciation on right of use assets (Refer note 26.1)	253.70	216.86
	<b>381.64</b>	<b>354.88</b>

#### 3B Capital work in progress

	As at March 31, 2023	As at March 31, 2022
<b>Capital work in progress</b>		
Opening	14.03	2.93
Additions	152.36	86.16
Capitalisation	(136.82)	(75.06)
	<b>29.57</b>	<b>14.03</b>

#### Capital work in progress (CWIP) ageing schedule

##### As on March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	29.38	0.19	-	-	29.57
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>29.38</b>	<b>0.19</b>	<b>-</b>	<b>-</b>	<b>29.57</b>

##### As on March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	14.03	-	-	-	14.03
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>14.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.03</b>

Note :

Completion of the Capital work in progress is not over due and the cost of the same has not exceeded the budget, hence disclosure relating to the timelines and budget has not been given.

#### 3C Intangible assets under development (IAUD)

	As at March 31, 2023	As at March 31, 2022
Opening	-	-
Additions	10.82	10.02
Capitalisation	(6.47)	(10.02)
	<b>4.35</b>	<b>-</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 3. Property, Plant and Equipment and Intangible Assets (continued)

### As on March 31, 2023

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	4.35	-	-	-	4.35
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>4.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.35</b>

#### Note:

- Completion of the Capital work in progress is not over due and the cost of the same has not exceeded the budget, hence disclosure relating to the timelines and budget has not been given.
- As there are no intangible assets under development outstanding as of March 31, 2022, the disclosures pertaining to the ageing is not given.

## 4. Investments - Non current

	As at March 31, 2023	As at March 31, 2022
<b>A (Unquoted at cost unless otherwise stated)</b>		
<b>i) Equity investments</b>		
<b>(At fair value through Profit and Loss)</b>		
Stargaze Properties Private Limited	0.00	0.00
1,000 (2022: 1,000) equity shares of ₹ 10/- each Fully paid		
Retailers Association of India	0.00	0.00
10,000 (2022:10,000) equity shares of ₹ 10/- each Fully paid		
Aesthetic Realtors Private Limited	0.00	0.00
66 (2022 : 66) Equity Shares of ₹ 10/- each Fully Paid		
Retailers Association's Skill Council of India	0.01	0.01
500 (2022 : 500) equity shares of ₹ 100/- each Fully paid		
<b>Total (A)</b>	<b>0.01</b>	<b>0.01</b>
<b>B Unquoted (Carrying Value)</b>		
<b>Investments in equity instruments - Associate</b>		
Crossword Bookstores Limited		
40,06,250 (2022 : 1,96,30,625) Equity shares of ₹10 each	0.43	1.61
Share of loss in associate	(0.43)	(1.61)
<b>Total (B)</b>	<b>(0.00)</b>	<b>(0.00)</b>
<b>Total (A) + (B)</b>	<b>0.01</b>	<b>0.01</b>
<b>Aggregate amount of impairment in value of unquoted equity investments</b>	<b>0.43</b>	<b>1.61</b>
<b>4 Investments - Current</b>		
<b>Investments in mutual funds</b>		
<b>Unquoted (At fair value through Profit and Loss)</b>		
SBI Mutual Fund	8.00	20.39
22,174.339 (2022: 59,522.743) units in Overnight fund - Regular Growth		
Axis Mutual Fund	8.00	21.35
67,676.982 (2022: 190,330.458) units in Overnight fund - Regular Growth		
Kotak Mutual Fund	8.01	22.24
67,191.938 ( 2022 : 196,661,496) units in Overnight fund - Regular Plan Growth		
ICICI Prudential Mutual Fund	-	20.78
Nil (2022: 18,19,276.774) units in Overnight Fund -Regular Growth		
Aditya Birla Sun Life Mutual Fund	8.00	22.61
66,364.847 (2022 : 197,459.150 ) units in Overnight fund - Regular Growth		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 4. Investments - Non current (continued)

	As at March 31, 2023	As at March 31, 2022
Nippon India Mutual Fund	8.01	-
6,67,792.512 (2022: Nil) units in Overnight fund - Regular Growth		
UTI Mutual Fund	-	18.75
Nil (2022: 65,038.732) units in Overnight fund - Regular Growth		
<b>Total (C)</b>	<b>40.02</b>	<b>126.12</b>
<b>Quoted (At fair value through Profit and Loss)</b>		
HDFC Mutual Fund	8.00	19.83
24,236.571 ( 2022: 63,240.595) units in Overnight fund - Regular Growth		
<b>Total (D)</b>	<b>8.00</b>	<b>19.83</b>
<b>Total (C) + (D)</b>	<b>48.02</b>	<b>145.95</b>
<b>Aggregate value of quoted investment</b>	<b>8.00</b>	<b>19.83</b>
<b>Aggregate value of unquoted investment</b>	<b>40.02</b>	<b>126.13</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>-</b>	<b>-</b>

## 5. Trade receivables - current

	As at March 31, 2023	As at March 31, 2022
(Unsecured)		
Considered good	29.41	31.50
Considered credit impaired	7.94	8.17
	<b>37.35</b>	<b>39.67</b>
Impairment allowance (allowance for bad and doubtful debts)		
Less : Considered credit impaired	7.94	8.17
	<b>29.41</b>	<b>31.50</b>

5.1 Trade receivables are carried at amortised cost.

5.2 These financial assets have been pledged to secure borrowings of the Group (Refer note 14)

5.3 No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other persons.

5.4 For terms and conditions relating to related party receivables, (Refer note 32)

5.5 Trade receivables are non interest bearing and are generally on terms of 30 to 90 days.

### 5.6 Trade receivable Ageing Schedule

#### As on March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of transaction					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	1.99	26.42	0.19	0.81	-	-	29.41
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	1.84	0.35	5.03	0.42	0.30	7.94
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1.99</b>	<b>28.26</b>	<b>0.54</b>	<b>5.84</b>	<b>0.42</b>	<b>0.30</b>	<b>37.35</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 5. Trade receivables - current (continued)

As on March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of transaction					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	7.21	24.24	-	0.05	-	-	31.50
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	7.45	-	0.42	-	0.30	8.17
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>7.21</b>	<b>31.69</b>	<b>-</b>	<b>0.47</b>	<b>-</b>	<b>0.30</b>	<b>39.67</b>

## 5A. Loans

	As at March 31, 2023	As at March 31, 2022
(unsecured)		
<b>Non-current</b>		
<b>Loans to associate</b>		
- Considered good	4.10	4.09
- Considered credit impaired	-	-
	<b>4.10</b>	<b>4.09</b>
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	-	-
	<b>4.10</b>	<b>4.09</b>
<b>Current</b>		
<b>Loans to associate</b>		
- Considered good	-	12.96
- Considered credit impaired	2.00	-
	<b>2.00</b>	<b>12.96</b>
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	2.00	-
	<b>-</b>	<b>12.96</b>
<b>Total (excluding impairment allowance)</b>	<b>4.10</b>	<b>17.05</b>

**5A.1** The above loans are given for general corporate and business purposes. The loans are carried at amortised cost.

**5A.2** Disclosure as per Regulations 34(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and section 186 of the Companies Act, 2013

### a) Loan given to associate :

Name of the subsidiaries companies/associate	Terms	Maximum Balance Outstanding during the		Amount outstanding as on March 31, 2023	% of total Loans and Advances in the nature of loans	Amount outstanding as on March 31, 2022	% of total Loans and Advances in the nature of loans
		March 31, 2023	March 31, 2022				
Crossword Bookstores Limited	Refer Note 34(c)	17.05	33.66	4.10	100%	17.05	100%

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 6. Other financial assets

	As at March 31, 2023	As at March 31, 2022
(unsecured)		
<b>Non-current</b>		
Premises and other deposits		
- Considered good	136.55	102.18
- Considered credit impaired	5.42	5.42
	<b>141.97</b>	<b>107.60</b>
Less: Impairment allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	5.42	5.42
	<b>136.55</b>	<b>102.18</b>
Margin money accounts (under lien against bank guarantee)	0.30	0.29
	<b>136.85</b>	<b>102.47</b>
<b>Current</b>		
Advances to employees	0.69	0.74
Premises and other deposits	45.05	62.94
Other Receivables		
- Considered good	1.44	7.83
- Considered credit impaired	3.56	3.76
	<b>5.00</b>	<b>11.59</b>
Less: Impairment allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	3.56	3.76
	<b>1.44</b>	<b>7.82</b>
	<b>47.18</b>	<b>71.51</b>

**6.1** These are carried at amortised cost.

**6.2** These financial assets have been pledged to secure borrowings of the Group (Refer note 14)

## 7. Deferred tax assets/Liabilities (net)

	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	331.18	373.95
	<b>331.18</b>	<b>373.95</b>

### 7.1 Deferred tax (liabilities)/assets in relation to:

	Balance Sheet		Statement of Profit and Loss	
	As at March 31, 2023	As at March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2023
<b>Deferred tax Assets</b>				
Property, Plant and Equipment and Intangible Assets	71.11	65.36	5.75	8.72
Right of use assets	176.49	175.05	1.44	(15.42)
Impairment allowance (allowance for bad and doubtful debts)	7.35	5.52	1.83	2.23
Provision for expenses	5.60	5.94	(0.34)	2.43
Employee benefit expenses	4.51	5.01	(0.59)	0.90
Lease Deposits	1.35	1.55	(0.20)	0.01
Short Term Capital Loss	-	-	-	(0.48)
Business loss & Unabsorbed depreciation	64.77	115.52	(50.75)	33.13
<b>Net deferred tax assets / (liabilities)</b>	<b>331.18</b>	<b>373.95</b>	<b>(42.86)</b>	<b>31.52</b>

### Deferred tax (liabilities) / assets in relation to certain subsidiaries :

In the absence of reasonable certainty, the Group has not recognised deferred tax assets (DTA) on temporary differences.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 8. Other assets

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
<b>Non-current</b>		
Capital advances	21.10	16.64
Service tax deposited under protest (Refer note 29 (ii))	35.67	35.67
Advance income tax (net of provision)	22.49	17.68
	<b>79.26</b>	<b>69.99</b>
<b>Current</b>		
Recoverables - Statutory dues	243.87	176.78
Advance for Goods & Services		
- Considered good	18.41	12.34
- Considered credit impaired	8.62	7.55
	<b>27.03</b>	<b>19.89</b>
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	8.62	7.55
	<b>18.41</b>	<b>12.34</b>
Prepaid Expenses	2.64	3.11
Other assets		
- Considered good	-	0.50
- Considered credit impaired	2.36	2.36
	<b>2.36</b>	<b>2.86</b>
Less: Impairment Allowance (allowance for bad and doubtful debts)		
- Considered credit impaired	2.36	2.36
	-	<b>0.50</b>
	<b>264.92</b>	<b>192.73</b>

## 9. Inventories

	As at March 31, 2023	As at March 31, 2022
(At lower of cost and Net realisable value) Stock-in-trade: Retail merchandise	1,499.79	1,007.54
	<b>1,499.79</b>	<b>1,007.54</b>

9.1 Inventories have been pledged as security for borrowings. ( Refer note 14)

9.2 The mode of valuation of inventories has been stated in Note 2.5

## 10. Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balance with banks in		
- Current accounts	6.67	8.96
- Deposit accounts	0.03	0.07
Cash credit accounts	-	-
Cash on hand	3.20	3.49
	<b>9.90</b>	<b>12.52</b>

10.1 These financial assets have been pledged to secure borrowings of the Group (Refer note 14)

10.2 Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 10. Cash and cash equivalents (continued)

10.3 For the purpose of Statement of cash flow, cash and cash equivalents comprise the following :

	As at March 31, 2023	As at March 31, 2022
Balance with banks in		
- Current accounts	6.67	8.96
- Deposit accounts	0.03	0.07
Cash on hand	3.20	3.49
	<b>9.90</b>	<b>12.52</b>
Less : Bank overdraft / Cash credit (Refer note 14 and 14.3)	(20.47)	(0.10)
	<b>(10.57)</b>	<b>12.42</b>

## 11. Other bank balances

	As at March 31, 2023	As at March 31, 2022
Deposit with original maturity for more than 3 months but less than 12 months	21.45	19.93
Earmarked accounts (for unpaid dividend)	0.00	0.00
Others	-	0.04
	<b>21.45</b>	<b>19.97</b>

## 12. Share capital

	As at March 31, 2023	As at March 31, 2022
<b>12.1 Authorised</b>		
200,000,000 equity shares of ₹ 5/- each	100.00	100.00
<b>12.2 Issued, Subscribed and Fully paid up shares</b>		
109,647,839 (2022 : 109,500,225) equity shares of ₹ 5/- each fully paid up	54.83	54.76
	<b>54.83</b>	<b>54.76</b>

## 12.3 Reconciliation of number of equity shares:

Particulars:	March 31, 2023		March 31, 2022	
	Numbers	₹ Crs	Numbers	₹ Crs
<b>Balance at the beginning of the year</b>	10,95,00,225	54.76	10,93,58,910	54.69
Issued during the year (Refer Note 12.7)	1,47,614	0.07	1,41,315	0.07
<b>Balance at the end of the year</b>	<b>10,96,47,839</b>	<b>54.83</b>	<b>10,95,00,225</b>	<b>54.76</b>

## 12.4 Details of shareholders holding more than 5% shares as at March 31:

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	Shares held (Nos)	Shares held (%)	Shares held (Nos)	Shares held (%)
Palm Shelter Estate Development LLP	89,77,558	8.19%	89,77,558	8.20%
Anbee Construction LLP	1,32,31,919	12.07%	1,32,31,919	12.08%
Cape Trading LLP	1,32,31,919	12.07%	1,32,31,919	12.08%
Aditya Birla Sun Life Trustee Private Limited	69,22,496	6.31%	71,02,276	6.49%
Raghukool Estate Development LLP	89,77,560	8.19%	89,77,560	8.20%
Capstan Trading LLP	89,77,560	8.19%	89,77,560	8.20%
Casa Maria Properties LLP	89,77,560	8.19%	89,77,560	8.20%

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 12. Share capital (continued)

### 12.5 Details of shares held by promoters & promoter group

Name of the Shareholder	March 31, 2023		March 31, 2022	
	Shares held (Nos)	Shares held (%)	Shares held (Nos)	Shares held (%)
<b>Balance at the beginning of the year</b>	7,17,74,535	65.55%	7,15,83,725	65.46%
Change during the year ( Refer Note)	-	-0.09%	1,90,810	0.09%
<b>Balance at the end of the year</b>	<b>7,17,74,535</b>	<b>65.46%</b>	<b>7,17,74,535</b>	<b>65.55%</b>

Note : During the year, no changes in shareholding of promoters and promoter group, the same has been diluted due to allotments of ESOPs.

### 12.6 Other disclosures

The Group has one class of equity shares having a par value of ₹ 5 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividends as and when the Group declares and pays dividend after obtaining shareholders' approval. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive the 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.

12.7 The Group has issued and allotted 1,47,614 (2022 : 1,41,315) number of shares under Share options schemes to certain employees- Refer Note 36

## 13. Other equity

	As at March 31, 2023	As at March 31, 2022
Securities Premium	945.69	943.09
General Reserves	23.29	23.29
Retained earnings	(830.80)	(947.31)
Share options outstanding account	12.81	2.10
Money received against employee share options	0.23	-
	<b>151.22</b>	<b>21.17</b>

For addition and deductions under each of the above heads, refer Consolidated Statement of changes in equity.

### 13.1 Securities premium

Securities premium account is used to record the premium received on issue of shares. The securities premium can be utilised only in accordance with the provisions of the Companies Act 2013.

### 13.2 General reserve

The General Reserve is mainly created/built by the Group from time to time by transferring the profits from retained earnings. This reserve may be utilised mainly to declare dividend as permitted under the Companies Act 2013.

### 13.3 Share Options outstanding account

Share options outstanding account relates to share options granted by the Group to certain employees under share option plan. Further information about share based payments to employees is set out in Note 35.

## 14. Borrowings

	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Term loans (Secured) from banks	83.59	193.76
Less : Current maturities of long term debts (Refer Note 14.3)	62.75	104.17
	<b>20.84</b>	<b>89.59</b>

14.1 Term Loans are secured by First Pari Passu charge on entire Current Assets including Stocks & Books debts, the entire movable fixed assets, Lease deposit excluding exclusive lien on lease Deposit to the extent of ₹ 26.62 Crores by Axis Bank Ltd , Escrow Account of debit card and credit card receivables.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 14. Borrowings (continued)

### 14.2 Terms of the Facilities :

#### Non-current borrowings

Name of the Bank	Rate of Interest	Repayment Schedule	March 31, 2023	March 31, 2022
ICICI Bank	8.50% (2022: 7.85%)	Repayable in 24 equal monthly installments from September 30,2022 till August 13,2024	70.84	100.00
HDFC Bank	8.25% (2022: 7.95%)	Repayable in 8 equal quarterly installments from August 8,2021 to May 8, 2023	9.38	46.88
IDFC First Bank	9.15% (2022: 8.60%)	Repayable in 8 equal quarterly installments from September 30,2021 to June 30, 2023	3.37	46.88
<b>Total Non-current borrowings</b>			<b>83.59</b>	<b>193.76</b>

#### Current maturities of long-term borrowings

Name of the Bank	Rate of Interest	Repayment Schedule	Loan Balance	
			March 31, 2023	March 31, 2022
ICICI Bank	8.50% (2022: 7.85%)	Repayable in 24 equal monthly installments from September 30,2022 till August 13,2024	50.00	29.17
HDFC Bank	8.25% (2022: 7.95%)	Repayable in 8 equal quarterly installments from August 8,2021 to May 8, 2023	9.38	37.50
IDFC First Bank	9.15% (2022: 8.60%)	Repayable in 8 equal quarterly installments from September 30,2021 to June 30, 2023	3.37	37.50
<b>Total Current maturities of long-term borrowings</b>			<b>62.75</b>	<b>104.17</b>

14.2 a) Borrowings are carried at amortised cost.

14.2 b) The Group has used the borrowings from the banks for the specific purpose for which it was taken at the balance sheet date. All the quarterly returns filed by the Company with the banks in which total income, total current assets and current liabilities are in agreement with the books of accounts for financial year 22-23 and 21-22.

14.2 c) The term loan from HDFC bank has a lien against Fixed deposits of ₹15 crs kept with HDFC.

### 14.3 Current

	As at March 31, 2023	As at March 31, 2022
<b>From banks</b>		
- Secured	20.47	0.09
<b>From Others</b>		
- Unsecured	22.02	22.02
Current maturities of long term debts ( Refer note 14.2)	62.75	104.17
	<b>105.24</b>	<b>126.28</b>

14.4 Loan repayable on demand viz. Cash credit, Working capital loans and Other loans viz. short term loans, are secured by a first pari passu charge on credit card/debit card receivables (Escrow account), current assets and all movable fixed assets of the Group both present and future and an exclusive lien on lease deposits except ICICI Bank loan which is secured by first pari passu charge on the current assets and all the movable fixed assets of the Group both present and future excluding leasehold rights, lease deposits and shoppers stop brands.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 14. Borrowings (continued)

### 14.5 Terms of the Facilities :

Name of the Bank	Rate of Interest	Repayment Schedule	March 31, 2023	March 31, 2022
<b>Secured</b>				
ICICI Bank (Cash Credit)	Nil (2022 : 8.35%)	On demand	-	0.09
Axis Bank Ltd (Cash Credit)	9.40% (2022 : Nil)	On demand	1.09	-
Kotak Mahindra Bank Ltd. (Cash Credit)	9.40% (2022 : Nil)	On demand	18.96	-
			<b>20.05</b>	<b>0.09</b>
<b>Unsecured</b>				
From other parties				
Hypercity Retail (India) Limited	10.75%(2022 : 10.75%)	On demand	22.02	22.02
			<b>22.02</b>	<b>22.02</b>

14.6 Borrowings are carried at amortised cost.

## 15. Other financial liabilities - current

	As at March 31, 2023	As at March 31, 2022
<b>Other financial liabilities measured at amortised cost</b>		
Accrued payroll	29.42	21.89
Creditors for capital expenditure	41.27	19.58
Overdrawn bank balances	0.01	0.01
Security deposits	0.27	0.29
Interest accrued and not due on borrowings	0.09	0.35
Income received in advance	9.11	5.32
Unpaid dividends	0.00	0.00
Others	0.03	0.22
	<b>80.20</b>	<b>47.66</b>

## 16. Trade payables

	As at March 31, 2023	As at March 31, 2022
- Total outstanding dues of micro enterprises and small enterprises	43.21	35.16
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,785.30	1,406.66
	<b>1,828.51</b>	<b>1,441.82</b>

**16.1** There are no Micro and Small Enterprises, to whom the Group owes dues which are outstanding for more than 45 days during the year except stated in note 16.1.b. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	43.21	35.16
b) The amount of interest paid by the buyer in terms of section 16 of the Micro and Small enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) 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 Enterprise Development Act, 2006.	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro and Small Enterprise Development Act, 2006.	-	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 16. Trade payables (continued)

### 16.2 Trade payable ageing schedule

#### As on March 31, 2023

Particulars	Not due	Outstanding for following periods from				Total
		Less than 1 years	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	43.21	-	-	-	43.21
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,347.57	191.99	5.26	8.17	5.10	1,558.09
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled	227.21	-	-	-	-	227.21
<b>Total</b>	<b>1,574.78</b>	<b>235.20</b>	<b>5.26</b>	<b>8.17</b>	<b>5.10</b>	<b>1,828.51</b>

#### As on March 31, 2022

Particulars	Not due	Outstanding for following periods from				Total
		Less than 1 years	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	35.16	-	-	-	35.16
Total outstanding dues of creditors other than micro enterprises and small enterprises	954.98	167.78	12.16	7.47	4.14	1,146.53
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Unbilled	260.13	-	-	-	-	260.13
<b>Total</b>	<b>1,215.11</b>	<b>202.94</b>	<b>12.16</b>	<b>7.47</b>	<b>4.14</b>	<b>1,441.82</b>

## 17. Provisions

	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Provision for employee benefits:		
Gratuity	0.01	-
Leave Encashment	0.02	-
	<b>0.03</b>	<b>-</b>
<b>Current</b>		
Provision for employee benefits:		
Gratuity	2.86	2.94
Leave Encashment	1.00	5.61
	<b>3.86</b>	<b>8.55</b>

## 18. Other current liabilities

	As at March 31, 2023	As at March 31, 2022
Statutory liabilities	14.87	14.32
Award schemes and gift vouchers	83.37	71.38
Others	11.82	7.54
	<b>110.06</b>	<b>93.24</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 19. Revenue from operations

	For the year ended March 31, 2023	For the year ended March 31, 2022
Retail sale of merchandise		
<b>Other Retail operating revenue</b>	3,708.39	2,348.87
Net proceeds from SOR	190.16	107.59
Net income from concessionaire & consignment model	61.38	34.99
Facility management fees	21.95	7.56
Income from store displays and sponsorship	8.59	0.53
Gift Vouchers lapsed	0.54	5.69
Direct marketing	31.12	13.52
	<b>313.74</b>	<b>169.88</b>
	<b>4,022.13</b>	<b>2,518.75</b>

### 19.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Type of goods or service</b>		
Sale of goods(net of taxes)	3,708.39	2,348.87
Net proceeds from SOR	190.16	107.59
Net income from concessionaire & consignment model	61.38	34.99
Other operating income	62.20	27.30
<b>Total Revenue from contracts with customers</b>	<b>4,022.13</b>	<b>2,518.75</b>
India	4,022.13	2,518.75
Outside India	-	-
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	3,959.93	2,491.45
Services transferred over time (Other operating income)	62.20	27.30
<b>Total Revenue from contracts with customers</b>	<b>4,022.13</b>	<b>2,518.75</b>

### 19.2 Contract balances

	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade receivables*	29.41	31.50

\*Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

### 19.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	March 31, 2023	March 31, 2022
Revenue as per contracted price (net of sales return)	<b>4,472.69</b>	<b>2,784.82</b>
Adjustments		
Loyalty points	(59.79)	(28.10)
Discount	(390.77)	(237.97)
<b>Revenue from contract with customers</b>	<b>4,022.13</b>	<b>2,518.75</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 20. Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest on financial assets :</b>		
On lease deposits measured at amortised cost	10.82	10.95
Bank deposits	1.07	0.68
On income tax refund	-	6.85
Profit on sale of mutual fund investment	4.64	4.38
Miscellaneous income *	20.19	2.16
Profit on sale of Property, plant and equipment	0.35	0.01
Covid-19-Related Rent Concessions (Refer note 26)	-	108.73
Gain on account of remeasurement of lease life	19.66	34.00
	<b>56.73</b>	<b>167.76</b>

\* During the year ended March 31, 2023, the company evaluated certain amendments relating to a statute and assessed certain provision of earlier period is no longer required. Accordingly, an amount of ₹ 17.06 crores was reversed and accounted as income in the current financial year.

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>21a. Purchase of Stock in trade</b>		
Apparels	1,659.87	939.54
Non-apparels	1,164.51	724.24
Books & others	-	0.18
	<b>(A) 2,824.38</b>	<b>1,663.96</b>
<b>21b. Changes in inventories of stock in trade</b>		
Opening inventory		
- Retail merchandise	1,007.54	856.11
On account of assets transferred on account of Sale of Crossword	-	6.53
Closing inventory		
- Retail merchandise	1,499.79	1,007.54
Other adjustment	3.75	-
Decrease / (Increase)	<b>(B) (496.00)</b>	<b>(157.96)</b>
<b>21c. Cost of inventories recognised as an expenses*</b>	<b>(A)+(B) 2,328.38</b>	<b>1,506.00</b>
* Includes write-downs/offers (net) of inventory to net realisable value on account of old season stock and shrinkages.	36.22	66.17

## 22. Employee benefits expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Wages	311.22	248.37
Contribution to provident and other funds (Refer note 31)	20.54	17.01
Share-based payments cost *	11.77	1.66
Staff welfare expenses	8.78	5.49
	<b>352.31</b>	<b>272.53</b>

\* Measured at fair value

For details of share options granted by the Company to the certain employees, Refer Note 35.

## 23. Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on borrowings	13.13	27.06
Interest on lease liabilities	195.63	178.77
Bank charges	0.40	0.77
	<b>209.16</b>	<b>206.60</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 24. Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Lease rent and hire Charges	100.23	58.41
Rates and taxes	4.27	2.81
Repairs and maintenance		
- Buildings	108.21	97.40
- Others	19.25	15.13
Legal and professional fees (Refer note 24.1)	8.97	6.95
Housekeeping charges	19.30	12.33
Security charges	23.48	13.99
Computer expenses	57.46	58.51
Conveyance and travelling expenses	12.75	4.18
Electricity charges	111.34	72.90
Advertisement and publicity	68.33	42.08
Charges on credit card transactions	23.54	15.10
Bad debts	7.33	-
Less : Provision for doubtful debts utilised	(7.33)	-
Packing materials	0.04	-
Allowances for bad and doubtful financial assets*	7.09	7.15
Loss on sale of property, plant and equipment (net)	-	0.76
Foreign exchange loss (net)	0.24	-
Corporate Social Responsibility Expenses (Refer note 24.2)	-	0.75
Miscellaneous expenses	81.69	62.51
	<b>646.19</b>	<b>470.96</b>

\*excludes exceptional items

## 24.1 Payments to Auditors (excluding GST)

	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Audit fees	0.72	0.70
ii) Other matters *	0.04	0.10
iii) Out of pocket expenses	0.01	0.02
	<b>0.77</b>	<b>0.82</b>

\* It includes ₹0.02 crs ( ₹0.08 crs previous year) paid to its affiliates towards other matters i.e. professional fees.

In respect of subsidiary companies (other than to SRBC & Co. LLP):

	For the year ended March 31, 2023	For the year ended March 31, 2022
Payments to Auditors (excluding GST / service tax) :		
i) Audit fees	0.04	0.07
ii) Other matters	-	-
iii) Out of pocket expenses	-	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 24. Other expenses (continued)

### 24.2 Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VIII thereof

	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Gross amount required to be spent by the Group **	-	-
b) Details of amount spent are as under :		
Sustained livelihood throughout the year for women involved in kit development and making of mypads	-	0.75
- Ongoing project	-	-
- Other than ongoing project	-	-
<b>Total</b>	<b>-</b>	<b>0.75</b>

\*\* F.Y.21-22 : The Group has transferred unspent amount of ₹0.75 crores to a special bank account called as Unspent Corporate Social Responsibility Account (UCSRA) within 30 days from the end of the F.Y.20-21. During the year, Group has utilised the money and completed the project which is disclosed above.

**Note :** Company has "average loss" in three immediately preceding financial years and hence Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility ( CSR) is not applicable.

## 25. Income tax expense recognised in profit or loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current income tax :</b>		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	0.31	(20.59)
<b>Total</b>	<b>0.31</b>	<b>(20.59)</b>
<b>Deferred tax</b>		
In respect of current period	42.86	(31.52)
In respect of prior years	-	-
	<b>42.86</b>	<b>(31.52)</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>43.17</b>	<b>(52.11)</b>

OCI section - Deferred tax related to items recognised in OCI during the year:

	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Remeasurement of employee defined benefit obligation	(0.09)	(0.27)
<b>Income tax charged to OCI</b>	<b>(0.09)</b>	<b>(0.27)</b>

### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022

	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting Profit before income tax (before exceptional item)	159.18	(97.53)
Income tax expense calculated at 25.17% (March 31, 2022 : 25.17%)	40.07	(24.55)
<b>Effect of expenses that are not deductible in determining taxable profit</b>		
Corporate social responsibility expenses	-	0.19
Employee stock option expenses	3.93	-
Profit on sale of subsidiary - Crossword Bookstores Limited	-	(6.78)

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 25. Income tax expense recognised in profit or loss (continued)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Adjustments in respect of current income tax of previous year</b>		
Adjustments in respect of current income tax of previous year	-	(20.59)
<b>Others</b>		
Penalty	-	0.17
Others	(0.83)	(0.55)
<b>Income tax expense recognised in profit or loss</b>	<b>43.17</b>	<b>(52.11)</b>

**26.** Ind AS 116 Leases was notified by MCA on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

#### 26.1 Set out below are the carrying amounts of right-of-use assets recognised and the movements during the years

Particulars	March 31, 2023	March 31, 2022
Opening Balance	1,276.43	1,216.48
Additions during the year	625.67	299.95
Modifications during the year	(12.34)	(16.60)
Depreciation Expenses for the year	(253.70)	(216.86)
De-recognition of Right to use assets of subsidiary	-	(6.54)
<b>Balance at the end of the year</b>	<b>1,636.06</b>	<b>1,276.43</b>

#### 26.2 Set out below are the carrying amounts of lease liabilities and the movements during the years:

Particulars	March 31, 2023	March 31, 2022
Opening Balance	1,899.51	1,919.79
Additions	625.67	299.95
Finance Charge	195.63	178.77
Modifications	(38.57)	(50.83)
Others	(17.46)	(30.86)
Repayment	(416.13)	(300.92)
Lease Waivers	-	(108.73)
De-recognition of lease liability of subsidiary	-	(7.66)
<b>Balance at the end of the year</b>	<b>2,248.65</b>	<b>1,899.51</b>
Current	271.89	221.61
Non-current	1,976.76	1,677.90

The effective interest rate for lease liabilities is 8.10% as on March 31, 2023 (8.50 % as on March 31, 2022)

#### 26.3 Covid-19-Related Rent Concessions :

As described in Note 2.2.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 w.r.t. "Covid-19 Related Rent Concessions" effective from the period beginning on or after April 1, 2020.

Many lessors have provided rent concessions to the Group as a result of the Covid-19 pandemic. Rent concession include rent holidays or rent reductions for a period of time. The amendment is to provide lessees that have been granted Covid-19 related rent concessions with practical relief, while still providing useful information about leases to users of the financial statements.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 26. (continued)

As a practical expedient, the Group elected not to assess a Covid-19 related rent concession from a lessor is a lease modification. and 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 practical expedient applies only to rent concessions occurring as a direct consequence of the Covid-19 pandemic.

Pursuant to the above amendment, the Group has applied the practical expedient by accounting the unconditional rent concessions in Other income in the Statement of Profit and Loss as under

For the Financial Year Ended March 31, 2023	For the Financial Year Ended March 31, 2022
-	108.73

#### 26.4 The following are the amounts recognised in profit or loss for the years

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense of right of use assets	253.70	216.86
Interest expense on lease liabilities	195.63	178.77
Expense relating to short-term leases (included in other expenses)	23.44	24.24
Expense relating to leases of low-value assets (included in other expenses)	0.51	0.42
Variable lease payments (included in other expenses)	76.28	33.76
<b>Total amount recognised in profit or loss</b>	<b>549.56</b>	<b>454.05</b>

#### 26.5 The following provides information on the Group's variable Lease payments including the magnitude in relation to fixed payments

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fixed rent	118.74	84.79
Variable rent with minimum payment	386.81	251.24
Variable rent only	10.81	13.18

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

#### 26.6 Set out below are the future minimum lease rentals payments in respect of lease for offices, store premises and warehouses are as follows

Particulars	As at March 31, 2023	As at March 31, 2022
Within one year	450.48	380.49
After one year but not more than five years	1,495.36	1,272.73
More than five years	1,115.76	1,124.01
<b>Grand Total</b>	<b>3,061.60</b>	<b>2,777.23</b>

### 27. Earning per equity share

#### Calculated as follows:

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations :

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 27. Earning per equity share (continued)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Profit / (Loss) attributable to equity share holders (₹ in Crores)	116.01	(47.00)
(b) Weighted Number of equity shares outstanding during the year	109,581,130	109,425,863
(c) Weighted Number of equity shares outstanding during the year after adjustment for dilution	110,421,619	109,425,863
(d) Nominal value per share (₹)	5.00	5.00
(e) Earning per Share		
Basic (₹)	10.59	(4.29)
Diluted (₹)	10.51	(4.29)
<b>Weighted Average number of Equity shares for basic EPS</b>	109,581,130	109,425,863
Effect of dilution :		
Share options	840,489	*
Weighted average number of Equity shares adjusted for the effect of dilution	110,421,619	109,425,863

\*Note- Since there is loss hence it becomes antidilutive.

## 28. Contingent Liabilities and Commitments

Particulars	As at March 31, 2023	As at March 31, 2022
<b>i) Contingent liabilities</b>		
a) Claims against the Group not acknowledged as debts comprising of :		
Income tax claims disputed by the Group relating to disallowances aggregating *	182.12	249.39
*2023 : As at March 31, 2023, the Group has outstanding demands amounting to ₹180.24 crores w.r.t TDS Disallowances and ₹1.88 crores w.r.t. notional interest and disallowances under Section 14A for AY 2020-21 and order u/s. 201 for AY 2019-20. Update in FY 22-23 : During the year ended March 31, 2023, the Group has received favourable ITAT order for A.Y.2017-18 and A.Y.2012-13 amounting to ₹44.09 crores and ₹23.41 crores respectively against non deduction on TDS on contract manufacturing goods. The Group has received order u/s.201 for AY 2019-20 amounting to ₹0.23 crores for non deduction of TDS, the Group has filed appeal with CIT (Appeal) against the same. * 2022: As of March 31, 2022, the Company had outstanding demands amounting to ₹ 247.74 crores w.r.t. to TDS Disallowances and amounting to ₹ 1.65 crores w.r.t. notional interest and disallowances under Section 14A.		
Indirect tax claims disputed by the Group relating to issues of applicability and classification aggregating		
- Service Tax other than on Rent (Refer note 29 (i) )	-	-
- Service Tax on Rent (Refer note 29 (ii) )	20.11	20.11
- VAT/ Sales tax @	5.47	6.16
- Custom Duty \$	0.47	0.47
@ The demand is on account of disallowance of VAT set off due to J1-J2 mis-match or GSTR 1 Vs 3B and on account of disallowance of GST Input tax credit on account of mis-match of ITC between GSTR 3B Vs GSTR2A.The Group has filed an appeal for F.Y.15-16 to F.Y.17-18 and matter is still pending before Asst./ Dep.Commissioner Commercial Tax. \$ Aggrieved with the decision of custom department for demanding the payment of SAD refund of ₹ 0.42 Crores the Group has filed an appeal before CESTAT. Further, the Group has received demand order of ₹0.05 Crores on account of misclassification of imported goods. Against the said order the Group has filed an appeal before CESTAT. Both these matters are pending with CESTAT.		
b) Others	0.25	0.25
c) Bank Guarantees	8.03	7.53
Note: Future cash outflows in respect of (a) and (b) above are determinable only on receipt of judgements/decisions pending with various forums/authorities.		
<b>ii) Commitments</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	37.22	23.94

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 29. Service tax

- The Service tax authority had raised demand through SCN amounting to ₹ 3.45 Crores (Basic Duty of ST) towards business support services (concessionaire business model) for the period from May'2006 to May'2007. The final liability after considering the penalty and interest amounting to ₹11.20 Crores (deposit paid under protest ₹ 3.45 Crores). The Group had filed an appeal before Mumbai High Court. During the year, the Group has filed for Sabka Vishwas - (Legacy Dispute Resolution) Scheme, 2019 (SVLDRS) and basis the final order, the matter is concluded without any further liability.
- Pursuant to levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from June 1, 2007, the Group has challenged the said levy and, inter-alia, its retrospective application based on a legal advice. Pending the final disposal of the matter, which is presently before the Supreme Court, the Group continues not to provide for the retrospective levy aggregating to ₹20.11 Crores out of the total demand of ₹35.67 Crores for the period June 1, 2007 to 31st March, 2010 which has been paid under protest. The Group has made an aggregate deposit of ₹35.41 Crores in respect of the liability for such service tax.

## 30. Exceptional Items

During the year, the Group has written off ₹2 Crores towards ICD receivable from Crossword Bookstores Limited (Crossword) (Previous year - the Group has recorded gain on derecognition of net liability of ₹ 26.93 Crores towards sale of Crossword ) and disclosed as exceptional item in the financial statement.

## 31. Employee Benefits

### 31.1 Defined contribution plans

The Group operates defined contribution plan (Provident fund) for all qualifying employees of the Group. The employees of the Group are members of a retirement contribution plan operated by the government. The Group is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Group with respect to the plan is to make the specified contributions.

The Group's contribution to Provident Fund and Superannuation Fund aggregating ₹15.05 Crores (2022 : ₹13.05 Crores) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

Information about the contributions to defined contribution plans for key managerial personnel is disclosed in note 32.

### 31.2 Defined benefit plan

The Group sponsors funded defined benefit (Gratuity) plan for qualifying employees, covered under the Payment of Gratuity Act, 1972. The defined benefit plan is administered by a third-party insurer (Life Insurance Corporation of India). This third-party insurer is responsible for the investment policy with regard to the assets of the plan.

Under the plan, the employees are entitled to a lump-sum amounting to 15 days' final basic salary for each year of completed service payable at the time of retirement/resignation provided the employee has completed 5 years of continuous service.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 31. Employee Benefits (continued)

### a) The principal actuarial risks to which the Group is exposed are investment risk, interest rate risk, salary risk and longevity risk.

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Longevity risk	The Group has used certain mortality and attrition assumptions in the valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic risk	The Group has used certain mortality and attrition assumptions in the valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in the regulations requiring higher gratuity payouts.
Asset liability mismatching or market risk	The duration of liability is longer as compare to duration of assets, exposing the Group to market risk for volatilities / fall in the interest rate.

### b) The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.15% p.a.	5.70% p.a.
Expected rate of salary increase	5.50% p.a.	4.50% p.a.
Average Longevity at retirement age for current beneficiaries of the plan (years)	Indian Assured Lives Mortality 2012-14	
<b>Rate of employee turnover</b>		
Upto 5 Year	49.00% p.a.	45.00% p.a.
Above 5 Year	25.00% p.a.	21.00% p.a.

### c) Amount recognised in statement of profit and loss in respect of these defined benefit plan

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	2.32	2.31
Net interest cost	0.18	0.13
<b>Components of defined benefits costs recognised in profit or loss.</b>	<b>2.50</b>	<b>2.44</b>
Remeasurements on the net defined benefit liability :		
- Return on plan assets, excluding amount included in interest expense/(income)	(0.04)	(0.17)
- Actuarial (gain)/loss from change in demographic assumptions	0.04	0.15
- Actuarial (gain)/loss from change in financial assumptions	(0.33)	(0.05)
- Actuarial (gain)/loss from change in experience adjustments	0.69	1.15
<b>Total amount recognised in other comprehensive income</b>	<b>0.36</b>	<b>1.09</b>
<b>Total</b>	<b>2.86</b>	<b>3.53</b>

### d) The amount included in the balance sheet arising from Group's obligation in respect of its benefit plan is as follows:

Particulars	March 31, 2023	March 31, 2022
Present value of funded defined benefit obligation	17.83	17.88
Fair value of plan assets	14.96	14.94
<b>Net liability arising from defined benefit obligation</b>	<b>2.86</b>	<b>2.94</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 31. Employee Benefits (continued)

### e) Movement in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening defined benefit obligation	17.88	16.60
Current service cost	2.32	2.31
Interest cost	1.01	0.91
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	0.04	0.15
- Actuarial (gain)/loss from change in financial assumptions	(0.33)	(0.05)
- Actuarial (gain)/loss from change in experience adjustments	0.69	0.65
Movements on account of subsidiaries	-	(0.46)
Benefits paid	(3.78)	(2.23)
<b>Closing defined benefit obligation</b>	<b>17.83</b>	<b>17.88</b>

### f) Movement in the fair value of the plan assets are as follows.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening fair value of plan assets	14.94	14.27
Interest income	0.85	0.78
Remeasurement (gains)/losses:		
- Return on plan assets, excluding amount included in net interest expense	0.04	0.05
Contributions from the employer	2.91	2.50
Movements on account of subsidiaries	-	(0.43)
Benefits paid/transferred	(3.78)	(2.23)
<b>Closing fair value of plan assets</b>	<b>14.96</b>	<b>14.94</b>

### g) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the years, while holding all other assumptions constant. The results of sensitivity analysis is as follows :

Particulars	March 31, 2023		March 31, 2022	
	Decrease	Increase	Decrease	Increase
Defined benefit obligation (base)	17.83	19.16		
Discount rate (- / +1%)	18.66	17.19	18.65	17.18
% change compared to base due to sensitivity	4.30%	-4.00%	4.30%	-4.00%
Salary growth rate (- / +1%)	17.17	18.66	17.16	18.65
% change compared to base due to sensitivity	-4.00%	4.30%	-4.00%	4.30%
Attrition rate (- / +50%)	18.23	17.42	18.21	17.41
% change compared to base due to sensitivity	1.80%	-2.60%	1.80%	-2.60%
Mortality rate (- / +10%)	17.89	17.90	17.88	17.89
% change compared to base due to sensitivity	0.00%	0.00%	0.00%	0.00%

% in bracket indicates negative

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 31. Employee Benefits (continued)

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the years, which is the same as that applied in calculating the defined benefit obligation asset recognised in the balance sheet.

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note 31.2b above.

### h) Asset liability matching strategies:

The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Group, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset).

### i) Effect of plan on entity's future cash flows

- Every year, the insurance Group carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.
- The Group expects to contribute ₹4.92 crores to its gratuity plan for the next year.
- Weighted average duration of the defined benefit obligation is ranging in between 4 years (based on discounted cashflows)

Expected cash flows over the next (valued on undiscounted basis):	₹ In Crs
1 year	4.92
2 to 5 years	11.74
6 to 10 years	5.20
More than 10 years	2.16

## 32. Related party disclosures

### Names of related parties and description of relationship:

(a) Key Management Personnel	Executive Director & Chief Executive Officer :	Venugopal Nair
	Non-executive Directors	Ravi Raheja
		Neel Raheja
		B.S. Nagesh
		Deepak Ghaisas
		Nirvik Singh
		Ameera Shah (upto January 20,2022)
		Manish Chokhani
		Robert Bready (upto January 23,2023)
		William Kin (upto January 20,2022)
		Arun Sirdeshmukh (w.e.f. October 20,2021)
		Christine June Kasoulis ( w.e.f. October 20,2021)
		Mahesh Chhabria (w.e.f. January 23,2023)
		Smita Jatia (w.e.f. February 20,2023)
	Chief Financial Officer	Karunakaran Mohanasundaram
	Company Secretary	
	Holding Company	Vijay Kumar Gupta
	(Shoppers Stop Limited)	

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 32. Related party disclosures (continued)

	Subsidiary Company	
	(Crossword Bookstores Limited till October 11,2021)	Riddhi Kulkarni (till October 11, 2021)
	Chief Executive Officer	Chiragh Oberoi (till October 11, 2021)
	(Crossword Bookstores Limited till October 11,2021)	
(b) Entities in which a director is a directors / trustees	Ivory Properties and Hotels Private Limited *	
	Inorbit Malls (India) Private Limited*	
	Trion Properties Private Limited *	
	Chalet Hotels Limited*	
	Retailers Association of India	
	K.Raheja Corp. Private Limited*	
	K.Raheja Private Limited*,	
	Juhu Beach Resorts Ltd.*,	
	Genext Hardware and Parks Private Limited *	
	Palm Shelter Estate Development LLP	
	Anbee Construction LLP	
	Cape Trading LLP	
	Capstan Trading LLP	
	Casia Maria Properties LLP	
	Raghukool Estate Development LLP	
	Trrain Circle Technologies Pvt.Ltd.	
	K Raheja Corporate Services Private Limited	
	KRC Infrastructure & Projects Pvt Ltd	
(c) Associate	Crossword Bookstores Private Limited.	
	(w.e.f. October 12,2021)	

Note 34 provides the information about the group's structure including the details of the subsidiaries. The following table provides the total amount of transactions that have been entered into with related parties for the relevant period :

Nature	Entities in which a director is a director / trustees (refer (b) above)	Associate (refer (c) above)	Key Management Personnel	Total
<b>Sale of Merchandise</b>	<b>0.00</b>			<b>0.00</b>
	-			-
K Raheja Corporate Services Private Limited	0.00			
	-			-
K.Raheja Private Ltd.	0.00			
	-			-
Inorbit Malls (India) Private Limited *	0.00			
	-			-
<b>Repayment of inter corporate deposit (ICD)</b>		<b>9.79</b>		<b>9.79</b>
		-		-
Crossword Bookstores Private Limited		9.79		

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 32. Related party disclosures (continued)

Nature	Entities in which a director is a director / trustees (refer (b) above)	Associate (refer (c) above)	Key Management Personnel	Total
		-		
<b>Remuneration to Executive Director &amp; Chief Executive Officer</b>	-		<b>9.69</b>	<b>9.69</b>
(Mr. Venugopal Nair)				
Short term benefits	-		5.88	
Post employment benefits **	-		0.39	
Share based payments (4,56,181 equity share options)	-		3.42	
	-		(4.04)	(4.04)
<b>Remuneration to company secretary</b>	-		<b>1.10</b>	<b>1.10</b>
(Mr. Vijay Kumar Gupta)				
Short term benefits	-		0.91	
Post employment benefits **	-		0.03	
Share based payments (19,240 equity share options)	-		0.16	
	-		(0.77)	(0.77)
<b>Remuneration to chief financial officer</b>	-	-	<b>3.34</b>	<b>3.34</b>
(Mr. Karunakaran Mohanasundaram)				
Short term benefits	-	-	2.37	-
Post employment benefits **	-	-	0.10	-
Share based payments (1,41,478 equity share options)	-	-	0.87	-
	-	-	(2.26)	(2.26)
<b>Remuneration to company secretary of Subsidiary Co</b>	-	-	-	-
Riddhi Kulkarni				
Short term benefits	-	-	-	-
Post employment benefits **	-	-	-	-
Share based payments	-	-	-	-
	-	-	(0.03)	(0.03)
<b>Chiragh Oberoi</b>	-	-	-	-
Short term benefits	-	-	-	-
Post employment benefits **	-	-	-	-
Share based payments	-	-	-	-
	-	-	(0.36)	(0.36)
<b>Payment of variable Lease rent</b>	<b>10.99</b>	-	-	<b>10.99</b>
	(4.41)	-	-	(4.41)
Ivory Properties and Hotels Private Limited *	10.99	-	-	-
	(3.26)	-	-	-
Inorbit Malls (India) Private Limited *	-	-	-	-
	(0.94)	-	-	-
Chalet Hotels Ltd *	-	-	-	-
	(0.00)	-	-	-
Trion Properties Private Limited *	(0.00)	-	-	-
	(0.21)	-	-	-
<b>Repayment of lease liability (Principal) - IND-AS 116</b>	<b>23.73</b>	-	-	<b>23.73</b>
	(28.49)	-	-	(28.49)
Ivory Properties and Hotels Private Limited *	8.20	-	-	-
	(13.18)	-	-	-
Inorbit Malls (India) Private Limited *	13.20	-	-	-
	(13.68)	-	-	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 32. Related party disclosures (continued)

Nature	Entities in which a director is a director / trustees (refer (b) above)	Associate (refer (c) above)	Key Management Personnel	Total
Trion Properties Private Limited *	2.33		-	-
	(1.63)		-	-
<b>Repayment of finance charges - IND-AS 116</b>	<b>17.12</b>		-	<b>17.12</b>
	(21.87)		-	(21.87)
Ivory Properties and Hotels Private Limited *	0.31		-	-
	(1.35)		-	-
Inorbit Malls (India) Private Limited *	10.10		-	-
	(11.64)		-	-
Chalet Hotels Ltd *	-		-	-
	(2.05)		-	-
Trion Properties Private Limited *	6.71		-	-
	(6.83)		-	-
<b>Waiver of Lease Rentals due to COVID-19 - IND-AS 116</b>	-		-	-
	(19.02)		-	(19.02)
Ivory Properties and Hotels Private Limited *	-		-	-
	(4.01)		-	-
Inorbit Malls (India) Private Limited *	-		-	-
	(9.63)		-	-
Chalet Hotels Ltd *	-		-	-
	(1.40)		-	-
Trion Properties Private Limited *	-		-	-
	(3.98)		-	-
<b>Payment of common area maintenance (Repair and Maintenance- Building)</b>	<b>9.17</b>		-	<b>9.17</b>
	(10.70)		-	(10.70)
Inorbit Malls (India) Private Limited *	6.96		-	-
	(8.08)		-	-
Chalet Hotels Ltd *	-		-	-
	-		-	-
Trion Properties Private Limited *	2.21		-	-
	(2.62)		-	-
<b>Sale of E-Gift Vouchers</b>	<b>0.42</b>		-	<b>0.42</b>
	(0.02)		-	(0.02)
K.Raheja Corp.Private Ltd. *	0.12		-	-
	(0.02)		-	-
K.Raheja Private Ltd. *	0.02		-	-
	-		-	-
Inorbit Malls (India) Private Limited *	0.07		-	-
	-		-	-
Trion Properties Private Limited *	0.06		-	-
	-		-	-
Genext Hardware and Parks Private Limited	0.13		-	-
	-		-	-
Chalet Hotels Ltd *	0.00		-	-
	-		-	-



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 32. Related party disclosures (continued)

Nature	Entities in which a director is a director / trustees (refer (b) above)	Associate (refer (c) above)	Key Management Personnel	Total
<b>Reimbursement of Expenses</b>	<b>6.69</b>	<b>1.16</b>	<b>0.01</b>	<b>7.86</b>
	<b>(4.48)</b>	-	-	<b>(4.48)</b>
Inorbit Malls (India) Private Limited *	4.26	-	-	-
	(3.01)	-	-	-
Trion Properties Private Limited *	1.31	-	-	-
	(1.16)	-	-	-
Chalet Hotels Ltd*	0.00	-	-	-
	(0.25)	-	-	-
Trrain Circle Pvt Ltd *	-	-	-	-
	(0.02)	-	-	-
Trrain Circle Technologies Pvt.Ltd. *	0.02	-	-	-
	(0.04)	-	-	-
Palm Shelter Estate Development LLP	0.07	-	-	-
	-	-	-	-
Anbee Construction LLP	0.08	-	-	-
	-	-	-	-
Cape Trading LLP	0.08	-	-	-
	-	-	-	-
Capstan Trading LLP	0.07	-	-	-
	-	-	-	-
Casia Maria Properties LLP	0.07	-	-	-
	-	-	-	-
Raghukool Estate Development LLP	0.07	-	-	-
	-	-	-	-
Genext Hardware & Parks Pvt.Ltd.	0.65	-	-	-
B.S. Nagesh	-	-	0.01	-
Crossword Bookstores Private Limited	-	1.16	-	-
<b>Expenses recovered</b>	<b>0.01</b>	<b>0.92</b>	-	<b>0.93</b>
	-	<b>(1.01)</b>	-	<b>(1.01)</b>
Crossword Bookstores Limited	-	0.92	-	-
	-	(1.01)	-	-
Trion Properties Limited	0.01	-	-	-
	-	-	-	-
<b>Deposits Paid</b>	<b>0.71</b>	-	-	<b>0.71</b>
	-	-	-	-
Inorbit Malls (India) Private Limited *	0.66	-	-	-
	-	-	-	-
Ivory Properties and Hotels Private Limited *	0.05	-	-	-
	-	-	-	-
<b>Deposits received back</b>	<b>2.03</b>	-	-	<b>2.03</b>
	-	-	-	-
Chalet Hotels Ltd	2.03	-	-	-
	-	-	-	-
<b>Advance Given</b>	-	-	<b>0.02</b>	<b>0.02</b>
	-	-	-	-
Nirvik Singh @	-	-	0.02	0.02
	-	-	-	-

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

### 32. Related party disclosures (continued)

Nature	Entities in which a director is a director / trustees (refer (b) above)	Associate (refer (c) above)	Key Management Personnel	Total
<b>Expenses paid</b>	<b>0.86</b>	-	-	-
	<b>(0.09)</b>	-	-	-
<b>Miscellaneous expenses</b>				
Chalet Hotels Ltd*	0.13	-	-	-
	-	-	-	-
Juhu Beach Resorts Ltd.*	0.03	-	-	-
	(0.00)	-	-	-
<b>Advertisement and publicity</b>	0.51	-	-	-
Inorbit Malls (India) Private Limited *	0.36	-	-	-
Trion Properties Private Limited *	0.15	-	-	-
	(0.04)	-	-	-
<b>Salaries &amp; Wages (Staff Welfare - Others)</b>				
Trion Properties Private Limited *	-	-	-	-
	(0.01)	-	-	-
<b>Membership &amp; Subscription</b>	0.14	-	-	-
Retailers Association of India	0.14	-	-	-
<b>Operating expenses - Others</b>	0.02	-	-	-
	(0.04)	-	-	-
K.Raheja Private Ltd. *	-	-	-	-
	(0.02)	-	-	-
Newfound Properties And Leasing Pvt. Ltd. *	-	-	-	-
	(0.02)	-	-	-
Inorbit Malls (India) Private Limited *	0.02	-	-	-
	-	-	-	-
<b>Commission and Sitting fees to non executive Directors</b>	-	-	<b>1.12</b>	<b>1.12</b>
	-	-	<b>(1.09)</b>	<b>(1.09)</b>
Ravi Raheja	-	-	0.12	-
Neel Raheja	-	-	0.11	-
B.S. Nagesh	-	-	0.10	-
Deepak Ghaisas	-	-	0.16	-
Nirvik Singh	-	-	0.16	-
Manish Chokhani	-	-	0.10	-
Robert Bready	-	-	0.06	-
Arun Sirdeshmukh	-	-	0.15	-
Christine June Kasoulis	-	-	0.12	-
Mahesh Chhabria	-	-	0.02	-
Smita Jatia	-	-	0.02	-
	-	-	(1.09)	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 32. Related party disclosures (continued)

Balance outstanding at the year ended	March 31, 2023	March 31, 2022
<b>Lease liability as per Ind-AS 116</b>		
Ivory Properties and Hotels Private Limited *	4.75	10.48
Inorbit Malls (India) Private Limited *	98.97	119.00
Chalet Hotels Ltd*	-	-
Trion Properties Private Limited*	43.83	71.67
<b>Receivables</b>		
Ivory Properties and Hotels Private Limited *	9.78	10.78
Inorbit Malls (India) Private Limited *	7.67	7.69
Chalet Hotels Ltd*	0.03	3.45
Trion Properties Private Limited*	1.94	3.91
K. Raheja Corp Private Limited	0.02	-
K. Raheja Corporate Services Private Limited.	0.02	-
Nirvik Singh	0.02	-
Crossword Bookstores Private Limited	5.05	16.23
Provision March 31, 2023 : ₹Nil		
Provision March 31, 2022 : ₹Nil		

\* These parties are not related to Group per Ind AS 24 definition. These parties have been reported on the basis of their classification as related party under the Companies Act 2013.

\*\* Post employment benefits have been provided at gross level on totality basis and not available at individual employee level.

© The advance has been paid to Directors erroneously and refunded back by him subsequently in April'23.

The figure in bracket pertain to year ended March 31, 2022

### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has given corporate guarantee to banks for loans taken by subsidiaries (Refer note 28(i)(b)). For the year ended March 31, 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022: RS. Nil ). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## 33. Segment Reporting

### Information about operating segments:

- The Group is primarily engaged in Retail operations i.e. trading of Apparels, Non-apparels such as Cosmetics, Household items, Food products, Books etc. which in the terms of IndAS 108 on 'Operating Segments' constitute the reporting segment which is also reviewed by the Chief Operating Decision Maker (CODM).
- The Group operates in a single geographical environment i.e. in India.
- No single customer contributed 10% or more to Groups revenue.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 34. Subsidiaries

### a) The subsidiaries (which alongwith SSL Limited, the parent, constitute the Group) considered in the preparation of these Consolidated Financial Statements are :

Name of subsidiary	Principal activity	Place of Incorporation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2023	As at March 31, 2022
Crossword Book Stores Limited (Refer Note 35 (a) (i) )	Retailing in books and other allied items through departmental stores operated by self or by franchisees	India	Please refer note 35(b)	Please refer note 35(b)
Global SS Beauty Brands Limited (Refer Note 35 (a) (ii))	Distribution of international beauty brands	India	100%	100%
Shoppers' Stop Brands (India) Limited (Refer Note 35 (a)(iii))	The Company is non-operational	India	100%	100%
Shopper's Stop.Com (India) Limited	Retailing a variety of consumer products through online channel	India	100%	100%
Gateway Multichannel Retail (India) Limited	Catalogue retailing business (Discontinued operations) (The Company is non-operational)	India	100%	100%

- During the year ended March 31, 2022, In terms of the Share Purchase Agreement executed with Agarwal Book House (ABH) and the board of directors of the Company had accorded their approval for sale of 100% equity shares held by the Company in Crossword Bookstores Ltd (Crossword), a wholly owned subsidiary ( now known as Crossword Bookstores Pvt.Ltd) to M/s.Dinesh Gupta, Aakash Gupta & Family (Owners of Agarwal Business House, Pune). The business of Crossword was valued at ₹41.60 Crs. Under the agreement, ABH will take over all the assets and brand. Any liabilities will be adjusted for arriving at the final consideration.

The Company has completed sale of 51% of investment in Crossword and Crossword ceased to be subsidiary of the Company and remain associate as on March 31,'2022.

During the current year, the Company has completed additional sale of 39.00% of investment in Crossword and last tranche of 10% stake sale is expected to be completed by October 31, 2024.

- W.e.f. June 29, 2022 the name of Upasana Trading Ltd, the wholly owned subsidiary of Shoppers Stop Ltd has been changed to Global SS Beauty Brands Ltd.
- W.e.f. June 23, 202, the name of Shoppers Stop Services (India) Ltd, the wholly owned subsidiary of Shoppers Stop Ltd has been changed to Shoppers Stop Brands (India) Ltd.

### b) Investment in an associate

During the year ended March 31, 2022, In terms of the Share Purchase Agreement executed with Agarwal Book House (ABH) and the board of directors of the Company had accorded their approval for sale of 100% equity shares held by the Company in Crossword Bookstores Ltd (Crossword), a wholly owned subsidiary ( now known as Crossword Bookstores Pvt.Ltd) to M/s.Dinesh Gupta, Aakash Gupta & Family (Owners of Agarwal Business House, Pune). The business of Crossword was valued at ₹41.60 Crs. Under the agreement, ABH will take over all the assets and brand. Any liabilities will be adjusted for arriving at the final consideration.

During the current year, the Company has completed additional sale of 39.00% of investment in Crossword and last tranche of 10% stake sale is expected to be completed by October 31, 2024.

As on March 31, 2022, the Group had a 49% interest in Crossword Bookstores Limited, which is involved in Retailing of books and other allied items through departmental stores operated by self or by franchisees. The Group's interest in Crossword Bookstores Limited is accounted for using the equity method from the date on which Group starts exercising significant influence over the associate. The principal place of business of Crossword Bookstores Limited is India.

The following table illustrates the summarised financial information, which is based on Management accounts, of the Group's investment in Crossword Bookstores Limited

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 34. Subsidiaries (continued)

Particulars	Friday, March 31, 2023	Thursday, March 31, 2022**
<b>Current Assets</b>		
Non-current assets	-	21.53
<b>Current liabilities</b>		
Non-current liabilities	-	(66.73)
<b>Equity</b>		
Group's share in equity - 49% (2020-21- 100%)	-	(26.90)
Group's carrying amount of the investment as at October 11, 2021 (A)	-	(13.18)
	-	<b>1.61</b>

Particulars	Friday, March 31, 2023	Thursday, March 31, 2022
Revenue from contracts with customers	-	15.83
Purchases (including increase/decrease in stock)	-	7.12
Depreciation and amortisation	-	2.97
Finance cost	-	1.45
Employee benefit expense	-	2.87
Other expenses	-	5.41
<b>Loss before tax</b>	-	<b>(3.99)</b>
Income tax expense	-	-
<b>Loss for the period **</b>	-	<b>(3.99)</b>
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax	-	(0.00)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods, net of tax	-	-
<b>Total comprehensive loss for the period**</b>	-	<b>(3.99)</b>
<b>Group's share of loss for the period ** but restricted to cost of investments (B)</b>	-	<b>(1.61)</b>
<b>Carrying amount of investment as at March 31, 2023 (A+B)</b>	-	-

\*\* Share in associate company from October 11, 2021 till March 31, 2022.

## 35 Share based payments

The expense recognised for employee services received during the year is show in the following table :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Expense arising on Employee Stock Option Scheme	11.77	1.66
<b>Total expense arising from share-based payment transactions</b>	<b>11.77</b>	<b>1.66</b>

### 35.1 Employee share option plan of the Company

The Group has a share option scheme for certain employees of the Group. In accordance with the terms of the share option scheme, as approved by shareholders at general meeting, employees with a pre-defined grade may be granted options to purchase equity shares. Each share option converts into one equity share of the Group on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised with in four years from the date of grant, as per vesting schedule. The share options vests based on a pre-determined vesting schedule from the date of grant.

The fair value of the share options is estimated at the grant date using a binomial option pricing model for option pricing taking into account the terms and conditions upon which the share options are granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 35. Share based payments (continued)

The Contractual term of each option granted is three years. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options.

The following share-based payment arrangements were in existence during the current and prior years :

Options series	Number	Grant date	Vesting Date	Exercise Price (₹)	Fair value at grant date (₹)
Granted on June 8, 2018	9,191	08.06.2018	07.06.2021	544.00	219.45
Granted on June 8, 2018	5,253	08.06.2018	08.06.2021	544.00	189.71
Granted on July 27, 2018	28,720	27.07.2018	27.07.2021	546.00	167.93
Granted on January 28, 2019	17,210	28.01.2019	28.01.2022	514.00	160.20
Granted on April 30, 2019	10,684	30.04.2019	29.04.2021	468.00	137.41
Granted on April 30, 2019	24,197	30.04.2019	30.04.2022	468.00	139.39
Granted on July 30, 2019	21,582	30.07.2019	30.07.2022	387.00	110.22
Granted on January 30, 2020	26,452	30.01.2020	31.01.2023	383.00	135.80
Granted on July 10, 2020	203,097	10.07.2020	10.07.2021	174.00	45.27
Granted on August 13, 2020	8,485	13.08.2020	13.08.2021	165.00	43.97
Granted on October 30, 2020	43,718	30.10.2020	29.10.2023	171.00	50.59
Granted on January 15, 2021	41,436	15.01.2021	14.06.2024	181.00	73.79
Granted on January 15, 2021	54,509	15.01.2021	14.06.2026	181.00	86.16
Granted on January 15, 2021	345,114	15.01.2021	14.06.2026	192.00	82.06
Granted on July 29, 2021	28,671	29.07.2021	14.06.2026	218.00	94.28
Granted on March 29, 2022	34,147	29.03.2022	30.03.2026	410.00	179.71
Granted on June 28, 2022	479,898	28.06.2022	27.06.2026	5.00	462.71
Granted on June 28, 2022	951,327	28.06.2022	27.06.2026	412.00	210.95
Granted on July 25, 2022	123,983	25.07.2022	24.07.2026	489.00	233.10
Granted on July 25, 2022	7,546	25.07.2022	24.07.2026	5.00	539.10
Granted on July 25, 2022	15,091	25.07.2022	24.07.2026	442.00	254.32
Granted on October 19, 2022	5,847	19.10.2022	18.10.2028	5.00	775.14
Granted on October 19, 2022	11,694	19.10.2022	18.10.2028	568.00	394.73
Granted on January 23, 2023	13,760	23.01.2023	22.01.2029	5.00	673.72
Granted on January 23, 2023	27,519	23.01.2023	22.01.2029	688.00	255.47

All options vested based on the pre determined vesting schedule (i.e. over a period of or at the end of three years) from the date of grant and expire after 12 months from the last date of vesting schedule, six months from the date of retirement or twelve months after the resignation of the employee, whichever is the earlier.

### 35.2 Fair value of share options granted in the year

The following are the new grants during the F.Y. 2022-23

Options series	Number	Grant date	Vesting Date	Exercise Price (₹)	Fair value at grant date (₹)
Granted on June 28, 2022	479,898	28.06.2022	27.06.2026	5.00	462.71
Granted on June 28, 2022	951,327	28.06.2022	27.06.2026	412.00	210.95
Granted on July 25, 2022	123,983	25.07.2022	24.07.2026	489.00	233.10
Granted on July 25, 2022	7,546	25.07.2022	24.07.2026	5.00	539.10
Granted on July 25, 2022	15,091	25.07.2022	24.07.2026	442.00	254.32
Granted on October 19, 2022	5,847	19.10.2022	18.10.2028	5.00	775.14
Granted on October 19, 2022	11,694	19.10.2022	18.10.2028	568.00	394.73
Granted on January 23, 2023	13,760	23.01.2023	22.01.2029	5.00	673.72
Granted on January 23, 2023	27,519	23.01.2023	22.01.2029	688.00	255.47

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 35. Share based payments (continued)

### 35.3 Movements in share options during the year

Number of Employee Stock Option Outstanding :	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
	March 31, 2023		March 31, 2022	
Outstanding at the beginning of the year	495,120	203.71	670,000	183.59
Granted during the year	1,636,665	297.77	62,818	322.37
Lapsed/Cancelled during the year	328,375	-	96,383	-
Exercised during the year	147,614	-	141,315	-
Outstanding at the end of the year	<b>1,655,796</b>	<b>285.40</b>	<b>495,120</b>	<b>203.71</b>

Of the above outstanding share options, 16,55,796 (2022: 4,95,120) shares are exercisable at the end of the respective years.

Details of year-wise grant and exercise:

Year / (date of Grant)	Options granted	Exercised till	Lapsed/ Surrender in 2021-22	Exercised till 31.3.22	Outstanding 31.3.22	Exercised in 2022-23	Lapsed/ Surrender in 2022-23	Outstanding 31.3.2023
2020-21 (10.07.2020)	182,201	119,149	-	-	63,052	50,316	-	12,736
2020-21 (13.08.2020)	8,485	-	8,485	-	-	-	-	-
2020-21 (30.10.2020)	38,255	22,166	6,510	-	9,579	9,579	-	-
2020-21 (15.01.2021)	41,436	-	-	-	41,436	39,364	-	2,072
2020-21 (15.01.2021)	54,509	-	-	-	54,509	5,849	-	48,660
2020-21 (15.01.2021)	345,114	-	81,388	-	263,726	39,753	74,733	149,240
2021-22 (29.07.2021)	28,671	-	-	-	28,671	2,753	14,909	11,009
2021-22 (29.03.2022)	34,147	-	-	-	34,147	-	9,455	24,692
2022-23 (28.06.2022)	479,898	-	-	-	-	-	70,141	409,757
2022-23 (28.06.2022)	951,327	-	-	-	-	-	140,281	811,046
2022-23 (25.07.2022)	123,983	-	-	-	-	-	18,856	105,127
2022-23 (25.07.2022)	7,546	-	-	-	-	-	-	7,546
2022-23 (25.07.2022)	15,091	-	-	-	-	-	-	15,091
2022-23 (19.10.2022)	5,847	-	-	-	-	-	-	5,847
2022-23 (19.10.2022)	11,694	-	-	-	-	-	-	11,694
2022-23 (23.01.2023)	13,760	-	-	-	-	-	-	13,760
2022-23 (23.01.2023)	27,519	-	-	-	-	-	-	27,519
	<b>141,315</b>	<b>96,383</b>	<b>-</b>	<b>495,120</b>	<b>147,614</b>	<b>328,375</b>	<b>1,655,796</b>	

### 35.4 Share options exercised during the year

The following share options were exercised during the year

Options series	Number Exercised	Exercise date	Weighted Average Share price at exercise date (₹)
2020-21 (15.01.2021)	17,424	26.07.2022	192
2020-21 (10.07.2020)	2,033	26.07.2022	174
2020-21 (15.01.2021)	39,364	26.07.2022	181
2020-21 (15.01.2021)	1,984	26.07.2022	181
2020-21 (30.10.2020)	3,127	26.07.2022	171
2020-21 (30.10.2020)	6,451	19.10.2022	171
2020-21 (15.01.2021)	3,865	19.10.2022	181
2020-21 (15.01.2021)	21,157	19.10.2022	192
2021-22 (29.07.2021)	2,753	19.10.2022	218
2020-21 (10.07.2020)	48,283	19.10.2022	174
2020-21 (15.01.2021)	1,172	23.01.2023	192

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 35. Share based payments (continued)

### 35.5 New Schemes Launched

The compensation cost of stock options granted to employees is calculated using the intrinsic value of the stock options.

	2022-23										2021-22	
	28.06.2022	28.06.2022	25.07.2022	25.07.2022	25.07.2022	19.10.2022	19.10.2022	23.01.2023	23.01.2023	29.07.2021	29.03.2022	
Date of grant	28.06.2022	28.06.2022	25.07.2022	25.07.2022	25.07.2022	19.10.2022	19.10.2022	23.01.2023	23.01.2023	29.07.2021	29.03.2022	
Number of option granted	479,898	951,327	123,983	7,546	15,091	5,847	11,694	13,760	27,519	28,671	34,147	
Contractual life	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	4.00 years	2.21 years	4.00 years	
Vesting Schedule (from the date of grant)												
First Year	0%	25%	25%	0%	25%	0%	25%	0%	25%	25%	100%	
Second Year	15%	25%	25%	15%	25%	15%	25%	15%	25%	25%	0%	
Third Year	35%	25%	25%	35%	25%	35%	25%	35%	25%	25%	0%	
Fourth Year	50%	25%	25%	50%	25%	50%	25%	50%	25%	25%	0%	
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	
Estimated Fair Values( Arrived at by applying Binomial option pricing model)	464.76	205.73	233.10	464.76	205.73	775.14	394.73	673.72	NA	94.28	179.71	
Model inputs (share price at the grant date) ₹	5	412	489	5	442	5	568	5	688	218	410	
Exercise Price ₹	5	412	489	5	442	5	568	5	688	218	410	
Expected Volatility	40.85%	43.02%	43.11%	40.85%	43.02%	40.06%	42.37%	40.08%	42.17%	44.21%	50.64%	
Risk free rate of return	1.77%	1.72%	1.71%	1.77%	1.72%	1.81%	1.78%	1.78%	1.76%	1.25%	1.29%	

35.6 The weighted average contractual life of the options outstanding is 2.07 years

### 36. Derivatives / Forward foreign exchange contracts

a) The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency exposures relating to the underlying transactions and firm commitments. The Group does not enter into any derivative instruments for trading and speculative purposes.

There are no outstanding Forward Exchange Contracts entered into by the Group as at March 31, 2023.

b) Unhedged Foreign Currency exposure

The following are the foreign currency exposures that have not been hedged by a derivative instrument or otherwise at the end of the year.

Number of Employee Stock Option Outstanding :	March 31, 2023		March 31, 2022	
	₹ In Crores	In Foreign currency	₹ In Crores	In Foreign currency
Trade Payable	-	-	0.04	GBP 3,928
Creditors for capital expenditure	0.08	USD 9,565	0.11	USD 14,469
	0.02	EURO 2,742	1.46	EURO 1,74,212
Creditors for expenses (professional fees)	0.69	USD 84,136	2.68	USD 3,54,843
	0.02	CHF 1,945	0.14	SGD 24,326
	0.03	GBP 3,426	0.01	CHF 1,149
			0.01	GBP 1,271

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Financial Instruments

### A. Capital risk management

The Group's objectives when managing capital are to safeguard continuity as a going concern, provide appropriate return to shareholders and maintain a cost efficient capital structure. The Group determines the amount of capital required for respective companies on the basis of an annual budget and a five year plan, including, for working capital, capital investment in stores, technology. The Group's funding requirements are met through internal accruals and a combination of both long-term and short-term borrowings. Majorly Group raise long term loan for its CAPEX requirement and based on the working capital requirement utilise the working capital loans.

The Group monitors capital on the basis of consolidated total debt to consolidated total equity on a periodic basis. The following table summarise the capital of the Group:

Capital	As at March 31, 2023	As at March 31, 2022
Long term borrowings (including current maturities)	83.59	193.76
Interest accrued and not due on borrowings	0.09	0.35
Short term borrowings	42.49	22.11
Lease liability	2,248.65	1,899.51
<b>Total debt</b>	<b>2,374.82</b>	<b>2,115.73</b>
Equity Share Capital	54.83	54.76
Other equity	151.22	21.17
<b>Total equity</b>	<b>206.05</b>	<b>75.93</b>
Debt Equity Ratio	<b>11.52</b>	<b>27.86</b>

### B. Financial risk management

A wide range of risks may affect the Group's business and operational / financial performance. The risks that could have significant influence on the Group are market risk, credit risk and liquidity risk. The Board of Directors of respective Companies reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the Group's operational and financial performance.

#### a) Market risk:

Market Risk is the risk that changes in market place could affect the future cash flows to the Group. The market risk for the Group arises primarily from product price risk, interest rate risk and, to some extent, foreign currency risk.

**Product price risk:** In a potentially inflationary economy, the Group expects periodical price increases across its retail product lines. Product price increases, which are not in line with the levels of customers' discretionary, spends, may affect the business/retail sales volumes. In such a scenario, the risk is managed by offering judicious product discounts to retail customers to sustain volumes. The Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps the Group protect itself from significant product margin losses. This mechanism also works in case of a downturn in the retail sector, although overall volumes would get affected.

**Interest risk:** The Group is exposed to interest rate risk primarily due to borrowings having floating interest rates. The Group uses available working capital limits for availing short-term working capital demand loans with interest rates negotiated from time to time so that the Group has an effective mix of fixed and variable rate borrowings. Interest rate sensitivity analysis shows that an increase/decrease of 50 bps in floating interest rates would result in decrease/increase in the Group's profit before tax by approximately ₹0.09 crores (2022 : ₹0.13 crores).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Financial Instruments (continued)

**Currency risk:** The Group's significant transactions are in Indian Rupees and therefore there is minimal foreign currency risk. Generally, the Group fully covers the foreign currency risk for transactions in foreign currency which are primarily for import of merchandise, by entering into forward foreign exchange contracts. Also Refer Note 37 for the forward foreign currency contracts outstanding at the end of the years.

#### b) Credit risk:

Credit risk is a risk that the counterparty will default on its contractual obligation resulting in financial loss to the Group. The credit risk for the Group primarily arises from credit exposures to trade receivables (mainly institutional customers), deposits with landlords for store properties taken on leases and other receivables including balances with banks.

Trade and other receivables: The Group's retail business is predominantly on 'cash and carry' basis which is largely through credit card collections. The credit risk on such collections is minimal, since they are primarily owned by customers' card issuing banks. The Group has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Group by credit worthiness checks. The Group also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

The Group's experience of delinquencies and customer disputes have been minimal. Further, Trade and other receivables consist of a large number of customers, across geographies, hence, the Group is not exposed to concentration risks.

#### c) Liquidity Risk:

Liquidity risk is a risk that the Group may not be able to meet its financial obligations on a timely basis through its cash and cash equivalents, and funds available by way of committed credit facilities from banks.

Management manages the liquidity risk by monitoring rolling cash flow forecasts and maturity profiles of financial assets and liabilities. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities.

The table below summarises the maturity profile (remaining period of contractual maturity at the balance sheet date) of the Group's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 5 years	More than 5 years	Carrying amounts
<b>At March 31, 2022</b>				
Borrowings (long term and short term)	126.28	89.59	-	215.87
Interest payable	0.35	-	-	0.35
Lease liability	221.61	761.90	916.00	1,899.51
Trade payables and other accruals	1,441.82	-	-	1,441.82
Other financial liabilities	47.31	-	-	47.31
<b>At March 31, 2023</b>				
Borrowings (long term and short term)	105.24	20.84	-	126.08
Interest payable	0.09	-	-	0.09
Lease liability	271.89	973.87	1,002.89	2,248.65
Trade payables and other accruals	1,828.51	-	-	1,828.51
Other financial liabilities	80.11	-	-	80.11

In respect of financial guarantee contracts, no amounts are recognised based on the results of the liability adequacy test for likely deficiency / defaults by the entities on whose behalf the Group has given guarantees, grounded on the Group's actual experience.

The Group has access to following fund based financing facilities as at the end of the financial years mentioned.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 37. Financial Instruments (continued)

Total financing facility	As at March 31, 2023	As at March 31, 2022
<b>Secured working capital facilities</b>		
Amount unused	131.16	149.00
<b>Total</b>	<b>131.16</b>	<b>149.00</b>

## C. Fair Value Measurement

### i) Financial assets and liabilities that are measured at amortised cost:

	As at March 31, 2023	As at March 31, 2022
<b>Financial Assets (amortised cost)</b>		
Trade receivables	29.41	31.50
Cash & Cash equivalents	9.90	12.52
Other bank balances	21.45	19.97
Other financial assets		
- Premises and other deposits	181.90	165.45
- Others	2.13	8.53
<b>Total</b>	<b>244.79</b>	<b>237.97</b>
<b>Financial Liabilities (amortised cost)</b>		
Borrowings - long term	20.84	89.59
Borrowings - short term	105.24	126.28
Lease liability	2,248.65	1,899.51
Trade payables	1,828.51	1,441.82
Other financial liabilities	80.20	47.66
<b>Total equity</b>	<b>4,283.44</b>	<b>3,604.86</b>

The fair values of the above financial assets and liabilities approximate their carrying amounts.

### ii) Financial assets and liabilities that are measured at fair value on a recurring basis as at the end of each years :

Financial assets / Financial liabilities	Fair value as at		Fair value Hierarchy
	March 31, 2023	March 31, 2022	
<b>Fair Value through Profit and Loss</b>			
Forward foreign currency contracts	Assets Nil	Assets Nil	Level 2
Investment in Mutual Funds	Assets	Assets	Level 2
Unquoted	40.02	126.12	
Quoted	8.00	19.83	Level 1

The fair values of the quoted instruments (Investment in Mutual funds-Level 2) are based on the price quotations at the reporting date.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 38. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

### FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Particulars	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ In Crores)	As % of consolidated profit or loss	Amount (₹ In Crores)	As % of consolidated profit or loss	Amount (₹ In Crores)	As % of consolidated profit or loss	Amount (₹ In Crores)
<b>Holding Company</b>								
Shoppers Stop Limited	97%	198.89	108%	125.82	100%	(0.27)	108%	125.55
<b>Subsidiaries (Indian)</b>								
Global SS Beauty Brands Limited	10%	19.79	-8%	(9.59)	0%	-	-8%	(9.59)
Shoppers Stop Brands (India) Limited	0%	0.05	0%	(0.01)	0%	-	0%	(0.01)
Shopper's Stop.Com (India) Limited	4%	9.06	0%	(0.21)	0%	-	0%	(0.21)
Gateway Multichannel Retail (India) Limited	-11%	(21.74)	0%	-	0%	-	0%	-
Share of loss in associate	0%	-	0%	-	0%	-	0%	-
Non controlling interest	0%	-	0%	-	0%	-	0%	-

### FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Particulars	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ In Crores)	As % of consolidated profit or loss	Amount (₹ In Crores)	As % of consolidated profit or loss	Amount (₹ In Crores)	As % of consolidated profit or loss	Amount (₹ In Crores)
<b>Holding Company</b>								
Shoppers Stop Limited	111%	83.94	94%	(44.34)	94%	(0.85)	94%	(45.19)
<b>Subsidiaries (Indian)</b>								
Crossword Book Stores Limited	0%	-	4%	(2.04)	6%	(0.06)	4%	(2.10)
Upasna Trading Limited	-1%	(0.91)	0%	(0.01)	0%	-	0%	(0.01)
Shopper's Stop Services (India) Limited	0%	0.06	0%	(0.01)	0%	-	0%	(0.01)
Shopper's Stop.Com (India) Limited	19%	14.57	-2%	0.98	0%	-	-2%	0.98
Gateway Multichannel Retail (India) Limited	-29%	(21.73)	0%	-	0%	-	0%	-
Share of loss in associate	0%	-	3%	(1.58)	0%	-	3%	(1.58)
Non controlling interest	0%	-	0%	-	0%	-	0%	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 39. Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for major variance
Current ratio	Current Assets	Current Liabilities	0.80	0.77	3.84%	-
Debt Equity ratio	Total Debt	Shareholder's Equity	11.53	27.86	-58.63%	Debt equity ratio in current year has been improved on account of increase in equity due to profit and repayment of debts.
Debt Service Coverage ratio	Earning for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.29	0.88	45.97%	Debt service coverage ratio in current year has been improved on account of improved EBIDTA in current year .
Return on Equity ratio	Net Profit after taxes before exceptional item, Preference dividend	Average Shareholder's Equity	80.87%	-75.58%	206.99%	Return on equity in current year has increased as compared to the previous year due to improved operational performance.
Inventory turnover ratio	Cost of goods sold	Average Inventory	1.86	1.62	14.65%	Improved on account of increase in sales
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	121.76	75.44	61.40%	Improved on account of increase in sales
Trade Payable turnover ratio	Net credit purchases = Gross credit purchases - purchases return	Average Trade Payables	1.73	1.28	34.94%	Improved on account of operational efficiency.
Net Capital Turnover ratio	Net Sales = Total sales - sales return	Working capital = Current assets - Current liabilities	(7.74)	(5.29)	46.20%	Net Capital turnover ratio changed in current year due to increase in sales as compared to previous year.
Net Profit ratio	Net Profit after taxes before exceptional item	Net Sales = Total sales - sales return	3.07%	-3.15%	197.67%	Improved in current year as compared to previous year as explained in return on equity ratio.
Return on capital employed	Net Profit after taxes before exceptional item, interest and taxes	Capital employed = Net worth + Total debt + Deferred tax liability	14.19%	3.68%	286.11%	Increased in current year due to healthy operational performance.
Return on Investment	Interest (Finance Income)	Investment	4.93%	3.37%	46.42%	Return on investment improved during the current year as compared to last year due to increase in profit.

## 40. Other Statutory Information

- The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The details of transactions with Companies struck off are as under :

Nature	Name of the vendor	Amount of transactions		Amount Outstanding Balance		Strike off date
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
Service/Other Income	Bennett Coleman and Co. Ltd.	0.01	0.42	0.00	(0.02)	March 31,2021
	Octel Cloud Solutions Pvt.Ltd.	0.00	0.00	0.01	(0.01)	February 1,2022
	Entomist Pest Control Services Pvt.Ltd.	0.00	0.00	(0.00)	-	August 9,2018
	Oh My Rooms Private Limited	0.00	0.00	(0.02)	(0.02)	February 1,2022
	Swift Securitas Pvt.Ltd.	3.44	-	(0.16)	-	March 31,2021

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ crores)

## 40. Other Statutory Information (continued)

Nature	Name of the vendor	Amount of transactions		Amount Outstanding Balance		Strike off date
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
	Agarwal Packers & Movers Ltd.	0.02	-	(0.00)	-	December 27,2021
	AKM Enterprises Pvt.Ltd.	7.64	-	0.09	-	August 31,2017
	Associated Hospitality Pvt.Ltd.	0.00	-	-	-	October 12,2027
	Basant Sales Pvt.Ltd.	0.00	-	-	-	March 31,2021
	Duet India Hotels (Jaipur) Pvt.Ltd.	0.02	-	-	-	February 2,2022
	Entertainment City Ltd.	9.51	-	(0.08)	-	July 21,2017
	Greenpark Hotels & Resorts Ltd.	0.04	-	0.00	-	March 31,2021
	Intertek India Private Ltd.	0.00	-	-	-	March 31,2021
	SKP Unicare Facilities Pvt.Ltd.	0.00	-	(0.01)	-	April 12,2022
	Phonographic Performance Ltd	0.25	-	-	-	March 31,2021
	Piccadilly Holiday Resorts Ltd.	0.00	-	-	-	March 31,2021
	Scorpion Express Pvt.Ltd.	0.01	-	-	-	July 7,2017
	Security & Intelligence Services (I) Ltd	0.42	-	-	-	March 31,2021
	Mediaedge CIA India Pvt.Ltd.	0.34	-	-	-	March 31,2021
Merchandise Vendor	Altius Retail Pvt.Ltd.	-	-	-	-	October 10,2022
	Perfect Fusion Pvt.Ltd	0.00	-	-	-	March 31,2021
	Indo American Hybrid Seeds (I) Pvt.Ltd	0.00	-	-	-	March 31,2021
	Suryavanshi Home Furnishing Pvt Ltd	0.05	-	-	-	January 10,2022
	Duroflex Pvt.Ltd	0.00	-	(0.00)	-	July 27,2018
	Shree Concept Pvt.Ltd	0.00	-	-	-	April 20,2022
	Ginni Filament Ltd.	0.39	0.15	(0.15)	0.15	March 31,2021
	Wave Gear International Pvt.Ltd.	0.03	-	-	-	April 4,2022
	Mountain Valley Springs Ind.Pvt.Ltd.	0.75	-	(0.12)	-	March 31,2021
	Entrack International Trading Pvt.Ltd	0.00	-	-	-	December 4,2018
	Fashion Cottage Pvt.Ltd.	0.05	-	0.00	-	March 29,2022
	Winsome Knitwear	0.64	0.39	0.00	-	September 6,2017
	Ajanta Sales Private Limited	-	-	-	(0.02)	June 30,2020
Capex Vendor	Evergreen Traders Pvt.Ltd.	-	0.28	-	0.15	March 31,2021

- The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.
- The Group has not traded or invested in Crypto currency or virtual currency during the financial year.
- The Group has not advanced or loaned or invested funds to any other persons or entities including the 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 or on behalf of the Group ( ultimate beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- The Group has not received any funds from any persons or entities including the foreign entities ( intermediaries) with the understanding (whether recorded in the writing or not)that the intermediary shall :
  - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever or on behalf of the Funding Party ( ultimate beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- The Group did not have any transaction which was not recorded in the books of accounts that was surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provisions of the Income Tax Act,1961.







# SHOPPERS STOP