

SEC/032/2019-20

July 4, 2019

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

Sub: Notice of Annual General Meeting & Annual Report 2018-19

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, enclosed please find herewith Annual Report for the Financial Year 2018-19.

We also enclose herewith Notice convening 22nd Annual General Meeting of the members of the Company, scheduled to be held on Tuesday, July 30, 2019 at 3.30 p.m. at Boundary Hall, First Floor, MCA Recreation Centre, RG-2, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, to transact the business as set out therein.

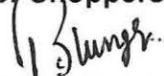
The Annual Report for the Financial Year 2018-19 is available on the website of the Company at www.shoppersstop.com.

Kindly take the same on record.

Thanking you,

Yours truly,

For Shoppers Stop Limited



Bharat Sanghavi
Company Secretary



Encl: aa

SHOPPERS STOP

START SOMETHING NEW

SHOPPERS STOP LIMITED**Registered Office:** Umang Tower, 5th Floor, Mindspace, Off Link Road, Malad (W), Mumbai - 400 064.**Tel:** 022- 42497000 **E-mail:** investor@shoppersstop.com **Website:** www.shoppersstop.com**CIN:** L51900MH1997PLC108798

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the members of Shoppers Stop Limited will be held on Tuesday, July 30, 2019 at 3.30 p.m. at Boundary Hall, First Floor, MCA Recreation Centre, RG-2, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019 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, 2019 and the report of the Auditors thereon.
2. To declare dividend of ₹ 0.75 per equity share for the financial year ended March 31, 2019.
3. To appoint a Director in place of Mr. B S. Nagesh (DIN: 00027595) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") and the Rules made thereunder read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Nirvik Singh (DIN: 01570572), who was appointed as an Independent Director of the Company upto March 31, 2019, is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying intention to propose Mr. Nirvik Singh as a candidate for office of director, be and is hereby re-appointed as an Independent Director of the Company, to hold office

with effect from April 1, 2019 to March 31, 2024 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof or any empowered officials, be and hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") and the Rules made thereunder read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Deepak Ghaisas (DIN: 00001811), who was appointed as an Independent Director of the Company upto March 31, 2019, is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying intention to propose Mr. Deepak Ghaisas as a candidate for office of director, be and is hereby re-appointed as an Independent Director of the Company, to hold office with effect from April 1, 2019 to March 31, 2023, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof or any empowered officials, be and hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") and the Rules made thereunder read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred

as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Nitin Sanghavi (DIN: 00863107), who was appointed as an Independent Director of the Company upto March 31, 2019, is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying intention to propose Mr. Nitin Sanghavi as a candidate for office of director, be and is hereby re-appointed as an Independent Director of the Company, to hold office with effect from April 1, 2019 to July 31, 2020, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof or any empowered officials, be and hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") and the Rules made thereunder read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Manish Chokhani (DIN: 00204011), who was appointed as an Independent Director of the Company upto July 30, 2019, is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying intention to propose Mr. Manish Chokhani as a candidate for office of director, be and is hereby re-appointed as an Independent Director of the Company, to hold office with effect from July 31, 2019 to July 30, 2024, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof or any empowered officials,

be and hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

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

"RESOLVED THAT Mr. Robert Bready (DIN: 06842835), who was appointed by the Board of Directors as an Additional Director with effect from July 27, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("the Act") and Article 135 of the Articles of Association of the Company and being eligible for appointment, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying intention to propose his candidature for office of director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Act and the Rules made thereunder read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Robert Bready, who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16 of Listing Regulations and who has submitted a declaration to that effect and who is eligible for appointment as an Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office with effect from July 27, 2018 to July 26, 2023, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof or any empowered officials, be and hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

By Order of the Board of Directors

For Shoppers Stop Limited
Bharat Sanghavi
 Company Secretary

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE TWENTY SECOND ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

2. A dividend of ₹ 0.75 per equity share has been recommended by the Board of Directors for the year ended March 31, 2019, subject to the approval of the members at this Meeting. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, July 24, 2019 to Tuesday, July 30, 2019 (both days inclusive) for determining the name of members eligible for dividend on equity shares. Once approved by the members at the Meeting, it is proposed to be paid by August 2, 2019.
3. Under Section 124 of the Companies Act, 2013 (the "Act") and the applicable rules, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company has transferred unpaid/unclaimed dividend upto the financial years 2010-11 to IEPF.
4. The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend are also uploaded as per the requirements, on the Company's website www.shoppersstop.com. Members who have not encashed their dividend pertaining to the financial years beginning from 2011-12 till 2017-18 are advised to write to the Company or Karvy Fintech Pvt. Ltd. ("**Karvy**"), the Registrar and Share Transfer Agent of the Company, at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Tel: 040 67162222, Fax: 040 23420814, e-mail: einward.ris@karvy.com or balaji.reddy@karvy.com immediately, claiming dividends declared by the Company.
5. Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules 2016') amongst other things, provides for the manner of transfer of the unpaid and unclaimed dividends to the IEPF and the manner of transfer of shares in case any dividend has not been encashed by the shareholders on such shares during the last seven consecutive years to the designated demat account as prescribed by the IEPF Authority. As per the requirement, the Company had sent information to all the shareholders who had not claimed/encashed dividends in the last seven years intimating, amongst other things, the requirements of the IEPF Rules, 2016 with regard to transfer of shares and that in the event those shareholders do not claim any unclaimed/unpaid dividends for the past seven years, the Company will be required to transfer the respective shares to the IEPF Demat Account by the due date prescribed as per the IEPF Rules, 2016 and as amended from time to time. The Company has also simultaneously published notice in the leading newspaper in English and regional language having wide circulation on April 29, 2019 and uploaded on the "Investors Section" of the Website of the Company viz. www.shoppersstop.com giving details of such shareholders and shares due to be transferred. In case valid claim is not received, the respective shares will be credited to the designated demat account of the Authority.
6. During the financial year 2018-19, the Company have transferred/credited 860 shares to the Demat account of Investor Education and Protection Fund Authority (IEPF Authority) in accordance with Section 124(6) of the Act read with 'IEPF Rules 2016', whose dividend has not been encashed on such shares during the last seven consecutive years. The details of the said shareholders whose shares has been transferred have been uploaded under "Investors Section" on the Website of the Company viz. www.shoppersstop.com. Any person whose shares and unclaimed dividend has been transferred to IEPF may claim them pursuant to the process prescribed under IEPF Rules 2016.
7. An Explanatory Statement pursuant to Section 102(1) of the Act, in respect of Item Nos. 4 to 8 of the Notice is annexed hereto.
8. As required under Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the provisions of Secretarial Standard-2 on General Meetings, the relevant information in respect of the Director's seeking appointment and re-appointment forms an integral part of this Notice.
9. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board

Resolution authorising their representative to attend and vote on their behalf at the Meeting.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Members/Proxies are requested to bring the attendance slip along with their copy of the Annual Report to the Meeting.
12. The Members, desiring any information relating to the accounts, are requested to write to the Company Secretary at the Registered Office of the Company on or before July 19, 2019, so as to enable the management to keep the requisite information ready.
13. The relevant documents referred to in the accompanying Notice are open for inspection by members at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
14. The Securities and Exchange Board of India (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 Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or to Karvy at the above address.
15. Electronic copy of the Annual Report and this Notice, *inter-alia*, indicating the process of remote e-voting along with attendance slip and proxy form are being sent by e-mail to those Members whose e-mail addresses have been made available to the Company/ Depository Participants unless the member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of aforesaid documents are being sent by the permitted mode.
16. Members holding shares in physical mode are requested to register their e-mail addresses with Karvy, and Members holding shares in demat mode are requested to register their e-mail addresses with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail address already registered with the Company, members are requested to immediately notify such change to Karvy in respect of shares held in physical form and to their respective DPs in respect of shares held in electronic form.
17. Even after registering for e-communication, members are entitled to receive such communication in physical

form, upon making a request for the same free of cost. For any communication, the shareholders may also send requests to the Company at investor@shoppersstop.com

Members who wish to register their email address can download the 'Green Initiative' form from the Company's website viz. www.shoppersstop.com.

18. This notice will also be placed on the website of the Company i.e. www.shoppersstop.com
19. In compliance with the provisions of Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

The instructions and other information relating to remote e-voting are as under:

- A. In case a Member receiving an e-mail from Karvy [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)]:
 - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. User ID and Password). Your Folio No./DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, Click on "LOGIN".
 - iv. You will now reach 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 uppercase (A-Z), one lowercase (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.

- vi. On successful login, the system will prompt you to select the "EVENT" i.e. Shoppers Stop Limited.
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option ABSTAIN. If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
 - ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify or change the votes cast. During the voting period, Members can login any number of times till they have voted on all the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at e-mail ID: team@cskda.com with a copy marked to evoting@karvy.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_EVENT NO."
- B.** In case of Members receiving physical copy of the Notice [for Members whose e-mail IDs are not registered with the Company/Depository Participant(s)]:
- i. User ID and initial password as provided at the bottom of the Attendance Slip.
 - ii. Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote by electronic means.
- C. Voting at the Meeting:** The members, who have not cast their vote through Remote e-voting can exercise their voting rights at the Meeting through Electronic voting system ("Insta poll") for all businesses specified in the accompanying Notice. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting, however those Members are not entitled to cast their vote again at the Meeting.
- D. Other Instructions**
- a) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. S.V. Raju, (Unit: Shoppers Stop Ltd.) of Karvy at Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, or at evoting@karvy.com or Tel: 040 - 6716 2222 or call Karvy's Toll Free No.: 1800-3454-001 for any further clarifications.
 - b) 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).
 - c) The remote e-voting period commences on Friday, July 26, 2019 (9.00 A.M.) and ends on Monday, July 29, 2019 (5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Tuesday, July 23, 2019, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
 - d) The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. Tuesday, July 23, 2019.
 - e) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e. Tuesday, July 23, 2019, he/she may obtain the User ID and Password in the manner as mentioned below:
 - i. the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD

- <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399
 Example for NSDL:
 MYEPWD <SPACE> IN12345612345678
 Example for CDSL:
 MYEPWD <SPACE> 1402345612345678
 Example for Physical:
 MYEPWD <SPACE> XXXX1234567890
- ii. If e-mail address or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - iii. Member may call Karvy's toll free number 1800-3454-001.
 - iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose e-mail ids are available.
20. The Board of Directors of the Company has appointed Kaushal Dalal & Associates, Practicing Company Secretaries, as the Scrutiniser to scrutinise the voting and remote evoting process in a fair and transparent manner, and Kaushal Dalal & Associates has communicated its willingness to be appointed and be available for the purpose.
 21. The Scrutiniser shall, immediately after the conclusion of voting at the Meeting, first count the votes cast at the meeting (Insta Poll), 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 Scrutiniser's report of the total votes cast in favour or against, if any, and submit the same to the Chairman or a person authorised by him in writing who shall countersign the same. The Chairman or a person authorised by him in writing will declare the result of voting forthwith.
 22. The Results on resolutions shall be declared not later than 48 hours from the conclusion of the Meeting of the Company and the resolutions will be deemed to be passed on the Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
 23. The Results declared along with the Scrutiniser's report will be available on the website of the Company (www.shoppersstop.com) and on Service Provider's website (<https://evoting.karvy.com>) and the same shall be communicated to BSE Limited and the National Stock Exchange of India Limited within 48 hours from the conclusion of the Meeting.

**EXPLANATORY STATEMENT
Pursuant to Section 102(1) of the Companies Act,
2013 ("the Act")**

Item Nos. 4 to 7

Mr. Nirvik Singh, (DIN: 01570572), Mr. Deepak Ghaisas (DIN: 00001811) and Mr. Nitin Sanghavi (DIN: 00863107) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges by the members of the Company at its Seventeenth Annual General Meeting held on July 31, 2014. They hold office as Independent Directors of the Company up to March 31, 2019. Mr. Manish Chokhani (DIN: 00204011), was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges by the members of the Company at its Eighteenth Annual General Meeting held on July 31, 2015. He hold office as Independent Director of the Company up to July 30, 2019.

Nomination, Remuneration and Corporate Governance Committee on the basis of the report of performance evaluation of these Independent Directors, has recommended re-appointment of Mr. Nirvik Singh, Mr. Deepak Ghaisas, Mr. Nitin Sanghavi and Mr. Manish Chokhani as Independent Directors for a second term, as mentioned herein below :

Sr. No.	Names of Independent Director	No. of years	Tenure in Second Term
1	Mr. Nirvik Singh	5	April 1, 2019 to March 31, 2024
2	Mr. Deepak Ghaisas	4	April 1, 2019 to March 31, 2023
3	Mr. Nitin Sanghavi	1 year & 4 months	April 1, 2019 to July 31, 2020
4	Mr. Manish Chokhani	5	July 31, 2019 to July 30, 2024

The Board, based on the performance evaluation of these Independent Directors and as per the recommendation of the Nomination, Remuneration and Corporate Governance Committee, considers that, given their background, knowledge, acumen, experience and substantial contributions made by them, their continued association would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors.

Accordingly, it is proposed to re-appoint Mr. Nirvik Singh, Mr. Deepak Ghaisas, Mr. Nitin Sanghavi and Mr. Manish Chokhani as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term as mentioned herein above, on the Board of the Company.

Section 149 of the Act and provisions of the Listing Regulations *inter alia* prescribe that an independent director of a company shall meet the criteria of independence as provided therein. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the Company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Mr. Nirvik Singh, Mr. Deepak Ghaisas, Mr. Nitin Sanghavi and Mr. Manish Chokhani are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has received notices in writing from a member under Section 160 of the Act proposing the candidature of Mr. Nirvik Singh, Mr. Deepak Ghaisas, Mr. Nitin Sanghavi and Mr. Manish Chokhani for the office of Directors of the Company. The Company has also received declarations from them that they meet with the criteria of independence as prescribed both under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, Mr. Nirvik Singh, Mr. Deepak Ghaisas, Mr. Nitin Sanghavi and Mr. Manish Chokhani fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. They are independent of the management and possesses appropriate skills, experience and knowledge.

Details of Directors whose re-appointment as Independent Directors, proposed at Item Nos. 4 to 7 are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The copy of draft letters of appointment of Mr. Nirvik Singh, Mr. Deepak Ghaisas, Mr. Nitin Sanghavi and Mr. Manish Chokhani, setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company. Mr. Nirvik Singh, Mr. Deepak Ghaisas, Mr. Nitin Sanghavi and Mr. Manish Chokhani and their relatives are interested in the resolutions set out respectively at Item Nos. 4 to 7 of the Notice with regard to their respective re-appointments.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. The Board commends the Special Resolutions set out at Item Nos. 4, 5, 6 and 7 of the Notice for approval by the members.

Item No. 8

The Board of Directors, on the recommendation of the Nomination, Remuneration & Corporate Governance Committee, appointed Mr. Robert Bready (DIN: 06842835), as an Additional Director of the Company and also an Independent Director, not liable to retire by rotation, for a term of 5 years with effect from July 27, 2018 to July 26, 2023, subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act and Article 135 of the Articles of Association of the Company, Mr. Robert Bready shall hold office up to the date of this AGM and is eligible to be appointed as a Director.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Robert Bready for the office of Director of the Company.

Mr. Robert Bready is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from him that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

In the opinion of the Board, Mr. Robert Bready fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. He is independent of the management and possesses appropriate skills, experience and knowledge.

Details of Mr. Robert Bready are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The copy of draft letter of appointment of Mr. Robert Bready setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Except Mr. Robert Bready and his relatives, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.8 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.8 of the Notice for approval by the members.

By Order of the Board of Directors

Place: Mumbai
Date : April 30, 2019

For Shoppers Stop Limited
Bharat Sanghavi
Company Secretary

Annexure

Details of directors seeking appointment / re-appointment at the Annual General Meeting pursuant to the provisions of (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by The Institute of Company Secretaries of India and are provided herein below:

Particulars	Mr. B. S. Nagesh	Mr. Nirvik Singh	Mr. Deepak Ghaisas
DIN	00027595	01570572	00001811
Date of Birth	April 12, 1959	August 23, 1963	November 19, 1957
Age	60	55	61
Date of first appointment on the Board	March 6, 2000	June 16, 2008	July 24, 2004
Qualifications	Masters in Management Studies	Graduate	B.Com, A.C.A, A.I.C.W.A. & A.C.S
Experience (including expertise in specific functional area) / Brief Resume	<p>Nagesh is the Founder of a Public Charitable Trust TRRAIN (Trust for Retailers and Retail Associates of India) and a not-for-profit organization called TRRAIN Foundation.</p> <p>B S Nagesh has been involved with Shoppers Stop Ltd and its group companies since its inception in 1991 as the first employee. As part of his personal philosophy of Learn, Earn & Return he stepped out of the day-to-day roles of the business as Managing Director of the Company in 2009 and founded TRRAIN. He is currently the Chairman and Non - Executive Director of the Company and is also the Founder Chairman of RAI (Retailers Association of India). B S Nagesh is on the Board of IGDS (Intercontinental Group of Departmental Stores), a global association of department stores, and the Vice-President for Asia, for IGDS. With his induction in the World Retail Hall of Fame in 2008, Mr. Nagesh is the only Indian retailer and the first Asian retailer to take a significant place alongside more than 100 stalwarts of the global retail industry. Recently he was awarded with the prestigious NCPEDP – Hellen Keller Award for creating livelihood opportunities for Persons with Disabilities and was recognized as the Change Maker at the Sabera Awards. He is an Ashoka Fellow.</p>	<p>Nirvik brings to the Board his keen sense of marketing communications and over 28 years of experience in the industry. He is the Chairman and Chief Executive Officer (CEO) of Grey Group Asia Pacific, Middle East and Africa, a leading global marketing communications network. He oversees a network of over 2,000 professionals across 22 countries in 27 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.</p>	<p>Deepak, a qualified Chartered Accountant, Cost Accountant and Company Secretary and alumina of LBS, leads strategy development, visioning and conceptualisation of breakthrough business models for Gencoval Group. This venture is in the field of healthcare and biotechnology. Prior to Gencoval, he has 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 into a true Indian multinational. He is the first Indian Chief Financial Officer (CFO) to be felicitated with the prestigious CFO Asia award. Deepak is also Partner in a PE Fund 'Exfinity' and on the Board of Governors of IIT Kanpur and Chairperson of IIITDM, Jabalpur.</p>

Particulars	Mr. B. S. Nagesh	Mr. Nirvik Singh	Mr. Deepak Ghaisas
Terms and Conditions of Appointment / Reappointment	As per the resolution at item no. 3 of the Notice convening meeting, Mr. B. S. Nagesh's office as a Director shall be subject to retirement by rotation.	As per the resolution at Item No. 4 of the Notice convening Meeting read with explanatory statement thereto.	As per the resolution at Item No. 5 of the Notice convening Meeting read with explanatory statement thereto.
Remuneration 2018-19 (including sitting fees)	₹ 8 lacs	₹9.5 lacs	₹ 13.5 lacs
Remuneration proposed to be paid	He shall be entitled to sitting fee for attending Board meetings and / or Committee Meeting and commission, if paid, for succeeding financial years.	He shall be entitled to sitting fee for attending Board meetings and / or Committee Meeting and commission, if paid, for succeeding financial years	He shall be entitled to sitting fee for attending Board meetings and / or Committee Meeting and commission, if paid, for succeeding financial years
Shareholding in the Company	5,67,685 Equity Shares & 15,000 Equity Shares, as second holder with a relative.	Nil	7,750 Equity Shares, as second holder with a relative.
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel of the Company
Number of meetings of the Board attended during FY 2018-19	5 of 5	2 of 5	5 of 5
Directorships of other Companies.	<ol style="list-style-type: none"> 1. Marico Ltd. 2. Kaya Ltd. 3. Crossword Bookstores Ltd. 4. Retailers Association of India 5. Retailers Association's Skill Council of India 6. Trrain Circle Private Limited 7. Trrain Foundation 	<ol style="list-style-type: none"> 1. Raymond Apparel Ltd. 2. G2 Rams India Private Ltd. 3. Grey Worldwide (India) Private Ltd. 4. Autumn Advertising Private Ltd. 5. Trikaya Communications Private Ltd. 6. G2 Communications Private Ltd. 	<ol style="list-style-type: none"> 1. The Ugar Sugar Works Ltd 2. Citicorp Finance (India) Ltd. 3. Cogencis Information Services Ltd. 4. Usv Private Ltd. 5. Bhogale Automotive Private Ltd. 6. Chitpavan Foundation 7. Sarvatra Technologies Private Ltd. 8. Healthbridge Advisors Private Ltd. 9. Hariom Infracilities Services Private Ltd. 10. GCV Life Private Limited 11. Gencoal Strategic Services Private Ltd. 12. Stemade Biotech Private Ltd.
Membership/ Chairmanship of Committees of other Companies.	<ol style="list-style-type: none"> 1. Audit Committee - Marico Ltd. - Member 2. Nomination & Remuneration Committee - Marico Ltd. - Member 3. Audit & Risk Management Committee - Kaya Ltd. - Member 4. Nomination & Remuneration Committee - Kaya Ltd. - Chairman 5. Stakeholders Relationship Committee - Kaya Ltd. - Member 	Audit Committee - Raymond Apparel Ltd. - Chairman	<ol style="list-style-type: none"> 1. Audit Committee - The Ugar Sugar Works Ltd. - Member 2. Nomination & Remuneration Committee - The Ugar Sugar Works Ltd. - Chairman

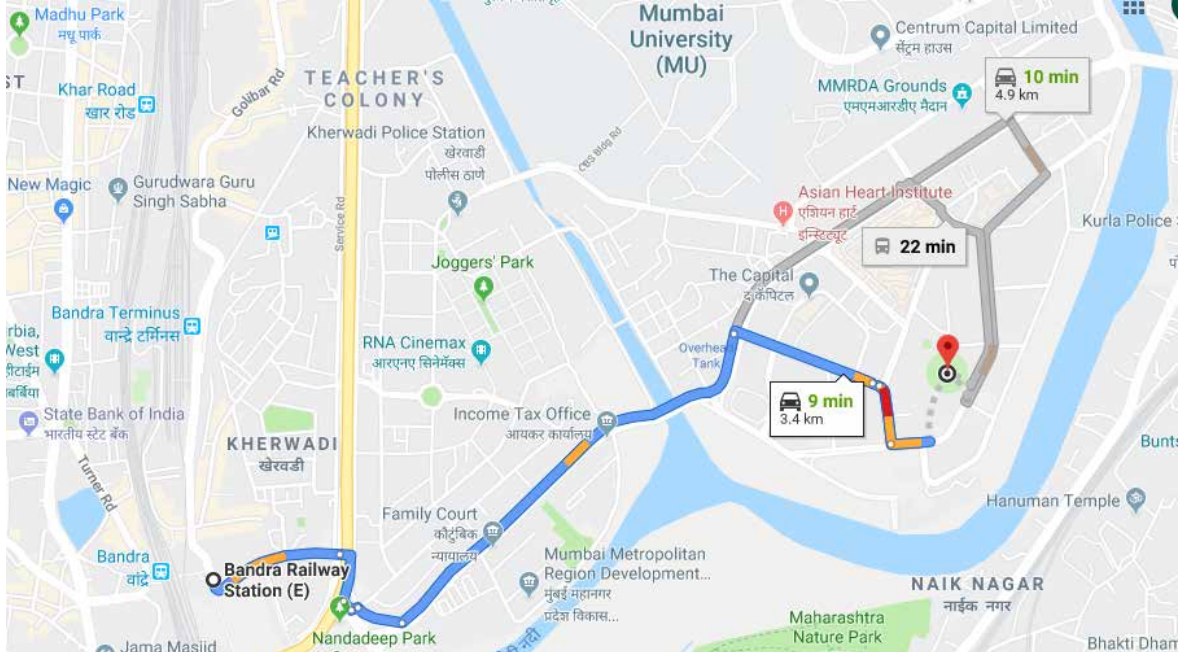
Particulars	Mr. Nitin Sanghavi	Mr. Manish Chokhani	Mr. Robert Bready
DIN	00863107	00204011	06842835
Date of Birth	December 28, 1948	October 14, 1966	May 19, 1968
Age	70	52	51
Date of first appointment on the Board	January 25, 2003	July 31, 2014	July 27, 2018
Qualifications	B.Sc (Hons), M.Sc, PHD, D.M.S.C & F.R.S.A	Chartered Accountant & MBA from the London Business School	B.Sc (Hons.) in Business Economics from London University
Experience (including expertise in specific functional area) / Brief Resume	<p>Nitin brings to the Board immense wisdom as an educator and experience in retailing of over 32 years. He is a Professor of Retail Marketing and Strategy at Manchester Business School, The University of Manchester. He has held senior positions in buying, merchandising, operations and commercial areas for major organisations in the UK and other countries. He has directed and taught many executive programmes for major retail and related organisations as well as consumer-facing companies and financial institutions from the UK, the US, Asia and the Middle East. He has also held a number of visiting appointments at universities around the world and is a frequent speaker at several national and international conferences. He acts as a strategic advisor to the boards of many blue-chip retail organisations globally, along with the British Council, the Commonwealth Secretariat and the World Bank. He has been recognised with several international honours for his contribution to the retail industry.</p>	<p>Manish is one of India's most respected financial experts and investors. He was CEO of Enam Securities, India's leading investment bank. He led its \$400 million merger in 2011 with Axis Bank to create Axis Capital Ltd., which he led as MD & CEO until the end of 2013. Under his leadership, Enam/Axis mobilized ~ 25% of all equity funds raised in India and were the house banker to several leading Indian business groups.</p> <p>From 2014 to 2016, he served as Chairman of TPG Growth in India and is a Senior Advisor to TPG Group, one of the world's largest PE firms.</p> <p>He serves on the Governing Board of Flame University. He 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-K and has served on the International Alumni Board and scholarship panels of the London Business School.</p>	<p>Robert is a freelance retail expert with over 28 years of experience in fashion retail, both online and offline. He built his career across different functions in buying and merchandising while also moving his way from mid-size family-owned River Island to blue-chip multinational brand Arcadia Group, consolidating his strengths across customer insight, financial acumen, people skills, corporate business management and experience of multi-channel retailing. He joined the start-up team at Asos.com as Executive Director - Product & Trading, overseeing significant growth across all areas of the business. He joined the board of Asos Plc and led all product and trading strategy and delivery within the company across all 140 countries. He helped launch a new initiative, KOOVs Plc, targeting the growing fashion conscious, urban Indian youth market. He has been honoured with many industry awards for his work in online fashion retail in the UK. He now devotes his time to freelance consultancy work and philanthropic endeavours.</p>
Terms and Conditions of Appointment / Reappointment	As per the resolution at Item No. 6 of the Notice convening Meeting read with explanatory statement thereto.	As per the resolution at Item No. 7 of the Notice convening Meeting read with explanatory statement thereto.	As per the resolution at Item No. 8 of the Notice convening Meeting read with explanatory statement thereto.
Remuneration 2018-19 (including sitting fees)	₹ 10.5 lacs	₹ 9.5 lacs	₹ 5.5 lacs

Particulars	Mr. Nitin Sanghavi	Mr. Manish Chokhani	Mr. Robert Bready
Remuneration proposed to be paid	He shall be entitled to sitting fee for attending Board meetings and / or Committee Meeting and commission, if paid, for succeeding financial years.	He shall be entitled to sitting fee for attending Board meetings and / or Committee Meeting and commission, if paid, for succeeding financial years.	He shall be entitled to sitting fee for attending Board meetings and / or Committee Meeting and commission, if paid, for succeeding financial years.
Shareholding in the Company	Nil	Nil	Nil
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel of the Company
Number of meetings of the Board attended during the year 2018-19	4 of 5	4 of 5	2 of 2
Directorships of other Companies.	None	<ol style="list-style-type: none"> 1. Westlife Development Ltd. 2. Zee Entertainment Enterprises Ltd. 3. Parksons Packaging Ltd. 4. Laxmi Organic Industries Ltd. 5. Auxilo Finserve Private Ltd. 6. Sears Securities and Investments Private Ltd. 7. Enam Securities Private Ltd. 8. Quadrillion Capital Private Ltd. 	None
Membership/ Chairmanship of Committees of other Companies.	None	<ol style="list-style-type: none"> 1. Audit Committee - Zee Entertainment Enterprises Ltd. - Member 2. Audit Committee - Westlife Development Ltd. - Member 3. Nomination & Remuneration Committee - Westlife Development Ltd. - Member 4. Audit Committee - Laxmi Organic Industries Ltd. - Member 5. Nomination & Remuneration Committee - Laxmi Organic Industries Ltd. - Chairman 6. Audit Committee - Parksons Packing Ltd - Member 7. Remuneration Committee - Parksons Packing Ltd - Member 8. Audit Committee - Auxilo Finserve Private Ltd. - Member 9. Nomination & Remuneration Committee - Auxilo Finserve Private Ltd. - Member 	None

THE ROUTE MAP FOR AGM VENUE

Boundary Hall, First Floor, MCA Recreation Center,
RG-2, G-Block, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051

Landmark: Opposite ONGC Building



Invitation to attend the Annual General Meeting on July 30, 2019

Your Company will be providing transport facility from 2.00 p.m. to 2.30 p.m., as Annual General Meeting will commence at 3.30 p.m. on Tuesday, July 30, 2019 from the specified destinations given here in below, to reach the venue comfortably:

1. Bandra Railway Station, Opp. Bandra Court, Bandra (East), Mumbai - 400 051.
2. Kurla Railway Station, Opp. BEST Bus Stop, Kurla (West), Mumbai - 400 070.

Members who wish to avail this facility are requested to confirm to this effect at the following numbers:
(022-42497255/7217 - Secretarial Team)

You may also send your request by email to saakshi.powale@shoppersstop.com

Your request must reach to us latest by July 22, 2019.

SHOPPERS STOP LIMITED

Registered Office: Umang Tower, 5th Floor, Mindspace, Off Link Road, Malad (W), Mumbai - 400 064.
Tel: 022- 42497000 **E-mail:** investor@shoppersstop.com **Website:** www.shoppersstop.com
CIN: L51900MH1997PLC108798

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s)	
Registered Address	
E-mail ID	
Folio No./Client ID	
DP ID	

I/We, being the member(s) of Shoppers Stop Ltd., holding..... shares of the Company, hereby appoint:

- Name: Address:.....
E-mail ID: Signature:..... or failing him / her
- Name: Address:.....
E-mail ID: Signature:..... or failing him / her
- Name: Address:.....
E-mail ID: Signature:.....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held at Boundary Hall, First Floor, MCA Recreation Centre, RG-2, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 on Tuesday, July 30, 2019, at 3.30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars
Ordinary Business:	
1.	Adoption of: a) the audited standalone financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon; and b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 together with the report of the Auditors thereon.
2.	To declare dividend of ₹ 0.75 per equity share for the financial year ended March 31, 2019.
3.	To appoint a Director in place of Mr. B. S. Nagesh (DIN: 00027595), who retires by rotation and, being eligible, offers himself for re-appointment.
Special Business:	
4.	To re-appoint Mr. Nirvik Singh (DIN: 01570572), as an Independent Director of the Company.
5.	To re-appoint Mr. Deepak Ghaisas (DIN: 00001811), as an Independent Director of the Company.
6.	To re-appoint Mr. Nitin Sanghavi ((DIN: 00863107), as an Independent Director of the Company.
7.	To re-appoint Mr. Manish Chokhani (DIN: 00204011), as an Independent Director of the Company.
8.	To appoint Mr. Robert Bready (DIN: 06842835), as an Independent Director of the Company.

Signed this ____ day of July, 2019

Affix
Revenue
Stamp

Signature of First Proxy Holder Signature of Second Proxy Holder Signature of Third Proxy Holder Signature of Member

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- The holders of the Proxy shall be entitled to vote either for or against the above-mentioned resolutions.

SHOPPERS STOP

START SOMETHING NEW



ALL EYES ON NEW

ANNUAL REPORT
2018-2019

ABOUT US

SHOPPERS STOP

START SOMETHING NEW

Established in 1991, Shoppers Stop is India's pioneering retailer and effectively, the highest benchmark in modern retail. Spread across 210 multi-format stores in 39 cities, we are home to the country's most coveted loyalty programme 'First Citizen'. Our one-of-a-kind shopping assistance initiative, 'Personal Shopper' is revolutionising the way our customers shop; bringing more value, comfort and convenience to customer experiences. Our diversified omni-channel offering spans over 600+ recognised and trusted brands across an incomparable range of products that together serve our overarching objective of delivering customer delight.

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ALL EYES ON NEW



Consumer preferences are evolving faster than ever before, with an increasing number of people looking for unique shopping trips that weave in creativity, excitement, innovation and personalisation at every turn. We are mindful that the retail landscape is in constant evolution, driven by the needs of today's consumers, and that established brands world over are being challenged to think anew.

2018-19 has been a busy and exciting year for Shoppers Stop. We have been making significant changes to enhance value in a dynamic environment. We are infusing our romance for retail with the energy of the most rewarding and enduring segments of the market. We are powering a swift transformation and challenging the status quo across all aspects of our business. We are maintaining our focus on driving productivity and financial discipline, whilst also simplifying our operations. We are pursuing a multi-pronged strategy that re-energises our stores, our products, our communication and the experiences that our customers have of our brand.

**SHOPPERS STOP IS RELENTLESS
IN ITS PURSUIT OF NEW.**

Corporate Profile

THE WORLD OF SHOPPERS STOP

Vision

To be an inspirational and trusted brand, transforming customers' lives through fashion and a delightful shopping experience every time

Values



EXCELLENCE

We will have an environment that encourages development and excellence



INTEGRITY

We will be fair and not take what is not ours



CARE

We will have a willingness to apologise and forgive



OPENNESS

The obligation to dissent and an environment conducive to openness



INNOVATIVE

We will have an environment of innovation and growth



SOCIALLY RESPONSIBLE

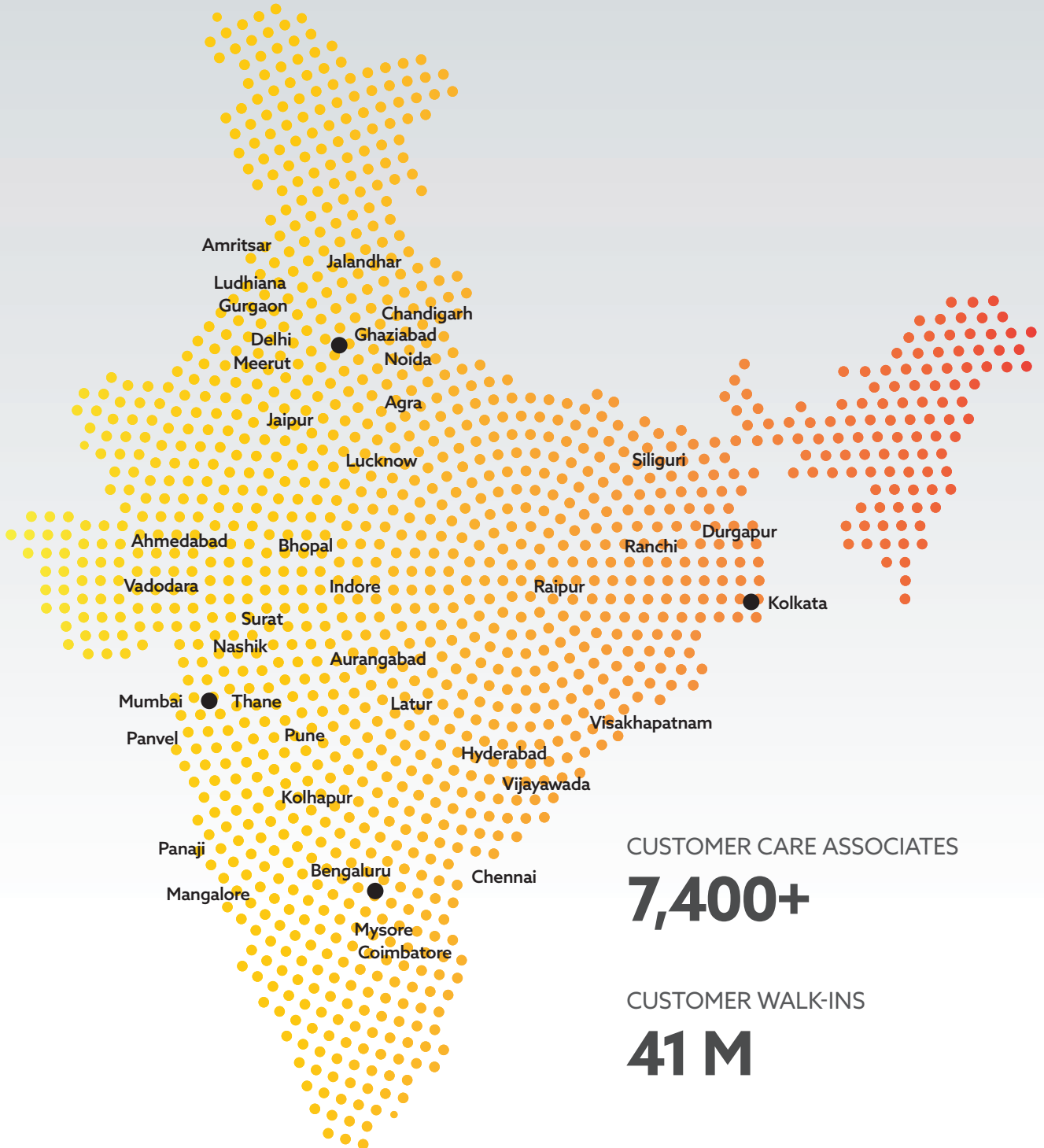
We will respect our customers' rights and be socially responsible

2018-19 Awards and Accolades

- **Best Department Store Award** at the Retail Leadership Summit 2019
- **IMAGES Most Admired Retailer of the Year Award 2018** for store design and visual merchandise
- **Great Place to Work 2018**; among top 10 retail companies in India
- **Industry Excellence in Supply Chain Retail Award**, for the third year in a row, at the 12th Express, Logistics & Supply Chain (ELSC) Leadership Awards
- **Best Technology in HR** at Manning Modern Retail Award 2018
- **Best Recommender System** at the DMA Asia ECHO Awards 2018
- Association of Business Communicators of India (ABCI) recognised our **Annual Report 2016-17 with the Silver award** at the 58th ABCI Awards in 2019
- **First Citizen Loyalty programme won several accolades at the Loyalty Summit & Customer Fest Awards 2019:**
 - Best Loyalty Program of the year
 - Best Promotion Campaign of the Year - Wardrobe Refresh
 - Best Customer Experience in retail Sector Award
 - Best use of Data & Analytics in predictive modelling



Our Reach



Shoppers Stop, HomeStop, M.A.C, Clinique, Bobbi Brown, Smashbox and Estée Lauder stores

● DC locations

Graphical representation not to scale

Corporate Profile

THE WORLD OF SHOPPERS STOP



One of India's most valuable retail brands

We are India's first department store chain with a distinctive customer-centric identity.

FIRST CITIZEN LOYALTY
PROGRAMME MEMBERS

6 M

65%
SALES
from Repeat Members

76%
CONTRIBUTION
of First Citizen to sales



An extensive footprint

We have a strong pan-India presence, across Tier I, II and III cities.

RETAIL FLOOR
SPACE

4.25 M sq ft

210
MULTI-FORMAT
STORES

39
CITIES

50+
OMNI-READY STORES



Strengths across categories

We express our
on-trend styles across
multiple product categories.

NATIONAL AND INTERNATIONAL
FASHIONABLE APPAREL BRANDS

400+

30+

PRIVATE AND
EXCLUSIVE BRANDS
ACROSS CATEGORIES

150+

BEAUTY BRANDS

300+

NATIONAL AND
INTERNATIONAL
LIFESTYLE
ACCESSORY BRANDS

150+

HOME DÉCOR AND
FURNISHING BRANDS



Value-accretive business

We judiciously allocate
financial capital to drive
shareholder value.

REVENUE

₹348,131 lacs

₹27,120 lacs

EBITDA

₹12,369 lacs

PBT

₹4,147 crores

MARKET
CAPITALISATION

₹8.95

EPS

Corporate Profile

THE WORLD OF SHOPPERS STOP

Retail offerings

Department stores

We are India's foremost fashion and beauty retailer.

83

STORES
2 new in the year

Shopperstop.com

Our shopping website and mobile app features 1,20,000+ styles across different categories and sub-categories to choose from.

5.5 M+

APP DOWNLOADS

71 M+
VISITS

25,000+
PIN CODE
COVERAGE

Beauty specialty stores

We are India's #1 offline beauty destination with a strong omni-channel presence.

58

M.A.C STORES
8 new in the year

33

CLINIQUE STORES
2 new in the year

8

ESTEE LAUDER STORES

14

BOBBI BROWN STORES
3 new in the year

2

SMASHBOX STORES





Homestop

Our premium, concept-led home store offerings, complete with décor, kitchen, bed and bath options.

12

STORES

Crossword

We are India's largest lifestyle bookstore chain present across 34 cities. It is the definitive place and space for those who seek information, knowledge, or simply the pleasure of reading.

83

STORES

39 owned and 44 franchisee

Key Performance Indicators

PERFORMANCE
HIGHLIGHTS

Profit and loss (₹ in Lacs)

Revenue from operations	EBITDA	Profit Before Tax (PBT)	Profit After Tax (PAT)
2018-19 ● 3,48,131	2018-19 ● 27,120	2018-19 ● 12,369	2018-19 ● 7,875
2017-18 ○ 3,59,149	2017-18 ○ 22,766	2017-18 ○ 2,916	2017-18 ○ 1,160
2016-17 ○ 3,64,805	2016-17 ○ 22,209	2016-17 ○ 32	2016-17 ○ (1,994)
2015-16 ○ 3,41,320	2015-16 ○ 23,856	2015-16 ○ 8,118	2015-16 ○ 2,518
2014-15 ○ 3,04,998	2014-15 ○ 20,659	2014-15 ○ 6,956	2014-15 ○ 4,074

Key ratios

ROCE

2018-19 ● 10.3%
2017-18 ○ 1.6%
2016-17 ○ (2.1%)
2015-16 ○ 2.6%
2014-15 ○ 4.6%

RONW

2018-19 ● 8.1%
2017-18 ○ 1.2%
2016-17 ○ (2.6%)
2015-16 ○ 3.2%
2014-15 ○ 5.3%

Debt/Equity (No. of time)

2018-19 ● 0.04
2017-18 ○ 0.09
2016-17 ○ 0.8
2015-16 ○ 0.8
2014-15 ○ 0.7

Asset turnover (No. of time)

2018-19 ● 4.3
2017-18 ○ 3.5
2016-17 ○ 3.0
2015-16 ○ 2.8
2014-15 ○ 2.8

Operating margin

2018-19 ● 6.1%
2017-18 ○ 5.4%
2016-17 ○ 5.5%
2015-16 ○ 6.3%
2014-15 ○ 6.1%

Earnings Per Share (EPS) (₹)

2018-19 ● 8.95
2017-18 ○ 1.37
2016-17 ○ (2.39)
2015-16 ○ 3
2014-15 ○ 4.9

Note - Ratios have been computed excluding impact of Ind-AS 115 and GST and post regrouping of financial numbers is as per MIS

Balance sheet (₹ in Lacs)

Share capital

2018-19	4,400
2017-18	4,398
2016-17	4,175
2015-16	4,173
2014-15	4,168

Loan Funds (includes current maturities of long-term debts)

2018-19	4,000
2017-18	8,738
2016-17	57,590
2015-16	59,018
2014-15	51,839

Fix Assets

2018-19	62,991
2017-18	66,593
2016-17	65,220
2015-16	65,943
2014-15	61,056

Net worth

2018-19	97,765
2017-18	95,337
2016-17	76,075
2015-16	78,543
2014-15	76,528



Chairman's Insight

MAKING SHOPPING WITH US THE BEST PART OF YOUR DAY



We need to change ourselves and adapt to the new world of opportunities without losing our values and ethics on which we have built this organisation over the last 27 years.

Dear Shareholders,

It gives me great joy to write to you as the Chairman of Shoppers Stop. It has been an incredibly humbling journey for me, from the position of a General Manager in 1991 to be on the pages of this Annual Report; from witnessing the Company open its first store at Andheri, Mumbai, to its 83rd department store at Nasik, Maharashtra. And, I thank you for your continued support.

As we embark on this next chapter of our journey, I would like to acknowledge some major changes. I would like to thank our long-term associates - the retiring Chairman Mr. Chandru L. Raheja and the outgoing Managing Director Mr. Govind Shrikhande - for their unparalleled contribution to Shoppers Stop and wish them great success for the future. I would also like to thank Ms. Abanti Sankaranarayanan who stepped out of the Board and

welcome Ms. Ameera Shah and Mr. Robert Bready who have joined the Board during the last financial year.

I would like to once again welcome here our new Managing Director and Chief Executive Officer (MD & CEO), Mr. Rajiv Suri, who joined us in January 2018 as CEO and was then elevated to current position in June 2018. His entry has re-energised our Leadership Team, which has also seen several key appointments being made. It is to say, this has been an important year in Shoppers Stop's recent history. The key appointments *inter alia* includes three Presidents across Buying and Merchandising functions, Chief Marketing and Customer Officer, Chief Financial Officer and Chief Creative Officer.

The Board is united in its view that to win with today's customer, Shoppers Stop must sharpen its brand positioning. This will require us to streamline our product strategy and make critical investments, enabled by our ongoing focus on customer experience, operational excellence, and sustainable business practices. We believe that these changes will help create lasting value for stakeholders. Throughout this report, you will find highlights of how our new strategic focus areas are being embedded in our organisation and our initial progress against the same.

The Indian economy is today witnessing its consumption growth story unfold, making it one of the largest retail destinations in the world, attracting large investments from domestic as well as international players. Consumer behaviour too is changing, with expectations of personalised experience across physical and digital. As a result, retail fashion is witnessing a rapid change as well. Digitalisation is driving the need to rethink faster. We also need to change ourselves and adapt to the new world of opportunities without losing our values and ethics on which we have built this organisation over the last 27 years. All of this is presenting a plethora of opportunities that we are well positioned to capitalise on. I want to assure you that your Company is fully geared to take on these opportunities and maintain its leadership position.

In this context, Shoppers Stop is pursuing a greater consumer mindshare with an omni-channel, holistic approach, comprising 83 large stores in 39 cities besides 12 HomeStop stores, and 115 specialty beauty stores coupled with 83 Crossword stores, an e-commerce website, a mobile application (Endless Aisle), and growing a stronger bond with our shoppers. That our six million-plus loyalty programme members contribute to 76% of our revenues continues to bear testament to that. We are focused on making shopping with us the best part of your day.

Shoppers Stop's performance during FY 2019 was good, with progress across all areas and improving the KPIs. Your Company clocked a turnover of ₹3,481.31 crores in the year, This was a growth of 6% over 2017-18, without

considering the impact of AS115 and GST rate changes. EBITDA at ₹271.20 crores recorded an upsurge of 19.10% over the previous year (₹227.64 crores). PAT grew by 578.7% to ₹78.75 crores. Most importantly, your Company has become debt free – a laudable feat. Your Company sustained its leadership position in the premium segment with strong brand equity and a growing consumer base. Your Company is confident of steadily building this into a large and profitable business over the coming years. Rajiv will cover in his report the details of the performance and path ahead for the next few years.

We continue to support diversity in all its forms across the organisation, seeing how it brings a wide range of people and perspectives to the team. Our most important strength and asset is our engaged Customer Care Associate workforce and our vibrant culture. I would like to take this opportunity to thank our great teams in all our markets who meet customers every day and are always working to give customers the best value.

A key intervention, among others, that we undertake as a socially responsible corporate, enabling the integration of the marginalised members of our society into the mainstream – giving them an opportunity to live a life with dignity. We have partnered with implementing agencies to help fulfil our vision of empowering differently-abled people in retail and make lasting improvements in the lives of the retail workforce. This has shaped up as a mutually beneficial programme.

In FY 2020, we will continue to be guided by our customer love, our compass and our tool for identifying our most promising growth areas. We will draw upon our enduring strengths – distinct brand equities, superior product quality, engaging consumer communication and unparalleled service – and pivot towards the areas of premiumisation and beauty where we are seeing the greatest opportunities emerge. We will broaden our reach to access younger consumer groups and in new emerging markets. I am confident that under Rajiv's able leadership, Shoppers Stop will drive transformation, pursue customer delight with renewed vigour, and create sustainable value for all our stakeholders.

On behalf of the Board of Directors of Shoppers Stop, I thank you all once again for your continued trust, confidence, and support.

Warm regards,

B. S. Nagesh

Customer Care Associate &
Chairman

MD & CEO's Statement

REINFORCING POSITION IN MARKET AS INDIA'S MOST PREFERRED SHOPPING DESTINATION

Dear Shareholders,

I am delighted to present Shoppers Stop's Annual Report 2018-19, my first as Managing Director and Chief Executive Officer (MD & CEO).

As our Chairman noted in his letter, the retail industry is evolving at a rapid pace. Consumer behaviour has undergone a massive shift, especially in retail fashion. Not only do they look for novelty, innovation, and creativity in the products but also customisation and personalisation in their experience of shopping, comprehensively as an orchestrated event. This is a great opportunity for us.

Strategic revamp

We have identified four strategic levers that will propel us into the next phase of growth.

One, we will develop and grow our First Citizen loyalty programme. We added 0.8 million members to the programme in the reporting year, helping us cross the 6 million mark with our continuous engagement with them at various levels.

Two, we have exceeded customer expectations with the Personal Shopper initiative. Our trained Personal Shoppers are the ambassadors of our brand, who curate delightful shopping experiences for discerning patrons, particularly the new-age Indian consumer. Personal Shoppers contributed to 13.6% of our sales and generated three times the average ticket value.

Three, we will continue to relentlessly develop our product assortments for young families, professionals and millennials. We are positioned as a premium department store and to maintain that, we need to have a larger collection of brands than anybody else in the country. Our brands will be distinct by both style and design, ensuring we remain top end and that our customers come back to us. We will improve fabrics, collections and designs for existing private brands; add more celebrity brands; and rope in exclusive international brands.

Four, we aim to dominate the beauty segment across all channels. India's US\$ 6.5 billion cosmetics market is undergoing double-digit growth, outpacing the US and European counterparts. The rising awareness of beauty products and personal grooming options, changes in consumption patterns, lifestyles and improved purchasing power are expected to boost the industry. The market is gradually shifting towards specialised cosmetic products and Shoppers Stop is keen on shaping this trend.

We believe that the combination of these four pillars of growth, with an enhanced scale and a strengthened balance sheet, would bring great benefits for our customers, our colleagues and our suppliers, while creating value for shareholders. This will lead to significant synergies, enabling us to invest in the areas that matter most to customers – design, quality and offering more flexible ways to shop.

Performance review

This was a good year and our results represent improved execution in a period of transition. Customers responded well to our omni-channel retail strategy. We observe some encouraging early signs regarding our revamped strategy. Our top customers increased their spend and our digital channels outperformed our previous numbers including marketplace, resulting in a 43.8% growth in the online sales, with over half online sales being fulfilled by our stores. Our Personal Shopper initiative yielded significant results: the revenue growth has been 42.4% and like I said, now contributes circa 13.6% of our sales. Our First Citizen members continue to enjoy delightful shopping experience. During the year, our First Citizen Members base contributed to 76% of our revenue. The average ticket value of a First Citizen member is twice more than that of a non-member.

During the year under review, the revenue grew by 6% and while customer entry to our stores declined by (1.4%), it has improved significantly over LYI (9.2%). The conversions have been consistently increasing. Our EBITDA increased by 19.1%, driven by a mix of private and beauty brands, besides significant operational efficiency.

As I said before, our renewed focus on private and beauty brands has started yielding results. Private brands had a moderate growth during the year; it saw a decline until September 2018 and then turned around from October 2018. Private brands grew by 29% in the third quarter and 12.8% in the fourth, aggregating to 5.7% for the full year.

The Beauty category is one of our key levers for growth and we see that the market segment is growing faster than the rest of the business. Rising disposable income, increase in the number of working women, boost in discretionary spends and the rapid pace of urbanisation, coupled with expanding e-commerce, are further fueling the growth of fashion and beauty segments. We have strengthened our portfolio of brands within as well as outside our stores and today, we are a leading destination for beauty retail in India. Beauty sales contribution stood at 16.5% and grew by 8.9%.

Operational focus

In a competitive and rapidly evolving market, accelerated change is the only option. We are reinforcing our position in the market as India's most preferred shopping destination. We are becoming more relevant, more often to our existing customers and appealing to new ones.

Our growth will come from opening new stores and renovating old ones. We are using analytics-based insights to increase repeat purchases, to advance greater wardrobe share with the same customer. Further, customers come through our doors for our superior product assortment and we are working towards having them stay for the moments of personal transformation they experience in our aisles.

In the year under review, we introduced tighter, more creative collections and stepped up the frequency of deliveries of fresh product, attracting new customers and top-tier clients. We created a new architecture for brands with a pipeline of innovative launches planned from FY 2020. Underpinning our ambitions in premium brands as well as the beauty category is our undivided focus on tapping into customer appetites for looking good and feeling good.

We initiated several exciting new collaborations across stores to refresh their formats, with more curated displays. In order to reach a younger, tech-savvy fashion consumer, we are amplifying our digital strengths and deepening our omni-channel presence. The broad objective is to improve sales, regardless of where it comes from. Our online and offline channels are consistent, symbiotic and integrated.

With a view to add more design muscle and gain greater visibility of the end-to-end value chain, we invested in a fully equipped design studio. In addition, we are looking at digitisation to better manage our internal processes. Our supply chain capabilities are one of the best in the industry and we are working to reduce number of days for delivery time. Our store teams have not only streamlined costs but also improved customer service through the roll-out of handheld devices in our stores, among other things, reducing time spent on stock management while enabling quicker response to customer queries.

As a business, we are focused on the increasingly important role that technology and the responsible use of data play in supporting great customer service. We are ensuring a steady stream of investments in technologies at the back end.

This year, we made good progress on our commitment to empower our people, expand our talent plans, simplify how we work and engage with communities to drive positive sustainable change across every part of our footprint. We are also committed to making further progress on diversity and inclusion.

Outlook

All in all, we are creating an agile work culture, re-focusing on customer-centricity. We want to move faster, adapt to the changes underway by putting the customer at the centre, and work hard. Given the scale of our ambition for the brand and the significant amount of changes in the business over the last 12 months, we have made a positive start to the execution of our new strategy. We are on track with our plans and our teams are energised by the opportunity ahead.

I would like to thank Shoppers Stop employees and partners for their work in FY 2019 and you, the shareholders for your support to me in my first year as MD & CEO. The relentless spirit for excellence and innovation has defined Shoppers Stop for close to three decades and it continues to fuel us, as we embark on the next phase of the Company's transformation.

Warm regards,

Rajiv Suri

Customer Care Associate,
Managing Director and
Chief Executive Officer



Leadership Team

A NEW RHYTHM
IN MOTION

Standing from left to right

Amitabh Suri
President
Private Brands

Anil Shankar
Chief Technology
Officer

B V M Rao
Chief Human
Resource Officer

Deepak Yadav
VP-Business
Development

Sitting from left to right

Anupam Saxena
President
Beauty

Rajiv Suri
Managing Director &
Chief Executive Officer



Standing from left to right

**Karunakaran
Mohanasundaram**
Chief Financial
Officer

Maneesh Mittal
Chief Omni
Channel &
Digital Officer

Shilpee Sharma
Chief Creative
Officer

Amin Kassam
Chief Retail
Operations

Devadas Nair
Chief Supply
Chain Officer

Neeraj Nagpal
President
Brands

Uma Talreja
Chief Marketing &
Customer Officer

Sitting from left to right

Premiumisation and Beauty

DIFFERENT BY DESIGN

We house brands that are more than just a name.
We create emotional bonds with our customers based on the shared passions for our brands. We cater to shoppers through exclusive tie-ups with celebrity brands, designers, and premium international youth labels that are not run of the mill by any yardstick.





Energising power brands

Building on our strong foundations, our vision is to position Shoppers Stop firmly as a leader in Bridge-to-Luxury fashion by responding to the consumers' increasing desire for fashion and newness. Given the legacy of our strong brand, extensive distribution capabilities and ability to innovate across multiple categories, we are well positioned to make this move. Private and exclusive brands contributed to 12% of sales in FY 2019; and will be critical to leveraging the growing customer preferences. We are increasing our focus on the quality of materials and driving service excellence by increasing our omni-channel capabilities, tailoring our deliveries to suit customer needs and reducing the number of delivery days.



12%

SALES CONTRIBUTION OF
PRIVATE AND EXCLUSIVE BRANDS



Unlocking our potential in beauty

Beauty is among our strongest categories, with a large in-store presence in India. With a portfolio of 150+ brands serving over three million loyal beauty consumers across 39 cities, we occupy the most prime retail real estate in key shopping malls, both through our department stores and standalone bridge-to-luxury formats. We want to offer a truly experience-led service in this segment, with a high degree of emphasis on winning over customer walk-ins, generating awareness and helping them sample products in a more refined manner.

Reimagining brick and mortar

We are reigniting brand love and changing customer perception, using bold engagement strategies, refreshing store designs with regional as well as international flavours and increasing our focus on visual imagery to engage walk-in customers.

Our stores are evolving to tell product-driven stories made for social media consumption. Placing the latest in fashion at the heart of all our communications, we are leveraging our digital and social media reach to convey new energy. From the kind of mannequins that adorn our shop floors to the bespoke art pieces that add a bright, contemporary feel, we want our stores to reflect how well we know our customers.

3 M

LOYAL BEAUTY
CUSTOMERS



Growth and Innovation

GEARING UP

At Shoppers Stop, we listen to our core customers. It's the only way to create new products that customers will embrace as authentic. Our investments are guided by an approach to brand building that allows our products and services to remain unique and customer-focused, while giving them the support of our geographical reach, extensive supply chain expertise, and resources.





Design innovative products that delight consumers

With an unprecedented drive on quality and authenticity, we are about to launch a 6,500 sq. ft. state-of-the-art dedicated design studio for private labels with a sampling unit, fabric lab, ramp walk and photo studio at our headquarters in Mumbai.

It will be the nerve centre of new product conceptualisation, development, testing and sampling; helping us renew fashion cycles at a faster rate; enabling a higher degree of control of the value chain; and invoking customer curiosity. In addition, it will incubate young Indian talent and ensure their holistic exposure and growth to the world of apparel and textiles, with the objective of furthering the future of fashion.

Creating deeper experiences

Omni-channel encompasses an ever-growing ecosystem of offline and online experiences and is fast reinventing how we retail. We have stepped up our offerings in omni-channel, allowing us to tie together a seamless, differentiated experience for our patrons. Every touch point is an important opportunity. We make the most of each one.

6,500 sq ft

STATE-OF-THE-ART
DESIGN STUDIO



The 'SNAP. FIND. BUY.' visual search feature on our app allows customers to learn more about a product by clicking a picture of it. Similarly, the bar code and QR code searches on the app provide further information on products and styles, helping customers 'shop the look'. Our app can now recommend the right apparel/accessory size and fit to shoppers, based on the inputs we receive from them.

The in-store 'Endless Aisle' feature was introduced to fulfil our objective of not letting customers walk away from the store empty-handed, while also mitigating the need to stock on every product variant. Our stores, website and app now incorporate a 'Style Hub'. A focal point of what is trending in the fashion business, the Style Hub is a guide to knowing the latest styles and receiving expert advice on the same.

We are also reducing the number of clicks between choosing a product and buying it, online or within our app, to ensure a quicker purchase turnaround. Customers can buy online and collect from the store. We do not operate a separate inventory for our e-commerce business but leverage our brick-and-mortar strength towards better logistics and delivery.

Endless Aisle

A DIGITAL TAB THAT ENABLES CUSTOMERS
TO BROWSE THROUGH MANY ALTERNATIVES
RIGHT ON THE FLOOR

Thanks!

Customer Centricity

WITH LOTS OF LOVE

Customer love is in our DNA, and we have evolved this concept further this year, giving us a competitive advantage in addressing today's shoppers' needs. We make sure we listen to what our customers want and use this insight to pre-empt unstated needs, helping us to enhance customer experience and build brand satisfaction and loyalty.





Customer heartbeat

Our associates continue to provide outstanding experiences to our millions of customers. Digital solutions are being rolled out across our business to recruit customers and engage with them. Our stores, connected digitally with one another, use the levers of unmatched customer service and a portfolio of premium brands to envelop customers in a complete, unified shopping experience.

Marquee programmes

First Citizen

During the year, First Citizen - one of the longest-running loyalty programmes in the country - crossed the six million mark in terms of memberships. First Citizen members represent the most premium buying power and one of the main strengths of our business. The programme also gives us a rich repository of data-driven insights that enables analytics-backed targeted promotions and personalised recommendations to repeat customers.



Personal Shopper

Our overarching objective is to ensure customers have the best experience at our stores. Personal Shopper, the ambassadors of our brand, continues to exceed expectations by curating delightful shopping experiences for discerning patrons, particularly the new-age Indian consumer. Personal Shoppers contribute to 13.6% of our sales and generate three times the average ticket value.

Personal Shopper appointments can be availed through our app or via the hotline number 1800-419-6648. Integrated technology platforms help the shopping assistants to welcome customers as soon as they walk into our stores. Our Personal Shoppers go through a regimented training programme that inculcates in them a deep awareness of fashion and the skills for effective interpersonal communication.

Customers have access to exclusive trial rooms, lounges and billing queues, while our Personal Shoppers browse through latest trends and collections to find the outfits that best fit their requirements. Each Personal Shopper uses a mobile app that is tailored to their customers' profiles, with a complete purchase history of repeat visitors. 'Personal Shopper At Home' goes the extra mile in bringing a selection of styles to the customer's door, enabling them to shop from the comfort of their home.



1800-419-6648

PERSONAL SHOPPER HOTLINE



Board of Directors

RICH EXPERIENCE



Mr. B. S. Nagesh
Customer Care Associate & Chairman
Non-Executive Director

B S Nagesh is the Founder of Trust for Retailers and Retail Associates of India (TRRAIN), a public charitable trust and TRRAIN Foundation, a not-for-profit organisation. 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 of the day-to-day roles of the business as Managing Director of the Company in 2009 and founded TRRAIN. He is the Founder Chairman of Retailers Association of India. He is on the Board of Intercontinental Group of Departmental Stores (IGDS), a global association of department stores, and the Vice-President for Asia, for IGDS.

With his induction in the World Retail Hall of Fame in 2008, Mr. Nagesh is the only Indian retailer and the first Asian retailer to take a significant place alongside more than 100 stalwarts of the global retail industry. Recently he was awarded with the prestigious National Centre for Promotion of Employment for Disabled People (NCPEDP) - Hellen Keller Award for creating livelihood opportunities for Persons with Disabilities and was recognised as the Change Maker at the Sabera Awards. He is an Ashoka Fellow.



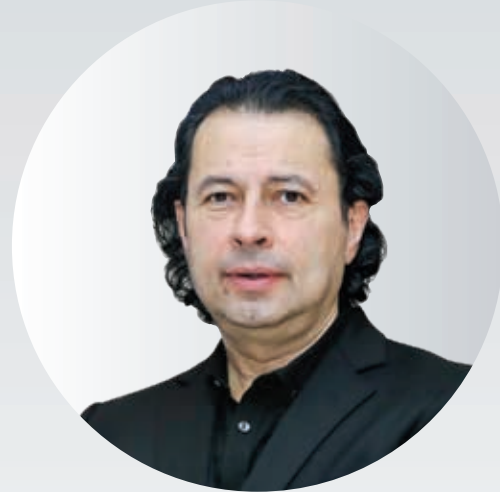
Mr. Ravi C. Raheja
Non-Executive Director

An alumnus of the London Business School (LBS), Ravi has over 25 years of comprehensive experience across real estate, retail and hospitality, right from the grassroots level to the C-suite. 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. He has been instrumental in shaping Shoppers Stop's next phase of growth and is actively involved in its evolution as a modern retailer. His multivariate experience helps him be a catalyst in the Company's future-focused strategies.



Mr. Neel C. Raheja
Non-Executive Director

With a strong background in finance, a degree in Law from the Mumbai University and an alumnus of the Harvard Business School, Boston, Massachusetts (OPM Program), Neel has extended the Group beyond the realms of real estate. Working his way to the top, he has earned his place at the helm of the Group, scaling it to new heights. Perceiving the need for intelligent workspaces, he brought to life 'MindSpace' IT Parks across India - currently present in Malad, Mumbai, Hyderabad and Mumbai Metropolitan Region (MMR). He has been the cornerstone in establishing Shoppers Stop to where it stands today, working with the best from the industry and co-developing the brand's identity. He acts as one of the key growth drivers, as the Company looks to reinforce its footprint in Indian retail.



Mr. Rajiv Suri
Customer Care Associate, Managing Director and Chief Executive Officer

Rajiv Suri, is the Customer Care Associate, Managing Director and Chief Executive Officer of India's leading fashion and beauty destination - Shoppers Stop Limited. In his current role, he leads the overall strategy and performance of the Company. Rajiv brings over 26 years of leadership experience spanning across multiple geographies viz. Europe, the Middle East and India - specialising in Fashion, Beauty, Home and Department Store segments.

Prior to Shoppers Stop, he has held strategic leadership roles as CEO - Majid Al Futtaim Fashion, CEO - Retail Jashanmal Group and Managing Director at Mexx Europe Holding based out of Paris.

Rajiv's extensive international repertoire lends him an astute and futuristic lens into the business of fashion. He is passionate about the fashion industry's transformative impact on customers. He is a firm believer in leveraging market opportunities, strengthening customer relationships and driving a cohesive and innovative growth across all spheres of business.

Rajiv holds a Strategic Retail Management certification from Harvard Business School, Boston, USA. He has a dual PGD in Sales & Marketing Management from Bhartiya Vidya Bhavan, Jaipur and PGD in Business Management from Institute of Marketing Management, New Delhi.

Board of Directors



Prof. Nitin J. Sanghavi
Independent and
Non-Executive Director

Nitin brings to the Board immense wisdom as an educator and has experience in retailing of over 32 years. He is a Professor of Retail Marketing and Strategy at Manchester Business School, The University of Manchester. He has held senior positions in buying, merchandising, operations and commercial areas for major organisations in the UK and other countries. He has directed and taught many executive programmes for major retail and related organisations as well as consumer-facing companies and financial institutions from the UK, the US, Asia and the Middle East. He acts as a strategic advisor to the boards of many blue-chip retail organisations globally, along with the British Council, the Commonwealth Secretariat and the World Bank.



Mr. Deepak Ghaisas
Independent and
Non-Executive Director

Deepak, a qualified Chartered Accountant, Cost Accountant and Company Secretary and an alumnus of LBS, leads strategy development, visioning and conceptualisation of breakthrough business models for Gencoval Group. This venture is in the field of healthcare and biotechnology. Prior to Gencoval, he has 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 into a true Indian multinational. He is the first Indian Chief Financial Officer (CFO) to be felicitated with the prestigious CFO Asia award. Deepak is also Partner in a PE Fund 'Exfinity' and on the Board of Governors of IIT Kanpur and Chairperson of IIITDM, Jabalpur.



Mr. Nirvik Singh
Independent and
Non-Executive Director

Nirvik brings to the Board his keen sense of marketing communications and over 28 years of experience in the industry. He is the Chairman and Chief Executive Officer of Grey Group Asia Pacific, the Middle East and Africa, a leading global marketing communications network.

He oversees a network of over 2,000 professionals across 22 countries in 27 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.



Ms. Ameera Shah
Independent and
Non-Executive Director

Ameera is the Promoter and Managing Director of Metropolis Healthcare Ltd., a leading pathology company. For the last 20 years, she has focused on delivering sustained growth, as well as built and led multiple corporate functions for Metropolis. Due to its unique operating model and competitive advantage, Metropolis has attracted three rounds of investment by reputed Private Equity (PE) investors. Under her leadership, the Company had a successful listing at the exchanges in April 2019. She has played an instrumental role in changing the pathology industry landscape in the country. She launched Empoweress in October 2017, which is a peer-to-peer mentoring and networking ecosystem exclusively for women entrepreneurs.



Mr. Manish Chokhani
Independent and
Non-Executive Director

A Chartered Accountant and an MBA graduate from the London Business School (LBS), Manish is one of India's most respected financial experts and investors. He was CEO of Enam Securities, India's leading investment bank. He led its US\$ 400 million merger in 2011 with Axis Bank to create Axis Capital Ltd., which he led as MD & CEO until the end of 2013. Under his leadership, Enam/Axis mobilised ~25% of all equity funds raised in India and was the house banker to several leading Indian business groups.

From 2014 to 2016, he served as Chairman of TPG Growth in India and is a Senior Advisor to TPG Group, one of the world's largest PE firms.



Mr. Robert Bready
Independent and
Non-Executive Director

Robert is a freelance retail expert with over 28 years of experience in fashion retail, both online and offline. He built his career across different functions in buying and merchandising while also moving his way from mid-size family-owned River Island to blue-chip multinational brand Arcadia Group. He joined the start-up team at Asos.com as Executive Director - Product and Trading, overseeing significant growth across all areas of the business. He joined the board of Asos Plc and led all product and trading strategy and delivery within the company across all 140 countries. He helped launch a new initiative, Koovs Plc, targeting the growing fashion conscious, urban Indian youth market.

People Focus

AN OPEN AND INCLUSIVE WORKPLACE WHERE PEOPLE GROW TOGETHER

Collaboration allows colleagues to share inspiration, ideas and knowledge with one another – to create the best offerings for customers. Throughout the year, we focused on building the team to develop and deliver our strategy. This has included promoting great internal talent and bringing in fresh expertise from outside Shoppers Stop. Some of the initiatives we undertake are listed here.

Outbound

Offsite trainings, titled 'Outbound', are a great platform for informal learning and breaking monotony. This is a convention aimed at helping team members network and acquaint themselves with new people working in other functions. It opens avenues for future inter-and intra-department collaboration. The training activities are designed to bring out fresh perspectives on aspects like innovation, teamwork, collaboration, problem solving, design thinking, and seamless execution.

Personal Shopper

Personal Shoppers share advanced knowledge of products, services and trends. They help customers who do not have sufficient time to shop, or who seek help with their fashion choices. This can range from unique occasions such as a wedding to regular purchases, from gifts to household goods and clothing. Personal Shoppers identify a client's tastes, lifestyle, body type and desired image in order to curate a look for each client's needs.

To raise the standards of this service, we designed a comprehensive assessment for our shopping assistants. Based on the pattern that emerged, a benchmark was created for personality traits and competencies that a Personal Shopper should possess. Depending on their learning requirement, Personal Shoppers undergo extensive training on fashion and styling with a reputed organisation and expert celebrity stylist. They also undergo trainings around private brands and other brands to help them become product experts. Besides, it is important that they build warm and enduring relations with our customers that goes beyond commercials. To that end, we develop and hone the social skills of our Personal Shoppers as well.

250+

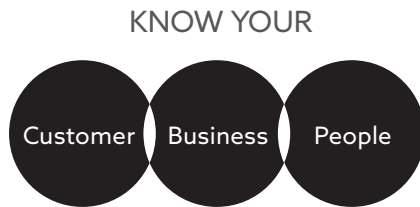
PERSONAL SHOPPERS TRAINED TO TRANSFORM CUSTOMERS' LIVES THROUGH DELIGHTFUL EXPERIENCES



A.G.I.L.E.

It is important to our business sustainability that our Unit Heads are well informed of the market dynamics and the nuances of the very competitive retail space that we are in. This, in turn, will help them execute the organisational strategy at their stores. Unit Heads of all the 83 stores underwent a three-phased training initiative named A.G.I.L.E. (Accelerated Guidance In Leadership Excellence).

A.G.I.L.E. focused on three key strategic areas:



It leveraged practical learning methods to impart knowledge of real-life challenges and helped deliver a pool of transformed Unit Heads, empowering our succession pipeline.

Induction through City & Guilds, UK

To meet the ever-growing service needs of our customers, it is imperative that our Customer Care Associates are knowledgeable and attuned to the changing trends. We partnered with City & Guilds, UK, in October 2010 to institute a detailed induction programme, at the end of which, participants undergo a written and practical assessment, successfully clearing which they receive a certificate from City & Guilds, UK. This certificate endorses and ratifies them on their organised retail skills, adding value to their professional journey as well.

OUR PROGRAMME WITH CITY & GUILDS, UK, WAS RECOGNISED AT THE CHIEF LEARNING OFFICER SUMMIT HELD IN MUMBAI IN AUGUST 2018 AS THE BEST INDUCTION PROGRAM IN RETAIL.

Learning Planet

We intend to provide continuous and frequent learning inputs to our floor-level employees without taking them out of the store or offices. With this thought, we introduced a new Learning Management System (LMS), titled 'Learning Planet'. The LMS went live for everyone in September 2018. Right from video-based induction modules to compliance-based modules like Prevention of Sexual Harassment (POSH) to skill-based or function-specific training as well as behavioural modules curated with content from world-renowned universities.

Prevention of Sexual Harassment (POSH)

We devised a bespoke interactive module, in association with a leading organisation that trains corporates and institutions on POSH and workplace safety, to educate every Shoppers Stop employee of the guidelines prescribed in the POSH framework. The module sought to inform employees, through case studies and assessment work, POSH guidelines and regulations in detail.

SSL Radio '91

Our Learning and Development team addressed intra-organisation communication challenges, by launching an internal radio service, the SSL Radio '91, named after the first Shoppers Stop store that opened its doors in 1991. The intent was to create a new and transparent learning experience through reiteration of important topics, like customer service, grooming, important policies, critical Standard Operating Procedures (SOPs), prevention of sexual harassment at workplace, visual merchandising, inventory management, personal leadership, self-development, teamwork, and many more on a day-to-day basis. This initiative has been one of the simplest yet most useful way to inform, inspire and influence our associates to strive for the best. It also has been one of the fastest modes of communication for the functional heads and top management and inspire associates to excel in their roles.

36,709

TOTAL NUMBER OF LEARNING HOURS
IN THE YEAR VIS-À-VIS 33,144 IN FY 2018

Community Empowerment

GIVING BACK TO SOCIETY. EMPOWERING EVERYONE'S TOMORROW.

As a socially responsible corporate citizen, we are accountable towards our stakeholders and we take this seriously. Sustainability is core to what we do and our long-term commercial success. We focus on improving the issues that are most material for our brands, team members, society and the environment. Our established interventions this year were centred on four broad themes: upskilling and livelihood generation, recycling, green initiatives and relief and aid. We are committed to finding new and innovative ways to be a positive force of change in these areas.

Upskilling and livelihood generation

- The World Bank estimates that mainstreaming of persons with disabilities can add around 5-7% to the global Gross Domestic Product (GDP). We supported training programmes that help sensitise the differently abled and develop their life skills, English language proficiency and client-facing specific skills required in the retail segment. We created opportunities for earning a livelihood for 728 such people and promote inclusive growth within the retail industry.
- We are striving to hire and integrate the differently abled in our workforce, with a target of 4% in the next two-three years.
- With an aim to create sustainable livelihood for women in the retail sector and make them financially independent, we facilitated a 30-day non-residential programme 'TrainHer' for 225 young women who have completed their secondary school examinations.
- Women form 28% of our workforce, with 37% in the mid to senior leadership roles. Most of our brands are nurtured by female entrepreneurs.
- Our partners for the above are PANKH Wings of Destiny, an initiative by Trust for Retailers and Retail Associates of India.

Relief and aid

- We gathered voluntary donations to support those affected by the devastating floods in Kerala in September 2018. ₹3.75 lacs was collected by the associates at the Services Office and across all stores. In addition, we donated ₹10 lacs towards the same, through Goonj. The modest contributions were part of a nationwide effort by citizens to help over 5 lac flood-ravaged communities.
- Our pan-India blood donation drive, Ayushman Ho was held on the Foundation Day on October 27, 2018. This united our associates at the Services Office and across all 83 stores to come forward for the common cause of 'Saving a life'. A total of 2,707 units of blood was collected during the drive.



2,707

UNITS OF BLOOD WERE
COLLECTED IN AYUSHAMAN HO
- BLOOD DONATION DRIVE

Recycling

We collaborated with Goonj, a non-profit organisation, to launch #FashionForGood programme, encouraging individuals to donate their old and unused clothes at any of the Shoppers Stop stores round the year. For every bag of textiles dropped off, we incentivised customers with loyalty reward points that can be redeemed on select brands towards their next purchase. There were three aspects to this collection drive.

Re-wear

Wearable materials received in good condition is distributed to families in rural communities.

Reuse

Cotton material is used to make cloth-based sanitary napkins for women.

Recycle

Wearable materials received in non-usable condition is shredded and weaved into quilts, mats and multi-purpose cloth bags.

We supplied to ~3,000 households with clothes for the entire family. The making of these products also employed hundreds of village women. We additionally sponsored Goonj's efforts to recycle clothes.



Go Green initiatives



ENERGY

We installed energy-efficient Light Emitting Display (LED) lights and Variable Frequency Drivers (VFD) in 65 stores, saving 36 KWH of power. We rationalised the power load in 61 stores, saving 957 KVA. We installed solar panels in one store, saving 42,000 electrical units p.a.



WATER

We harvested rainwater in our store in Hyderabad, saving 60,000 litres p.a. and reducing carbon emissions by ~52 tonnes.



RECYCLE

We recycled electronic waste at 11 stores and the Service Office, reducing carbon emissions by ~6 tonnes. We recycled 4,270 plastic bottles at three stores and safely destroyed them, preventing harm to landfills and reducing carbon emission by ~52 tonnes.



STORE MAINTENANCE

We revamped and reused refurbished floor fixtures and used environment-friendly alternatives wherever possible, in line with best-in-class store planning and maintenance practices.



COMMUNICATION

'Think Green' is our in-house intranet for employees to document green ideas to products and processes.

CORPORATE INFORMATION

Board of Directors

Chandru L. Raheja (upto June 8, 2018)	- Chairman
B. S. Nagesh (w.e.f. June 8, 2018)	- Chairman
Ravi C. Raheja	- Director
Neel C. Raheja	- Director
Deepak Ghaisas	- Director
Nitin Sanghavi	- Director
Manish Chokhani	- Director
Nirvik Singh	- Director
Ameera Shah (w.e.f. June 8, 2018)	- Director
Abanti Sankaranarayanan (upto June 8, 2018)	- Director
Robert Bready (w.e.f. July 27, 2018)	- Director
Govind Shrikhande (upto June 30, 2018)	- Managing Director
Rajiv Suri (w.e.f. June 8, 2018)	- Managing Director & Chief Executive Officer

Audit Committee

Deepak Ghaisas	- Chairman
Ravi C. Raheja	- Member
Nitin Sanghavi	- Member
Manish Chokhani	- Member
Ameera Shah (w.e.f. April 30, 2019)	- Member

Nomination, Remuneration

& Corporate Governance Committee

Nirvik Singh	- Chairman
Neel C. Raheja	- Member
Nitin Sanghavi	- Member
Ameera Shah (w.e.f. April 30, 2019)	- Member

Stakeholders Relationship Committee

Ravi C. Raheja	- Chairman
Neel C. Raheja	- Member
B.S. Nagesh	- Member
Deepak Ghaisas (w.e.f. June 8, 2018)	- Member

Corporate Social Responsibility Committee

Ameera Shah #	- Chairperson
Ravi C. Raheja #	- Member
Robert Bready (w.e.f. July 27, 2018)	- Member
Rajiv Suri	- Member

Effective April 30, 2019, Mr. Ravi Raheja is appointed as Chairman of the Committee in place of Ms. Ameera Shah

Chief Financial Officer

Karunakaran Mohanasundaram

Company Secretary

Bharat Sanghavi

Registered Office & Service Office

Umang Tower, 5th Floor,
MindSpace, Off. Link Road,
Malad (West), Mumbai - 400 064.
Website: www.shoppersstop.com
email: investor@shoppersstop.com
CIN:L51900MH1997PLC108798

Statutory Auditors

S R B C & Co LLP

Internal Auditors

KPMG

Registrar & Share Transfer Agent

Karvy Fintech Private Limited.
Karvy Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad - 500 032.
Tel : 040 6716 2222/ Toll Free No: 18003454001
Fax : 040 23420814
e-mail ID : einward.ris@karvy.com
: balaji.reddy@karvy.com

Bankers

Axis Bank Limited
ICICI Bank Limited
IDBI Bank Limited
IDFC First Bank Limited
HDFC Bank Limited
Kotak Mahindra Bank Limited
Yes Bank Limited
Bank of India

Management Team

Amin Kassam
Amitabh Suri
Anil Shankar
Anupam Saxena
BVM Rao
Devadas Nair
Deepak Yadav
Karunakaran Mohanasundaram
Maneesh Mittal
Neeraj Nagpal
Shilpee Sharma
Uma Talreja

Solicitors

Wadia Ghandy & Co.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

	(All amount in ₹ lacs)				
Profitability Statement	2018-19	2017-18	2016-17	2015-16	2014-15
No of Stores	210	198	176	170	162
Income					
Gross Retail Sales	364,687	396,079	378,258	352,932	316,857
Less: Value Added Tax	40,662	41,985	19,073	17,969	16,095
Gross Retail Sales (Net of taxes)	324,024	354,093	359,185	334,964	300,761
Other Retail Operating & Miscellaneous Income	25,895	6,658	8,577	8,487	6,002
	349,919	360,751	367,761	343,451	306,763
Expenditures					
Cost of goods sold	202,717	221,340	228,737	212,477	187,643
Employee costs	31,448	30,135	27,350	24,546	22,703
Operating and administrative expenses	88,635	86,511	89,464	82,571	75,757
	322,799	337,985	345,552	319,595	286,104
EBITDA	27,120	22,766	22,209	23,856	20,659
Interest and finance charges	1,245	3,616	5,845	5,733	5,122
Depreciation	13,507	11,193	11,553	9,766	8,581
Profit Before Tax before exceptional items	12,369	7,957	4,812	8,357	6,956
Exceptional Items	-	5,041	4,780	238	-
Profit Before Tax after exceptional items	12,369	2,916	32	8,118	6,956
Profit After tax	7,875	1,160	(1,994)	2,518	4,074
Other Comprehensive Income	(4,778)	706	(26)	-	-
Total Comprehensive Income	3,097	1,866	(2,020)	-	-
Balance Sheet items					
Share Capital	4,400	4,398	4,175	4,173	4,168
Reserve & Surplus	93,365	90,939	71,900	74,370	72,360
Loan Funds (includes current maturities of long term debts)	4,000	8,738	57,590	59,018	51,839
Deferred Tax (Liability) / Assets	3,200	1,978	429	(168)	(956)
Capital Employed	101,765	104,075	133,666	137,561	128,367
Fixed Assets	62,991	66,593	65,220	65,943	61,056
Other non-current financials and other assets	43,086	51,467	72,304	77,135	74,879
Net Working Capital	(7,513)	(15,963)	(4,287)	(5,350)	(6,611)
Profit & Loss Ratios *					
Sales (Chain level growth)	6%	2.9%	7.8%	10.6%	11.5%
Sales (Like to Like growth)	3.9%	2.1%	3.1%	8.5%	5.0%
Gross Profit Margin	33.2%	32.6%	33.2%	33.5%	34%
Operating Expenses Ratio	27.9%	28.2%	29.2%	29.1%	30.0%
Operating Margin (EBITDA) (Before exceptional item)	6.1%	5.4%	5.5%	6.3%	6.1%
PBT Margin before exceptional item	3.5%	2.3%	1.7%	2.5%	2.7%
PAT Margin	2.5%	2.1%	1.2%	1.6%	1.9%
Interest Coverage	21.79	6.30	3.80	4.16	4.03
Balance Sheet Ratios *					
Debtors No. of Days	4	4	3	2	3
Creditors No. of Days	44	50	45	51	50
Stock Turnover Ratio	2.6	3.0	3.1	2.6	2.7
Current Ratio	0.9	0.8	0.9	0.9	0.9
Assets Turnover Ratio	4.3	3.5	3.0	2.8	2.8
Debt Equity Ratio	0.04	0.09	0.8	0.8	0.7
Return to Investors *					
Return on Network	8.1%	1.2%	-2.6%	3.2%	5.3%
Return on Capital Employed	10.3%	1.6%	-2.1%	2.6%	4.6%
Book Value Per Share (in ₹)	111.11	108.39	91.10	94.11	91.80
EPS					
Basic	8.95	1.37	(2.39)	3.0	4.9
Diluted	8.95	1.37	(2.39)	3.0	4.9
Cash EPS	24.30	14.04	11.45	14.72	15.18
Dividend Per Share	0.75	0.75	0.75	0.75	0.75

* Ratios have been computed excluding impact of Ind-AS 115 and GST and post regrouping of financial numbers as per MIS.

Note:

- Figures for F.Y. 2014-15 have not been stated as per Ind-AS requirement and hence not comparable with subsequent years to that extent.
- Sales for F.Y. 2018-19 are as per Ind-AS 115 and hence not comparable with previous year. Sales growth in F.Y. 2018-19 is 6% excluding the adjustments of Ind-AS 115 and GST.
- Number of stores includes the Shoppers Stop Department stores and Specialty Stores (viz HomeStop, Mac, Clinique, Estee Lauder, Bobby Brown, SMASH Box and Airport Business).

MANAGEMENT DISCUSSION AND ANALYSIS

for the year ended 31 March 2019

Economic environment

India is the largest democracy in the world and the second most populous country, with ~1.3 billion people. As one of the world's fastest growing economies and the sixth largest, India is critical to global growth. Bolstered by an array of structural reforms, its resilience and strong private investment, India continued on its path of accelerated growth for a large part of FY 2019 vis-à-vis the 6.7% rate of growth in FY 2018.

The economy expanded by 8.2% in the first quarter and 7.1% in the second, before softening to 6.6% in the third and 5.8% in the fourth, with an annual growth rate of 6.8%. Some of the factors contributing to the moderation are rising global uncertainty, sluggish growth in farm and industrial sectors, slow pickup in private investment and tightening lending norms. The Reserve Bank of India's accommodative monetary policy stance, in its June 2019 review, is expected to energise lending and consumption. With the election overhang behind us and a strong reform-focused government at the Centre, the markets are cautiously optimistic about a stable policy regime that helps India realise its economic potential

India's growth rates (%)

2014-15	2015-16	2016-17	2017-18	2018-19
7.3	7.6	7.1	6.7	6.8

Source: Central Statistics Office (CSO)

Growth drivers

- Fast pace of urbanisation and industrialisation
- Expansion of middle- and high-income segments
- Strong consumer spending
- Healthy credit offtake in the services sector
- Full implementation of structural reforms
- Continued public investment in infrastructure
- Improved ease of doing business
- Significant demographic dividend

Outlook

India is a consumption-driven economy wherein demand fuels both domestic production and import. This, together with a healthy savings propensity and a young workforce, counts among the economy's inherent strengths. The Government's Interim Union Budget 2019-20 estimates

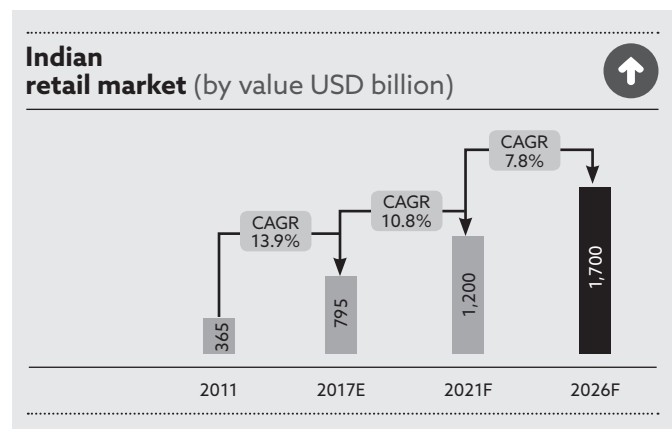
the year-end fiscal deficit at 3.4%, while projecting India to be 5-trillion-dollar economy by 2023 (from the current estimated ~US\$ 2.7 trillion).

INDIA PROJECTED TO GROW MORE THAN DOUBLE AND BECOME A US\$ 5 TRILLION ECONOMY IN THE NEXT FIVE YEARS

In the short term, the growth outlook is positive, on account of subdued inflation expectations, lower repo rates, sustained resolution of stressed assets, better governance of public sector banks and a reform-focused policy framework. Growth in longer term will depend on the economy's ability to consolidate its fiscal debt, expand and utilise capacities, create jobs and promote private investment in tandem with consumption.

Industry overview

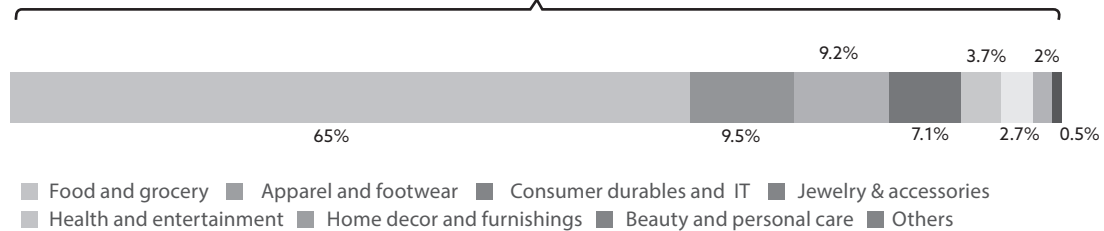
Indian retail is fuelled by favourable demographics and strong macroeconomic drivers. India is the third largest retail destination in Asia and fourth largest in the world, behind USA, China and Japan. Retail accounts for ~8% of the total employment in the country and more than 10% of its GDP. High growth in consumer markets, particularly retail, is attracting large investments from domestic as well as international players.



Source: KONNECTED to consumers; IBEF; Media articles; Indian Retail Industry: Growth, Trends, Challenges, and Opportunity, India Retailing, 16 November 2017; Deloitte analysis

Food and grocery account for the largest share in Indian retail, followed by apparel and footwear, consumer durables and IT segments.

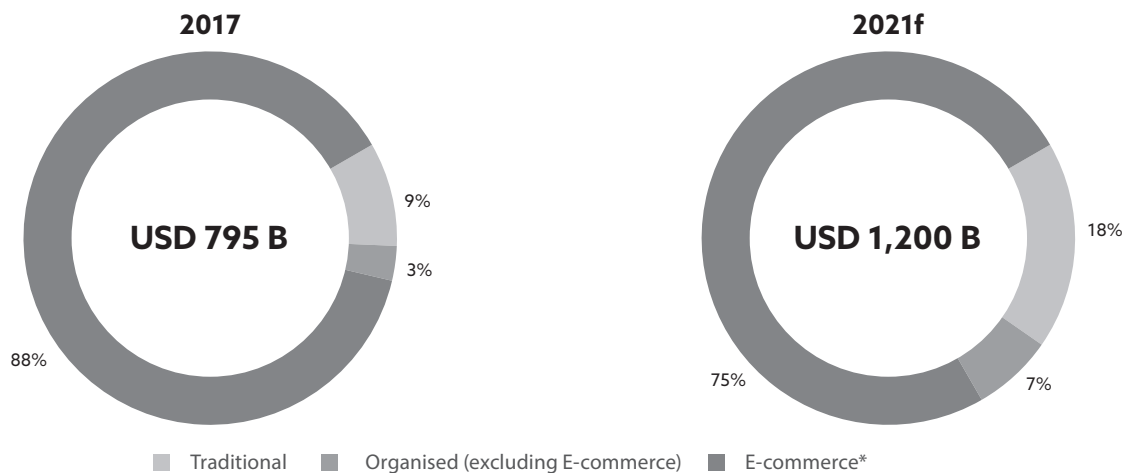
Category wise breakup of total retail market



Source: KONNECTED to consumers; Economist Intelligence Unit, accessed in April 2018

Retail in India is highly fragmented. While traditional unorganised retail ('mom-and-pop' or kirana) stores remain at the fore, modern organised retailers have made significant strides in the recent years. On the other end, e-commerce is witnessing a fast pace of development, owing to increased internet penetration, shift in preference towards online shopping and rise in smart phone usage.

Segment growth in the Indian retail market



Source: KONNECTED to consumers; Economist Intelligence Unit, accessed in April 2018; Media articles; Indian Retail Industry: Growth, Trends, Challenges, and Opportunity, India Retailing, 16 November 2017; Deloitte analysis.

Note*: e-commerce market here refers to sale of products and services through electronic transactions, home shopping is considered a part of e-commerce.

Modern retail

Modern organised retail formats span discount stores, hypermarkets, supermarkets, department stores, specialty stores, convenience stores, warehouse retailers and others. Modern retail, on the back of strong valuation ratings and a consistently improving business environment, is positioned to perform well and attract the new age aspiring consumer class of India, who are shifting away from traditional mom-and-pop stores.

The size of the modern retail industry in India is projected to almost double to ₹1.72 lacs crore by the end of 2019 from ₹87,100 crore in 2017, in the top six markets of the country

(Mumbai, the National Capital Region or NCR, Bengaluru, Chennai, Hyderabad and Pune). A key lever to this growth is the emergence of omni-channel retailing.

Online retail

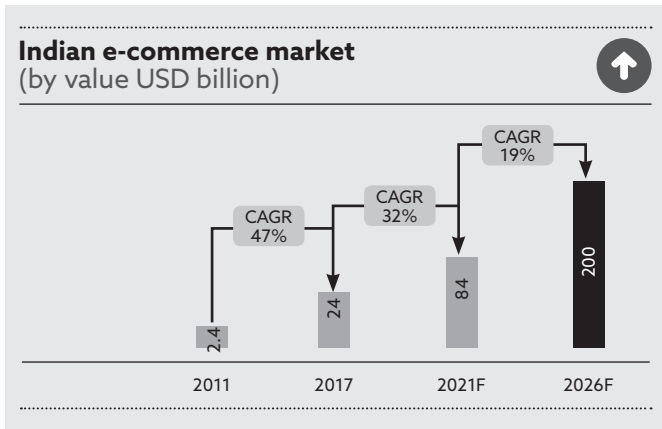
Digital awareness, literacy and adoption are growing rapidly. India is projected to be the home to 627 million internet users by the end of 2019, a double-digit growth over 566 million in 2018. Internet access is expected to be democratised by 2030, extending to over 1 Billion diverse Indians. Nine out of ten Indians over 15 years of age are expected to be online in that period.

A Google brand insight research report identified five major consumer trends in India:

- Searches in non-metros are growing faster than the metros across categories through smartphones
- Online videos are reshaping the way consumers gather information and make purchase decisions
- Indian internet users are fast adopting the voice search tool and finding comfort in regional languages
- Online and offline are merging into omnichannel to fulfil customer needs and helping businesses maximise their potential
- Artificial Intelligence and Machine Learning are assisting businesses to enhance customer experience.

The report further states that rising aspirations coupled with increased exposure and access is driving the growth of international beauty trends in India. Over 70% of all fashion searches come from either clothing or beauty and personal care categories. The report predicts 50% of organised retail to be influenced by omnichannel by 2020.

With this acceleration in digital adoption, online retail continues to gain traction; while traditional retailers are evaluating their operating models and strategic objectives to ensure sustainable growth in a changing marketplace.



Sources: KONNECTED to consumers, Deloitte, 7 September, 2017; Media articles

Government policy support

- **Make in India:** Six industrial corridors are being developed across various regions of the country. India is the 58th most competitive economy, according to World Economic Forum's Global Competitiveness Index for 2018. India's rank in the World Bank's Doing Business index improved to 77 in 2018.
- **Digital India:** The Nandan Nilekani report on Deepening of Digital Payments estimates that there were 22.42 digital transactions per capita at the end of FY 2019, indicative of a significant growth over 2.4 such transactions in FY 2014. Unified Payments Interface (UPI), a payment system that was introduced to mobile-enabled bank transfers, is driving India towards becoming a cashless economy.
- **Goods and Services Tax (GST):** Implemented in July 2017, to harmonise the tax structure across states, GST enabled greater transparency, eliminated the cascading effect of tax, improved flow of credit and reduced barriers to trade.
- **Foreign Direct Investment (FDI):** 100% investment in single brand retail permitted under the automatic route, since January 2018. FDI policy for e-commerce was amended, to provide clarity and level the playing field among retail traders.
- **Other initiatives:** Skill India, Startup India, India Innovation and so on..

Key defining trends

- Importance of millennials in the consumer class with greater emphasis on wellness, convenience and brand value
- Seamless multi-channel retail experiences enabling smoother and personalised shopping journeys
- Transition to 'bricks-and-clicks' from 'brick-versus-clicks' empowering an immersive and experiential experience for consumers and a collaborative operating model for retailers
- Technology-led customer engagement that leverages advanced data analytics, emerging technologies (such as IoT, AR and VR, AI, cloud platforms and others) to understand behavioural insights
- Sustainable business practices that deliver back to society, enhancing competitive value and reinforcing brand equity

Customer shopping journey, 2018



Outlook

India's retail market is expected to exceed US\$ 1.2 trillion by 2021, wherein organised retail sales are forecasted to account for 18% and online retail sales 7%. India is likely to become the world's fastest-growing e-commerce market. Luxury retail is expected to grow modestly, supported by rising exposure of aspirational Indian youth to global brands and higher purchasing power in Tier II and III cities. Considering the strong economic and retail outlook, India will be a key player in shaping the global retail conversation. Consumer experience will be the biggest differentiator for retailers and technology will be a key enabler in engaging and retaining consumer attention [Source: KONNECTED to consumers; Economist Intelligence Unit, accessed in April 2018; Media articles; Indian Retail Industry: Growth, Trends, Challenges, and Opportunity, India Retailing, 16 November 2017; Deloitte analysis].

Shoppers Stop: The year under review

Shoppers Stop is a professionally managed, compliance-driven, stakeholder-centric and solutions-oriented organisation promoted by K. Raheja Corp. Group (Chandru L. Raheja Group), guided by a strong Leadership Team under the auspices of Mr. Rajiv Suri. We are a pioneer in Indian retail and as one of the largest pan-India department store chains, we are home to 600+ trusted international and national brands for apparels, fragrances, accessories, cosmetics, footwear, home décor and furnishings. Each of our initiatives serves our overarching objective of providing our customers delightful, world-class shopping experiences.

We aspire to continuously evolve, keeping the consumer at the heart of everything that we do, delivering delightful experiences either in store or at their doorsteps. FY 2019 witnessed us embark on a journey where we reinterpreted growth, its many flavours and how best to sustain it. We reviewed every aspect of our business and worked aggressively towards conceptualising a robust strategy. To that end, we made key investments and are now poised for sustainable and industry-leading growth in the years ahead.

We have a clearer vision of the future of retail and Shoppers Stop's role in it. We will create differentiated experiences for our customers, leveraging brands, partnerships, unique services and technology-led solutions. The keystones of fashion, personalisation and convenience remain at our core and our commitment to doing what is in the best interest of our customers, associates and shareholders is our singular focus.

SCOT analysis

Strengths

- Refined portfolio mix
- Omni-channel presence
- Robust supply base
- First Citizen programme
- Personal Shopper service
- Vibrant leadership
- Strong systems, processes and teams

Challenges

- High cost of operations
- Fast-paced adoption of technology
- Scarcity of skilled workers

Opportunities

- Income expansion
- Premiumisation and convenience
- Beauty and personal care categories
- Digital innovation
- Branding
- Data handling

Threats

- Economic conditions
- New entrants
- Industry disruptions

Strengths

- **Refined portfolio mix:** A variety of products, encompassing private labels, international names, exclusive tie-ups and niche categories, together with an incomparable 'Shoppers Stop' brand recall, attracts and retains customers. This enables us to become the first choice for mall developers, brands and suppliers; helping us in our pursuit for greater consumer mindshare.
- **Omni-channel presence:** A cross-channel approach, comprising 83 large stores in 39 cities (plus 12 HomeStop and 115 specialty beauty stores), an e-commerce website, and a mobile application (Endless Aisle), helps us grow a closer bond with our shoppers. We recorded 71 million visits to our website and 5.5 million mobile app downloads serving 25,000 pin codes during the year leading to a 43.8% growth in sales.
- **Robust supply base:** Our supply chain, from sourcing, design and production to a hub-and-spoke distribution model, is key to sustaining our multi-channel approach and we consistently invest in it to remain competitive. We leverage four brick-and-mortar regional centres spanning 5,10,000+ sq. ft., manage 4,00,000+ SKUs and work round the clock. We are about to launch a 6,500 sq. ft. design studio in May 2019, for private brands with a sampling unit, ramp walk and photo studio at the Company headquarters.
- **First Citizen programme:** It accounts for 76% of our sales. Started in 1994 and with 6+ million enrolled members, it is one of the longest-running and coveted loyalty programmes in India. First Citizen members average ticket value is twice than that of a non-member. It also helps us garner gainful data-driven insights, enabling decision making across the organisation and analytics-backed targeted promotions.
- **Personal Shopper service:** The initiative innovates customer engagement and differentiates the shopping journey, contributing to 13.6% of our revenue. It was introduced to help discerning customers explore our product range and indulge in a premium end-to-end experience.
- **Vibrant leadership:** An experienced team, with a growth-mindset and streamlined focus, helps us unlock value for our stakeholders. Our commitment to good governance further enables to be a beacon for the industry.

- **Strong systems, processes and teams:** Back-end efficiencies are equally important to drive growth with profitability.

Challenges

- **High cost of operations:** Rent is one of the largest components in a retail business' fixed costs. 100% FDI in single brand retail has led to increased demand for key catchments in prominent malls, driving rentals higher.
- **Rise in cost to serve the consumer:** A wider geographical spread, together with higher management and infrastructure costs and larger store supervision spend, translates to higher cost to serve.
- **Fast-paced adoption of technology:** Greater access to global designs, technologies and management practices contribute to the development of new platforms that are steadily being adopted by the industry. This is also making older technologies gradually obsolete.
- **Scarcity of skilled workers:** The Indian organised retail space incurs a significant expenditure as personnel cost; a large part of which is on account of training and development. The industry also deals with a high churn rate. Lack of specialised courses that impart pertinent skills impacts the business' ability to build a talent pipeline.

Opportunities

- **Scale and speed of urbanisation:** By 2030, 40% of Indians will be urban residents. While metros and emerging boom towns continue to drive economic growth, rural per capita consumption will grow faster than in urban areas emulating consumption patterns of urban counterparts. [Source: World Economic Forum]
- **Income expansion:** ~60% of India's GDP is driven by domestic private consumption. With a healthy savings propensity, favourable demographics and rising income levels, this will transform the consumption profile of Indian households. [Source: World Economic Forum]
- **Premiumisation and convenience:** There is a discernible shift in preference towards premium and customised services. Convenience also continues to play for young, aspirational consumers who seek more flexibility and choice in their consumption basket. High-street retail is increasingly gaining ground, online platforms notwithstanding.
- **Beauty and personal care categories:** A combination of higher discretionary spending, rising awareness towards personal hygiene and grooming with urbanisation as well as globalisation, impact consumption decisions vis-à-vis these products.

- **Digital innovation:** Internet access will be democratised in India by 2030 with more than 1 billion citizens on the internet. More than 80% of internet users primarily access the web through mobile phones. This implies a potentially different profile of connected consumers for businesses to tap into.
- **Branding:** Clear brand communication bears a greater influence on the preferences of the modern consumer. Brand messaging that is candid and in tune with the dynamic retail environment remains relevant.
- **Data handling:** Besides a real-time update of stocks and inventory, data offers great potential for more targeted advertising.

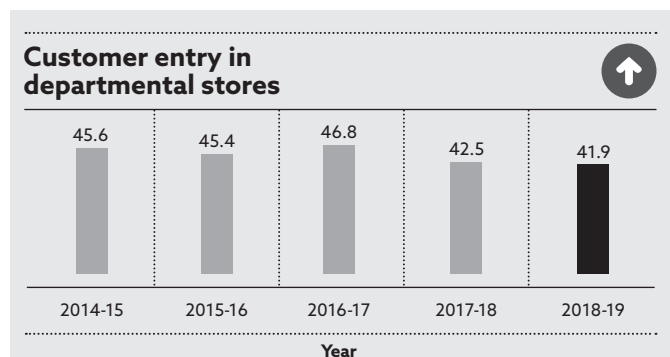
Threats

- **Economic conditions:** Retail consumption is directly linked to the general economic climate. Below-expectation GDP growth performance, subdued market confidence, unanticipated policy reforms and rising oil prices are some of the many macroeconomic factors that affect retail performance.
- **Competition:** With India continuing to be an attractive retail market, we expect many new entrants into the sector. Our nationwide footprint, seamless service offer, diversified format presence and capable management team are few of the factors that help us retain our competitive edge.
- **Industry disruptions:** Intense competition within the sector, among leading national retailers, leads to rivalry for locations, footfalls and price-based discounts. Our robust pipeline of stores and an array of insightful promotions help us navigate a tough operating context.

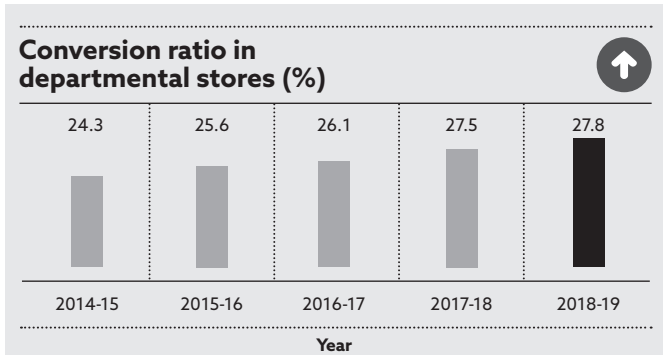
Performance review

Operational metrics

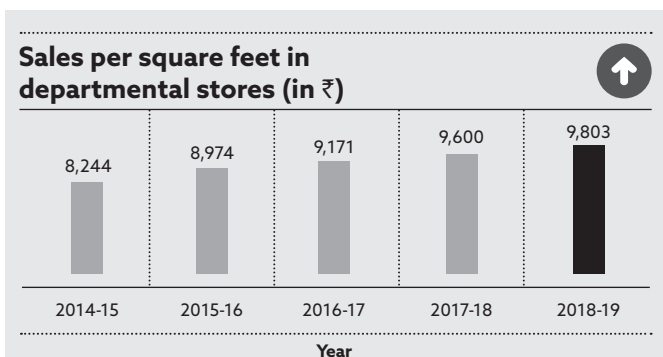
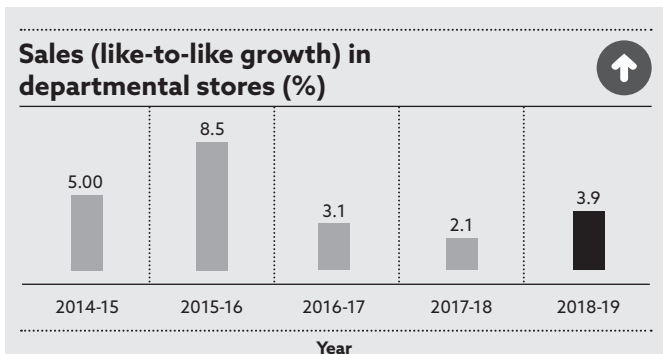
- **Customer entry**
Retailers measure entry as footfalls, which is the number of people entering the stores. This is computed through manual count in all stores during trading hours.



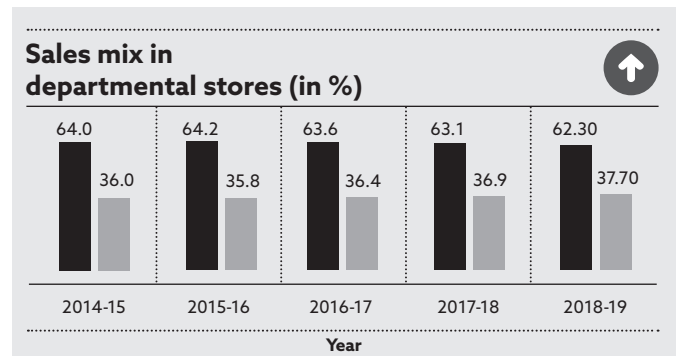
- **Conversion ratio**
Conversion is the ratio of the number of transactions (cash memo) versus the total customer entry into the stores. Tracking conversion helps the retailer understand the productivity of their front-end store employees and the attractiveness of the merchandise and services.



- **Gross sales and sales per square feet**
Gross sales both at chain level and for like-to-like stores has grown against last year.



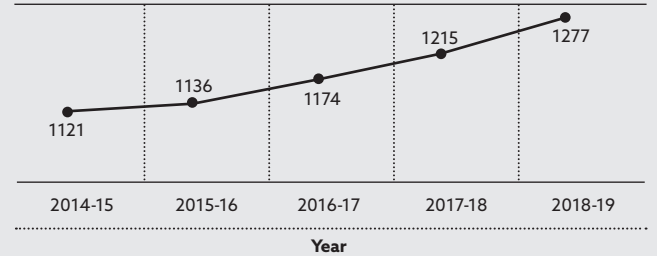
- **Sales mix**
 - **Apparel**
The apparel contribution to total sales of the Shoppers Stop departmental store business was 62.3% in FY 2019 vis-à-vis 63.1% in FY 2018.
 - **Non-apparel**
This category includes cosmetics, personal accessories, jewellery, leather goods, home wares, electronics, books and music. These lifestyle products have high aspiration value, and as the consumer class expands, there will be a big surge in the demand for this category. The non-apparel contribution to total sales was 37.7% in FY 2019 as compared to 36.9% in FY 2018.



- **Private and exclusive brands**
We aim to provide a differentiated and unique offering to the customer through our own private brands as well as via exclusive private brands. The share of private and exclusive brands remained constant at ~12%.

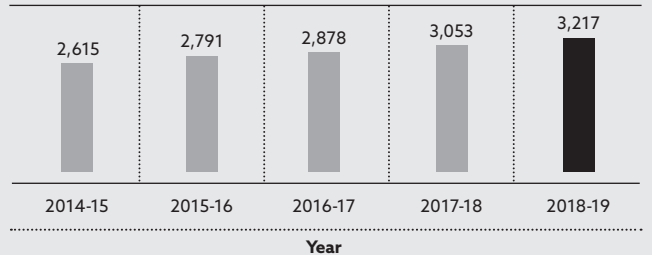
- **Average Selling Price (ASP)**
ASP is the gross retail sales divided by the number of units sold. Tracking ASP helps the retailer to align the offering as per the customer segment as well as improve the productivity of the floor space.

ASP on like-to-like basis in departmental stores (in ₹)



- **Transaction size**
Transaction size represents the amount spent by each customer on their buying. This is computed by the total sales divided by the number of cash memos. The transaction size has increased over the last five years at CAGR of 5%.

Transaction size in departmental stores (in ₹)



- **Merchandise purchase**
Our ability to present on the shelves correct merchandise assortments in the right mix, style, colour and fashion is one of our most critical success factors. A team of buyers and merchandisers continuously ensure that the pricing strategy and value proposition are completely in tune with the customers' expectations. We regularly monitor sales trends to optimise inventory levels. We also take inputs on customer buying behaviour from Loyalty and Analytics teams to alter the product and brand assortments.

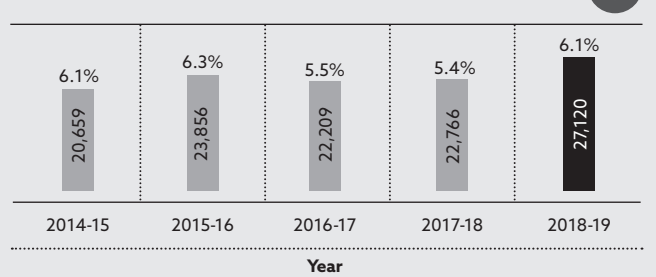
Our well-established systems and processes in buying, merchandising and logistics enable us to efficiently manage the flow of inventory to stores, provide prompt replenishments and manage pricing.

We believe in a broad distribution of risk with no dependency on any single supplier, confirming our diversified supplier base. Suppliers are selected on fairly stringent parameters to ensure the quality and reliability of supply. Alternate distribution channels for inventory have also been put in place as a contingency, should the need arise.

Financial metrics

- **EBITDA/Operating profit**
Operating profit (without exceptional items) in FY 2019 is ₹27,120 lacs (6.3% of sales) in FY 2019 as compared to ₹22,765 lacs (5.4% of sales) in FY 2018 – an increase of 19.1% over the last four years.

EBITDA



- **Net interest**
Interest cost has reduced to ₹98 Lacs, as against ₹2,751 lacs last year, post repayment of loans of ₹4,738 lacs in current year.
- **Profit after tax**
We achieved post-tax profit after exceptional items of ₹7,875 lacs, as against a profit after exceptional items of ₹1,160 lacs last year.
- **Dividend**
The Board of Directors continue to recommend a dividend of 15%, that is, ₹0.75 per share for the year under review.
- **Inventory**
The inventory at the end of current year is ₹1,05,355 lacs (without considering the impact of Ind AS 115, the inventory would have been ₹39,350 lacs), as against ₹32,842 lacs as at the end of the last year. Inventory holding period is 20 weeks during the current fiscal, as against 17 weeks last year. The inventory has been valued at lower of cost or net realisable value.
- **Liquidity**
The cash generated from operations is ₹20,998 lacs, as against ₹32,187 lacs last year.

Financial Review

The significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year in terms of Listing Regulations are summarised below:

Ratios	2018-19	2017-18	Change
Interest Coverage	21.79	6.30	245.87%
Debt Equity Ratio	0.04	0.09	(44.44%)
Return on Network	8.1%	1.2%	575%

Notes:

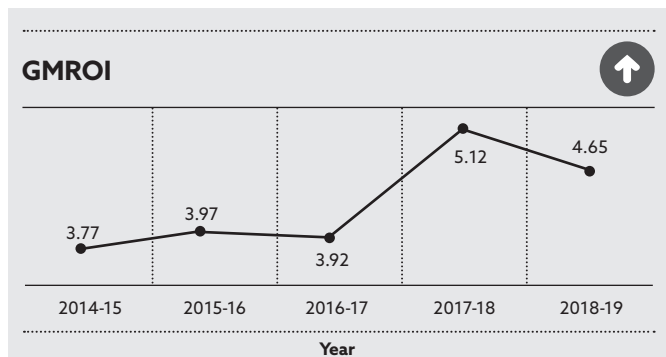
1. Better Interest coverage in current year due to lower debt and consequent reduction of finance cost.
2. Change in debt equity ratio is owing to lower debt in current year.
3. Higher Return on Network is due to higher profit in current year.

Efficiency metrics

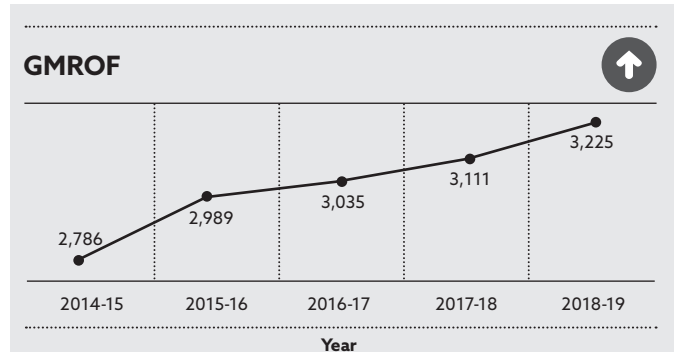
We review our Gross Margin with reference to our Space, Inventory and Labour to monitor our efficiency with the help of three indicators, that is, Gross Margin Return on Inventory (GMROI), Gross Margin Return on Floor Space (GMROF) and Gross Margin Return on Labour (GMROL).

GMROI helps to optimise inventory levels, GMROF helps to maximise the cash margins and GMROL helps to increase labour productivity.

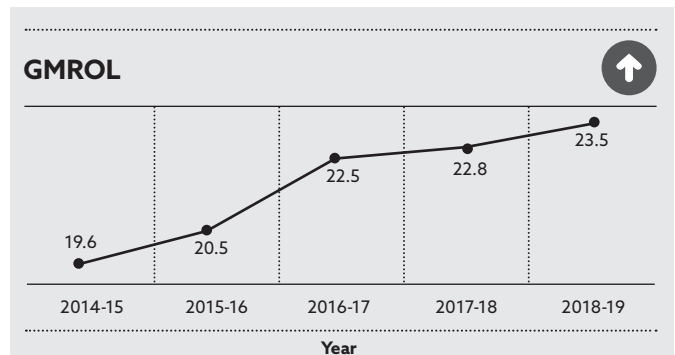
- GMROI (herein, for the GMROI calculation, inventory is taken net of returnable outright (AS115) to make it comparable with previous years)



- GMROF



- GMROL



Value for customers

In a market inundated with discounts, Shoppers Stop understands the need that customers have for an uncompromised experience and the latest in fashion and services. We also understand the need to appeal to the millennial consumer, while engaging with First Citizens comprising our core audience of families and young professionals. We are playing our strengths to sustain customers affinity towards our wide portfolio of products and brands; bringing to the fore our core brand promise of offering the best styles to the fashion conscious.

OUR KEY FOCUS CONTINUES TO BE ON CUSTOMISATION AND PERSONALISATION OF SHOPPING EXPERIENCE FOR CUSTOMERS.

First Citizens – our most cherished assets

We continue to make significant strides in the space of loyalty. First Citizens represent the most premium buying power in India. First Citizen members average ticket value is twice than that of a non-member.

We use Artificial Neural Networks to enhance the precision of predictive models and create highly efficient solutions. Our brand-based points programme is a first-of-its-kind initiative that is mapped to specific brands.

We have an enduring partnership with Citibank, through the First Citizen Citibank credit card, wherein members can explore a slew of exclusive rewards and benefits. It is counted among the few elite co-branded credit cards in the bank's portfolio.

25+ years of transactions recorded from the programme form a rich repository of insights into customers' shopping behaviour, habits and preferences. In addition, the insights influence production, promotion and campaign design and planning.

In FY 2019, we effectively carried out 300+ campaigns with 700+ sub-segments and regional segments, customised to each member. First Citizen insights drive personalised experience and relevant recommendations suggested to members who are attended by Personal Shoppers. The insights influence productions, promotion and campaign design and planning as well.

We are strategically adding colour palettes – hues and grey scale in our campaigns, while retaining our monochrome tonality synonymous with our previous communications – to engage shoppers in a more mindful way. Notable examples include the 'Wardrobe Refresh' (October 2018), 'All About Her' (November 2018), 'Goodbye Ex, Hello New' (February 2019) and 'KENDALL + KYLIE' (February 2019) campaigns.

Wardrobe Refresh

The campaign idea was seeded in to break away from the routine everyday look, and unleash the joy of shopping the fresh fashion launched at Shoppers Stop ahead of the festive season. We aimed to inspire core customers represented by our First Citizen base and acquire new customers using the advantage of a wide category mix and a strong set of brands, enabling us to offer the best in fashion to Indian consumers. The film is aspirational and tempts consumers to bring back the joy of dressing up and shopping vis-à-vis the lure of discounts that is prominent today.

All About Her

The campaign was aimed at creating a platform to celebrate the achievements of female customers while leveraging Shoppers Stop's large range of products assortment in the women's fashion and beauty segments. On ground, the campaign went live leaving no stone unturned in pampering women with styling stations, skin consultation booths and makeovers.

Goodbye Ex, Hello New

To influence the millennial generation, the campaign took a tongue-in-cheek take on Valentine's Day. With an idea to be more contextual to what's happening in customers' lives and their environment to connect with new audiences, the campaign unveiled our new season collection for summer spring of 2019, with a spin on letting go your old clothes while making place for new.

Kendall + Kylie

Celebrity sisters Kendall and Kylie, with a combined social media following of 200+ million fans, debuted their fashion line in India with its launch at Shoppers Stop. The chic handbag collection was offered under Shoppers Stop's bridge-to-luxury product assortments across stores in Delhi NCR, Mumbai, Kolkata, Hyderabad, Bengaluru, Jaipur and Ahmedabad and on our website. The collection showcased the duality of two distinct personal styles in one collection.

We deployed the world's first in-store Augmented Reality (AR) activation for the launch, to reach the young and new-age customers. We devised a bag hunt, where users were asked to locate the bag and claim it by posing with the virtual bag and sharing their image/video on Instagram using #UnclaimedBagAtSS. The AR effect was specially developed for Shoppers Stop by Attero Labs using Facebook's Spark AR. This garnered 300+ posts and organically connected with ~3,20,000 people on Instagram within a day. It received 20,000 product visualisations and 1,000+ organic captures of the virtual bag.

In all the above, Shoppers Stop's communication has not been limited to a singular medium. With a 360-degree communication approach, we capitalise a range of platforms to maximise our reach and impact. Collaborations included first-time campaigns with Tinder and Terribly Tiny Tales, among others.

Cross-pollination is the new synergy

We strategically partnered with Amazon to enhance our multi-channel presence and brought together two large retail-focused platforms to benefit the customers. We list some of our joint initiatives below:

- Launched 10 Amazon kiosks in FY 2019, to display and sell Amazon's products such as Kindle, Firestick, Alexa and Echo
- Successfully executed a joint marketing campaign (All About Her) and collaborated with India's leading influencers to reach millions of customers pan-India
- Launched Amazon's exclusive celebrity fashion brands range (Prowl and Just F) at select Shoppers Stop stores
- Cross-promoted offers and benefits to member-based programmes of both entities
- Offered an additional 15% discount benefit, through Amazon's A-Pay, to Amazon Prime subscribers at all Shoppers Stop stores

Relationship with supply chain partners

With 1,700 vendors and partners across the country, united with a desire to always create the best offering and the best experience for our customers, Shoppers Stop is keen to consciously encourage dialogue and collaboration among stakeholders. The quality of our interactions with our vendors are critical to our performance. We actively work towards creating business relationships that are built on trust and respect, ensuring sustained and efficient supply of high-quality products to our end-consumers.

Human assets

We nurture an open and inclusive workplace to let our employees grow together. We seek to imbibe a spirit of collaboration, wherein colleagues share inspiration, ideas and knowledge with each other to best serve our customers. We create conditions for the professional growth and social well-being of our employees, establishing a productive corporate culture, identifying opportunities to improve our operations and retaining and developing a skilled and committed workforce. Read more about our internal training programmes and initiatives on Page 26.

7,416

TOTAL EMPLOYEE STRENGTH

Corporate Social Responsibility (CSR)

A detailed review of the steps taken by the Company as a socially responsible corporate is disclosed in Corporate Social Responsibility Statement.

Information Technology (IT)

Innovation and technology are critical to staying relevant in an ever-evolving operating environment. Businesses are increasingly embracing self-disruption to differentiate their value proposition, change the time-tested status quo and anticipate the needs of tomorrow. As Shoppers Stop embarks on a large transformation journey, IT will be a key enabler vis-à-vis supply chain productivity, employee empowerment, assortment and merchandising and data-driven insights.

During the year, we continued to improve customer experiences at the front end, from engagement to feedback,

AS SHOPPERS STOP EMBARKS ON A LARGE TRANSFORMATION JOURNEY, INFORMATION TECHNOLOGY WILL BE A KEY ENABLER VIS-À-VIS SUPPLY CHAIN PRODUCTIVITY, EMPLOYEE EMPOWERMENT, ASSORTMENT AND MERCHANDISING AND DATA-DRIVEN INSIGHTS.

leveraging a robust IT architecture and deep back-end analytics. We launched several new initiatives at the back end as well details of some of which are listed below.

- Merchandise has its best worth when it has reached the store front in shortest possible time and is frequently refreshed. In line with our practice of investing in technologies that optimise supply chain efficiencies, we implemented single scan carton receiving process and automation of reverse logistics to significantly reduce the goods receipt and pull back time. This enables Associates to focus better on customers.
- All-round communications and seamlessly integrating technologies are key to an agile business. We invested in the best of the breed Master Data Management (MDM) solution this year, to manage all business-critical data with integrity and accuracy. This is already in use extensively in product on-boarding and on-line enrichment processes and has significantly reduced the time to make our products available online.
- We incorporated the Enterprise Service Bus (ESB) which integrates all key business technologies with minimum impact. The MDM and ESB technologies form the base on which we will continue to maintain our leadership position in retail innovation.
- We introduced an e-recruiting digital portal, which facilitates a seamless onboarding cycle. We automated various processes like promotion, separation and performance management pertinent to an employee lifecycle as well.
- The Company is investing in ERP, partnering with TCS, to implement SAP. We expect SAP to be operational by the end of FY 2020. We are investing in new loyalty engine program and new omni channel experience.
- We operate a micro learning platform to skill our people better and faster. We are one of the few companies to have received the Payment Card Industry Data Security Standard (PCI DSS) certification, confirming our compliance with stringent credit card data protection norms.

Risk governance and internal controls

We have established a robust risk management system to identify and assess the key risks and ensure smooth and efficient operations of the business. Some of the key risks are listed below, with the appropriate actions that have been initiated to mitigate, transfer or accept the risk (if need be).

Key risk and uncertainty	Description	Actions initiated
Economic and market conditions	Major changes in the economic environment may challenge the existing business strategy, have a material impact on financial performance and dilute our competitive advantage.	We rely on a multi-format model that enables us to respond to changes in customer demand, manage the product mix and pricing policy and identify opportunities for growth.
Online retail	E-commerce offers a unique value proposition to the digitally savvy new-age consumer who increasingly prefer to shop online.	We are investing in our cross-channel approach of reaching customers. Our objective is to drive sales across all channels, while recruiting customers through holistic experience-led offerings.
Execution	We operate in a multi-stakeholder context that requires careful estimation of inventory and sale.	We have a strong execution team and we believe it has the capability to execute varied retail formats.
Supplier risk	Our broadly varied offering necessitates alliances with many suppliers from various business sectors.	We enter into arrangements with vendors in various business formats such as outright buy/sale or return, consignment and concessionaire/conducting arrangement.
Shrinkage	Shrinkage in the retail business is defined as the loss in inventory through a combination of shop lifting, pilferage and errors in documentation and transaction processing that go unnoticed.	We have focus on inventory control. We monitor shrinkage on a regular basis and look at various factors that could lead to shrinkage at stores and distribution centres. Store Operations and Supply Chain teams work together and monitor the shrinkage level on a month-on-month basis. Our shrinkage percentage is controlled at 0.34% of the turnover and our endeavour will always be to lower this ratio through proper monitoring and continuously reviewing inventory management processes and systems.
Employee retention	Our strategic goals are heavily dependent on the competencies and performance of our people. The high churn rate in the retail space is a key risk, since demand for experienced personnel in modern retail will only increase in the near term and long term.	We monitor the labour market and provide employee benefits in line with and/or ahead of the market. We have a defined system for employee onboarding, training and development in place. We also nurture a culture of collaboration among our people to build a spirit of teamwork and unity. We have provided with Long Term Incentive Plan (LTIP) to our leadership team and an Employee Stock Option Plan (ESOP) as well to align them with our long-term goals.
IT and data privacy	Failure to match IT capabilities, scalability and reliability in relation to business requirements will disrupt business continuity.	We develop partnerships with the best external experts as well as nurture in-house expertise in key IT solutions. We ensure corporate governance of IT architecture with sufficient reliability of centralised IT infrastructure. We have in place policies and procedures to ensure cybersecurity.
Regulation	Our operations are subject to a broad spectrum of national and regional Statutes, Laws and regulations. These include product safety, trademarks, competition, employee and customer health and safety, data, corporate governance, employment and tax. Changes to laws and regulations or a major compliance breach could have a material impact on the business.	We have the internal controls in place, to ensure that compliances are adhered to.

Effective governance consists of competent management; implementation of standard policies and processes; maintenance of an appropriate audit programme with internal control environment; effective risk monitoring and Management Information Systems (MIS).

We adopt an integrated approach towards management of risk, formulating the framework for regulatory and risk management and standardising the definition of internal controls. We also provide a framework for risk management and regulatory compliance, which requires risk assessments and related policies, a control-based environment and activities, information and communication procedures, and a monitoring mechanism for the control environment.

We have laid down a sound system of internal controls for financial reporting of various transactions, efficiency of operations and compliance with relevant laws and regulations, commensurate with the size and nature of business. We have a robust system of management reporting and periodic review of businesses to ensure timely decision-making. These internal control procedures ensure the following:

- Efficient use and protection of resources.
- Compliance with policies, procedures and statutes.
- Accuracy and promptness of financial reports.

The MIS forms an integral part of our control mechanism. All operating parameters are monitored and controlled, with material deviations from the annual planning and budgeting and business outlook including capital expenditure reported to the Board on quarterly basis.

In adherence to the Companies Act 2013, we have documented and tested all the key internal controls related to both financial reporting and operational controls. Reports of internal auditors are reviewed by the Audit Committee and corrective measures are carried out towards further improvement in systems and procedures as well compliance with the internal controls. The Board recognises the work of the auditors as an independent check on the information received from the management on our operations and performance.

Corporate governance

We have taken adequate steps to ensure that the Corporate Governance guidelines are adopted and fully complied with. The detailed Corporate Governance Report is attached with this Report.

CAUTIONARY STATEMENT

Statements in this Annual Report, particularly those that relate to Management Discussion and Analysis, describing the 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.

DIRECTORS' REPORT

for the year ended 31 March 2019

Dear Members,

Your Directors are pleased to present herewith 22nd Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31 March 2019.

1. Financial Performance - An overview

Particulars	(₹ in lacs)	
	Year ended 31 March 2019	Year ended 31 March 2018
Retail Turnover		
Own merchandise – Gross of tax	364,686.52	387,316.73
Concessionaire/consignment merchandise-Gross of tax	-	26,259.14
Other Retail operating income	24,106.39	5,055.59
	388,792.91	418,631.46
Less: Value Added Tax	40,662.10	41,985.29
Less: Cost of concessionaire/consignment merchandise	-	17,497.26
	348,130.81	359,148.91
Other Income	1,788.65	1,602.03
Total Income	349,919.46	360,750.94
Profit before Depreciation & Tax	25,875.51	19,149.51
Less: Depreciation	13,506.90	11,192.54
Profit before Tax	12,368.61	7,956.97
Exceptional Items	-	5,040.96
Profit before tax	12,368.61	2,916.01
Less: Provision for Tax	4,493.35	1,755.63
Profit for the year (A)	7,875.26	1,160.38
Other comprehensive loss/(income) (B)	4,778.02	(706.08)
Total comprehensive income/(loss) for the year (A)+(B)	3,097.24	1,866.46

2. Review of Operations

During the year under review, your Company has opened 2 departmental stores i.e. one each at Noida and Nasik taking its chain of stores to 83 stores (including 5 airport stores), 12 HomeStop stores and 115 stores under various beauty formats under its operations.

Your Company reported growth in revenue from operations of 6% over the Previous Year, (excluding impact of Ind AS 115 and GST). The EBITDA stood at ₹27,120 lacs, with a growth of 19.1% over FY18. The Net Profit after tax for the year is ₹7,875 lacs. (Previous year ₹1,160 lacs)

For your Company, last year has been a pivotal as your Company embarked on positive growth and delivered results. Your Company reviewed every aspect of our business and worked aggressively towards strengthening our strategic pillars of First Citizen Members, Personal Shoppers, Exclusive Brands and Beauty.

Your Company has made key investments in a new leadership team and are aiming for sustainable and industry leading growth in the years ahead. The keystones of fashion, beauty, personalisation and delightful shopping experience remains as our core. Our commitment to doing what is in the best interest of our customers, associates and shareholders remains our focus.

Further, analysis of operating performance is carried under Management Discussion and Analysis, which forms part of this Annual report.

3. Dividend

For the year under review, the Directors have recommended a dividend of ₹ 0.75 per equity share (15%) on the paid-up capital of the Company (previous year ₹0.75 each per equity share) aggregating ₹ 795.60 lacs including dividend distribution tax. The payment of the said dividend is subject to approval of the Members at the ensuing Annual General Meeting ('AGM') of the Company.

The Register of Members and the Share Transfer Books of the Company will remain closed from July 24, 2019 to July 30, 2019 (both days inclusive) for determining eligible members for dividend on equity shares and AGM. The AGM is scheduled to be held on July 30, 2019.

In accordance with Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as the 'Listing Regulations'), the Company has formulated '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 the Company. The Policy is annexed as Annexure I and is also available on the Company's website at https://corporate.shoppersstop.com/uploaded_files/191b878-8de7.pdf.

4. Reserves

There is no amount proposed to be transferred to the General Reserves during the year under review.

5. Subsidiaries, Associates and Joint Venture

As on 31 March 2019, your Company has five subsidiary companies, details whereof are as under:

Crossword Bookstores Ltd. (Crossword): Crossword; the wholly owned subsidiary, with its wide portfolio of books, movies, music, toys and stationery, is the definitive place and space for those who seek information, knowledge or just the pleasure of reading. Crossword has chain strength of 83 stores across the country with a revenue of ₹9,698 lacs (previous year ₹ 10,527 lacs). Crossword posted net loss of ₹ 1,445 lacs for the year under review, against a net loss of ₹ 503 lacs in the previous year, mainly due to one time provision in inventory and other one off items.

The other four wholly owned subsidiaries of the Company viz. Upasna Trading Ltd; Shopper's Stop Services (India) Ltd.; Shoppers' Stop.Com (India) Ltd; and Gateway Multichannel Retail (India) Ltd.; have no operations during the year under review.

The Company has no joint venture or associate company. Further, no company has become or ceased to be subsidiary, joint venture entity or associate company, during the year under review.

In accordance with the provisions contained in Section 136(1) of the Companies Act, 2013 (hereinafter referred as the Act), the Annual Report of the Company, containing therein its Standalone and the Consolidated Financial Statements are available on the Company's website www.shoppersstop.com. Further, the Financial Statements of each of the aforesaid subsidiary companies are available on the Company's website and for inspection at the registered office of the Company during business hours on working days of the

Company, upto the date of ensuing AGM. Any member who is interested in obtaining a copy of the Financial Statements may write to the Company Secretary at the Registered Office of the Company.

6. 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 and shall also be laid before the ensuing AGM of the Company. The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (IND AS) under Section 133 of the Act.

Your Company reported growth in consolidated revenue from operations of 5.9% over the Previous Year, excluding impact of Ind AS 115 and GST. Consolidated profit after tax at ₹6,497.06 lacs (previous year ₹21,446.90 lacs) for the year under review.

A Report on the performance and financial position of all the 5 (five) wholly owned subsidiaries included in the Consolidated Financial Statement and their contribution to the overall performance of the Company, is provided in Form AOC - 1 and forms part of this Annual Report.

7. Employee Stock Option Plan

The Nomination, Remuneration & Corporate Governance Committee of the Company, inter-alia, administers and monitors the Employee Stock Option Schemes. During the year under review, the Company has allotted 29,239 equity shares of ₹ 5/- each on exercise of vested Employee Stock Options by the employees of the Company.

Further, during the year, the Company has granted 60,374 Employee Stock Options under ESOP - 2008 Scheme to certain leadership team members of the Company.

In terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the details of the Stock Options granted under the ESOP Scheme are annexed herewith as Annexure II. Further, certificate from S R B C & Co LLP, Statutory Auditors of the Company, with respect to implementation of Employee Stock Option Scheme, would be placed at the ensuing AGM for inspection by the Members and a copy will also be available for inspection at the Registered Office of the Company.

8. Human Resources

The Company has been aligning its Human Resources initiatives in line with the Company's Vision and promise to customer to transform their lives through Fashion & delightful experience. For this the Personal Shoppers have been trained through bespoke and blended training programs by Fashion & Styling Experts

& institutions, resulting into a delightful experience and elevation of service benchmarks. Along with regular interventions at junior & mid management level, highly customized programs for Unit Heads and Offsite for Senior Management levels and cross function are being conducted to strengthen Leadership and bring about better cohesion and collective outcome. The Company strongly pursues employees to be safeguarded during times of emergency, being preventive and defensive to any such adverse situations. To support this a dedicated helpline was launched where employees can anonymously post any PoSH complaint & seek just action. Annual training program for all the PoSH committee members, permanent and contractual employees, brand associates has been conducted to update them with the all the rights and responsibilities under PoSH. Annual Employee Engagement Survey is conducted for understanding the overall engagement levels in the organization, finding out what motivates associates and how these factors vary across different populations in the organization. The company has featured among the 100 Best companies to work in a study conducted by Great Place to Work Institute and Economic Times for 2018. It is also named among the Top 10 Great Places to work in Retail in the same survey. As on date of the Balance Sheet, the Company has 7,416 CCAs. The Company has been recognized for its innovative Human Resource initiatives as below:

Technology in HR Awards 2018 - For the initiative "SSL Radio 91" - By Retailers Association of India (RAI) at Manning Modern Retail 2018 and Best Induction Training Program - Shoppers Stop (Retail) - By TISS LeapVault CLO Awards 2018.

9. Corporate Social Responsibility (CSR)

The 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 society and stakeholders.

The Company works primarily through various implementing agencies towards supporting projects in livelihood creation for people with disabilities (employment linked training), livelihood creation for young underprivileged women, promote sustainable fashion through reuse, recycle and reduce. These projects and initiatives have been undertaken in accordance with Company's CSR Policy, formulated in terms of under Section 135 of the Act & Rules thereunder. The CSR Policy may be accessed on the Company's website at https://corporate.shoppersstop.com/uploaded_files/c3acb62-ce14.pdf. The annual report on CSR activities and details about the composition of CSR Committee is annexed as Annexure III.

10. Board of Directors & Key Managerial Personnel Non-Independent Directors

Mr. Chandru L. Raheja (DIN: 00027979), Non-Executive Promoter Chairman of the Company stepped down as a

Director and Chairman of the Company effective June 8, 2018, on account of his age, seniority and increasing personal engagements, after having served as Chairman for more than two decades. Your directors would like to place on record their sincere gratitude for the enormous contribution made by Mr. Raheja as the Chairman of the Company since its inception. The Company and the Board benefitted immensely from Mr. Raheja's vast experience, knowledge and insights.

The Board of Directors in appreciation of Mr. B. S. Nagesh's (DIN: 00027595) farsighted vision, wisdom and guidance, which have been invaluable to the Company's growth, had elevated him from the position of Vice Chairman to the Chairman of the Board of Directors and of the Company effective June 8, 2018. Prior to his role as Non-Executive Vice Chairman of the Company effective August 18, 2009, Mr. Nagesh was the Managing Director of the Company. During his then administrative & managerial position with a successful association of more than 12 years, he had played a key role in the phenomenal growth and success of the Company. Your directors would like to place on record their sincere appreciation towards the contribution made by Mr. B. S. Nagesh and welcome him as the Chairman of the Company.

Further, in accordance with the Section 152 of the Act, Mr. B. S. Nagesh, Non-Executive Non-Independent Director of the Company, retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment and attention of the Members is invited to the relevant item in the Notice convening the 22nd AGM and the Annexure to the explanatory statement thereto.

Mr. Govind Shrikhande (DIN: 00029419), Managing Director of the Company, resigned with effect from June 30, 2018, to pursue his other interest, personal commitments and engagements. The Board of Directors place on record their deep appreciation for the contributions made by Mr. Shrikhande during his association of more than 17 years with the Company.

On the recommendation of the Nomination, Remuneration & Corporate Governance Committee, Mr. Rajiv Suri (DIN: 08124971), Chief Executive Officer was appointed as the Managing Director and Chief Executive Officer, of the Company for a period of 3 years w.e.f. June 8, 2018, by the Board of Directors and Members of the Company at their meetings held on June 8, 2018 and July 27, 2018, respectively. He has been designated as the Managing Director and Chief Executive Officer of the Company. Further, the Ministry of Corporate Affairs, Government of India, had accorded its approval for appointment of Mr. Suri as the Managing Director of the Company under Clause (e) Part I of Schedule V of the Act.

Independent Directors

Ms. Abanti Sankaranarayanan (DIN: 01788443), has tendered her resignation as Independent Director of the Company, with effect from June 8, 2018, due to commitments at her work place. The Board places on record its appreciation for contribution made by her during her tenure as Independent Director of the Company.

On the recommendation of the Nomination, Remuneration & Corporate Governance Committee, Ms. Ameera Shah (DIN: 00208095) was appointed as Independent Director of the Company for a term of 5 (five) years w.e.f. June 8, 2018 by the Board of Directors and Members of the Company at their meetings held on June 8, 2018 and July 27, 2018, respectively.

The Board of Directors on July 27, 2018, on the recommendation of the Nomination, Remuneration & Corporate Governance Committee, appointed Mr. Robert Bready (DIN: 06842835) as an Additional and Independent Director of the Company for a term of 5 (five) years w.e.f. July 27, 2018, subject to approval of members at the AGM of the Company. He shall hold office as Additional Director upto the date of the ensuing AGM and is eligible for appointment as a Director. The Company has received declaration from Mr. Robert Bready confirming that he meets with the criteria of Independence as prescribed under Section 149(6) of the Act and the Listing Regulations. Further, the Company has received a notice from a Member under Section 160 (1) of the Act signifying his intention to propose the candidature of Mr. Robert Bready for the office of Director. The Board of Directors recommends his appointment and attention of the members is invited to the relevant item in the Notice convening the 22nd AGM and the explanatory statement thereto.

Based on the performance evaluation carried out by the Nomination, Remuneration & Corporate Governance Committee and the Board of Directors, Mr. Nirvik Singh, Mr. Deepak Ghaisas, Prof. Nitin Sanghavi and Mr. Manish Chokhani, the Independent Directors, are proposed to be re-appointed for second term as Independent Directors pursuant to the provisions of the Act and Listing Regulations. The Board of Directors recommends their re-appointment by way of special resolution and attention of the members is invited to the relevant items in the Notice convening the 22nd AGM and the explanatory statement thereto.

The Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and the Listing Regulations.

Key Managerial Personnel

Mr. Karunakaran Mohanasundaram was appointed as Chief Financial Officer (CFO) of the Company effective June 8, 2018, one of the Key Managerial Personnel under Section 203 of the Act & Rules thereunder.

Mr. Vijay Jain stepped down from the position of Interim Chief Financial Officer, effective from that date. There were no other changes in Key Managerial Personnel of the Company.

11. Performance Evaluation

In compliance with the Act and the Listing Regulations, the performance evaluation of the Board, its specified Committees and individual directors were carried out during the year under review. The details thereof are provided in Corporate Governance Report. The Directors expressed their satisfaction with the evaluation process, and that was reflected on the overall engagement of the Board and Committees with the Company.

12. Familiarisation Programme for Independent Directors

The Familiarisation Programme for Independent Directors which also extends to other Non-Executive Directors, aims to familiarise them with the Company, nature of the retail industry, business model, processes & policies, etc., and also seeks to update them on the roles, responsibilities, rights and duties under the Act and other statutes. The details thereof are provided in Corporate Governance Report. The details of the programme has been posted on the Company's website at web link <https://corporate.shoppersstop.com/Investors/Training.aspx>

13. Remuneration Policy

The Board of Directors and Nomination, Remuneration & Corporate Governance Committee has framed a policy on Directors, KMPs and other Senior Management Personnel appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other related matters in accordance with Section 178 of the Act and the Rules framed thereunder and Regulation 19 of the Listing Regulations. The Remuneration Policy of the Company is annexed as Annexure IV.

14. Disclosures under the Companies Act, 2013

Annual Return: The extract of Annual Return in MGT-9 as provided by Section 92 of the Act is annexed as Annexure V and is also available on the Company's website www.shoppersstop.com.

Meetings of the Board of Directors: The Board of Directors met 5 (five) times during the year under review. The maximum interval between any two meetings did not exceed 120 days, as prescribed under the Act. The details about the board meetings and the attendance of the directors thereof are provided in Corporate Governance Report.

Change in Share Capital: During the year under review, the Company allotted 29,239 equity shares of ₹5/- each on exercise of vested Employee Stock Options under the ESOP Scheme. These equity shares ranks *pari passu* in all respect. Consequent to the above

allotment of equity shares, the Issued, Subscribed and Paid-up share capital stands increased to ₹43,99,49,640 divided into 8,79,89,928 equity shares of ₹5/- each. As at 31 March 2019, the Authorised Share Capital of the Company continue to be ₹1,00,00,00,000 divided into 20,00,00,000 equity shares of ₹5/- each.

Audit and Risk Management Committee: As on date, the Committee comprises of five Non-Executive Directors i.e. Mr. Deepak Ghaisas, as the Chairman, Mr. Ravi C. Raheja, Prof. Nitin Sanghavi, Ms. Ameera Shah and Mr. Manish Chokhani as the members. During the year under review, there were no instances of non-acceptance of any recommendation of the Audit and Risk Management Committee of the Company by the Board of Directors. Ms. Ameera Shah, the Independent Director was inducted as a member of the Committee effective April 30, 2019.

Related Party Transactions: Your Company has formulated a policy on Related Party Transactions. It also includes a policy for determining material subsidiaries and on materiality of related party transactions which is available on the Company's website and is accessible at the link: https://corporate.shoppersstop.com/uploaded_files/614043c-71cd.pdf. As on 31 March 2019 and as on date, there is no material subsidiary of the Company.

During the year under review, the Company had not entered into any contract / arrangement / transaction with Related Parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act along with the justification for entering into such contract or arrangement in Form AOC - 2 does not form part of the report. However, the Directors draw attention of the members to note no. 37 of the Standalone Financial Statement which sets out related party disclosures.

All contracts, arrangements/transactions entered into during the year under review by the Company with Related Parties were in ordinary course of business and on an arm's length basis. 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 or which warrants the approval of the shareholders.

The Audit Committee and the Board of Directors have granted its omnibus approval for transactions which are repetitive in nature and the transactions which are not foreseen and has laid down the criteria of such approval before the commencement of the financial year. A statement of related party transactions entered into with Related Parties through omnibus approval

was presented to the Audit Committee and Board of Directors on a quarterly basis.

Particulars of loans, guarantees or investments: The loans, guarantees and investments covered under Section 186 of the Act forms part of the Notes to the Standalone Financial Statement provided in this Annual Report.

Other Disclosures: The Board of Directors state that no disclosure and / or reporting and / or details is required, in respect of the following items as there were no transactions on these items and / or instances / requirements / 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 shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOPs referred to in this report.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Managing Director of the Company has not received any remuneration or commission from any of the subsidiaries of the Company.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which would impact the going concern status and Company's operations in future.
- There was no revision in the financial statements.
- There was no change in the nature of the business.
- Maintenance of cost records in terms of Section 148 of the Act is not applicable to the Company.

15. Prevention of Sexual Harassment (PoSH)

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company stands strong against any kind of sexual harassment. In line with the statutory requirements, every unit and the Registered Office has a PoSH Committee. In case of any instances, employees are advised to approach to the PoSH Committee and appropriate action in this regard is initiated post detailed review of the matter. The Company encourages employees to be safeguarded during times of emergency, being preventive and defensive to any such adverse situations. To support this a dedicated helpline is provided where employees could post any such complaint & seek redressal of such grievances. Annual training programme for all the committee members of the PoSH has been conducted to update them with the best practices in this area. The employees, including housekeeping, security, contractual staff etc.

have undergone the PoSH training through e-learning & classroom sessions. The PoSH Internal Complaints Committee underwent a 2 days certificate programme on procedures and documentation of the PoSH cases. The Committee was certified by Invictus Survival Sciences. There were 31 cases received during the year and all the cases have been resolved in accordance with the PoSH regulations.

16. Risk Management

Your Company has established a robust risk management system to identify & assess the keys risks and ensure smooth and efficient operations of the business. The Company has reviewed the major risks which affects it, from both the external and the internal environment perspective and appropriate actions have been initiated to mitigate, partially mitigate, transfer or accept the risk (if need be) and monitor the risks on a regular basis.

17. Internal Financial Control

The Company has laid down internal financial control's, 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 the 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 were done through the internal audit process, established within the Company and also through appointing professional firm to carry out such tests by way of systematic internal audit programme. Based on the review of the reported evaluations, the directors confirm that, for the preparation of financial statement for the year ended 31 March 2019, 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.

18. Whistle-Blower / Vigil Mechanism

The Company has established a Vigil Mechanism and adopted a whistle-blower policy in line with the Regulations 18 and 22 of the Listing Regulations and Section 177 of the Act. The 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. Under the Policy, the Whistle-Blower can raise concerns relating to reportable matters such as unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy or any other malpractice, impropriety or wrongdoings, illegality, of regulatory requirements. The mechanism adopted by the Company encourages to report genuine concerns or grievances and provides for adequate safeguards against *victimisation* of Whistle-Blower, who avail of such mechanism. It is affirmed that no such personnel

has been denied access to the Audit Committee. The Policy is posted on the intra-net of the Company and brief details thereof is posted on the Company's website.

19. Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to norms as stipulated under the Listing Regulations. The report on Corporate Governance prepared pursuant to the provisions of Listing Regulations, forms part of the Report. The requisite certificate from S R B C & Co LLP, the Statutory Auditors of the Company, regarding the compliance with the conditions of Corporate Governance as stipulated in Regulation 34 of Listing Regulations, is annexed to the Report.

20. Management's Discussion and Analysis

Management's Discussion and Analysis on the business performance review, as stipulated in terms of Regulation 34 read with Schedule V of the Listing Regulations is available in separate section forming part of the Report.

21. Business Responsibility Report

Regulation 34 of the Listing Regulations mandate the inclusion of the Business Responsibility Report as a part of the Annual Report, for the top 500 listed companies based on market capitalisation. In compliance with the provisions of said Listing Regulations, Business Responsibility Report disclosures have been integrated into the Report.

22. Auditors

Statutory Auditors: S R B C & Co LLP, (Registration No. 324982E/E300003) Chartered Accountants were appointed as Statutory Auditors of the Company by the Members at the 20th Annual General Meeting (AGM) held on July 28, 2017, to hold office from the conclusion of the 20th AGM until the conclusion of the 25th AGM of the Company in accordance with provisions of the Act and will continue to be Statutory Auditors of the Company till their term expires. The Company has received confirmation from Statutory Auditors that their continued appointment shall be in accordance with the criteria as provided under Section 141 of the Act. The Auditors' Report to the members for the year under review was issued with unmodified opinion and does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditors: Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Kaushal Dalal & Associates, Practising Company Secretaries, (Membership No.: F7141 and C. P. No. 7512) to undertake the Secretarial Audit of the Company for the year under review. The Secretarial Audit Report issued by them, is annexed as Annexure VI. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

The Auditors has not reported any matter to the Company required to be disclosed under Section 143(12) of the Act.

23. Energy Conservation, Technology Absorption and Foreign Exchange

The information on conservation of energy, technology absorption as stipulated is annexed herewith as Annexure VII. The foreign exchange earnings was ₹ 9,625.43 lacs (Previous Year ₹ 7,978.85 lacs) and outgo was ₹ 1,969.38 lacs (Previous Year ₹1,528.42 lacs).

24. Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the said Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

Accordingly, during the year under review, the Company, has transferred unpaid & unclaimed dividend declared for the Financial Year 2010-11 to IEPF. Further, 860 Equity shares of 17 Shareholders were transferred/credited to the demat account of IEPF Authority, whose dividend has not been encashed since last seven consecutive years.

The details thereof is uploaded under "Investor Section" on the Website of the Company viz. www.shoppersstop.com. Any person whose shares and/or unclaimed dividend has been transferred to the IEPF may claim such shares and / or apply for refund in respect of such unclaimed dividend, as the case may be, under the provisions of the Act and the rules made thereunder.

25. 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 non-availability of their correct particulars. Despite various reminders to them by Karvy Fintech Private 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 Limited - 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 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. However, 600 equity

shares of 11 shareholders have been transferred from this Suspense Account to IEPF Account of Central Government. The voting rights on these shares continue to remain frozen till the rightful shareholder claims such shares.

26. Particulars of Employees

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this report.

Further, the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company and others entitled thereto. The said information is available for inspection at the registered office of the Company during business hours on working days of the Company, upto the date of ensuing AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The Annual Report including the aforesaid information is also available on the Company's website.

27. Directors' Responsibility Statement

Pursuant to the requirements of Section 134 of the Act, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended 31 March 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) appropriate accounting policies have been selected and applied them consistently and judgements 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 31 March 2019 and of the profit of the Company for the year under review;
- c) 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) the proper internal financial controls has been laid down and that the internal financial controls were adequate and were operating effectively; and
- f) the systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.

28. Secretarial Standards

During the year under review, the Company has complied with Secretarial Standards on meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India in terms of Section 118 (10) of the Act.

29. Awards and Accolades

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

- Best Department Store at the Retail Leadership Award 2019
- IMAGES Most Admired Retailer of the year Award 2018 – Store Design & Visual Merchandise
- Great Place to Work 2018 – Recognised among Top 10 Retail Companies in India
- Industry Excellence in Supply Chain – Retail Award for the 3rd Consecutive year at 12th ELSC Leadership Awards 2018
- Best Technology in HR at Manning Modern Retail Award 2018
- "Technology In HR" award by TISS LeapVault CLO Awards 2018
- DMA Asia ECHO Awards – 2018 for Best Recommender System
- Omnichannel won awards at Digital Customer Experience Summit & Awards:
 - Best Omni-Channel Customer Experience
 - Best Digital Customer Experience Strategy

- First Citizen Loyalty programme won several accolades at the Loyalty Summit & Customer Fest Awards 2019:
 - Best Loyalty Program of the year
 - Best Promotion Campaign of the Year – Wardrobe Refresh
 - Best Customer Experience in retail Sector Award
 - Best use of Data & Analytics in predictive modelling
- Association of Business Communicators of India (ABCI) recognised Annual Report 2016-17 with the Silver award at the 58th ABCI Awards 2019

30. Material Changes and commitments

There were no material changes and commitments have taken place that could have an impact on the financial position of the Company from the date of closure of financial year and the date of this Report.

31. Acknowledgement

Your Directors would like to place on record its sincere appreciation for the support and contribution made by its customers, business partners, suppliers and shareholders. The Board members takes this opportunity to thank all the Customer Care Associates, for their dedicated service, firm commitment and consistent innovative initiatives which has enabled the Company to achieve this level of financial & operating performance and recognitions, to further the goal and vision of the Company. The Directors would also like to thank various government departments, banks and financial institutions for their continuous support to the Company.

For and on behalf of the Board of Directors

B. S. Nagesh

Customer Care Associate &
Chairman

Mumbai, April 30, 2019

Certificate of Compliance with the code of conduct for the financial year 2018-19

We hereby declare that the Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company and they have affirmed compliance with the said Code of Conduct.

April 30, 2019

For Shoppers Stop Limited

Rajiv Suri

Customer Care Associate &
Managing Director and Chief Executive Officer

ANNEXURE I TO THE DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

1. Introduction

The Securities and Exchange Board of India on July 8, 2016 has inserted Regulation 43A in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top 500 listed entities (based on market capitalisation of every financial year), to formulate a Dividend Distribution Policy.

Shoppers Stop Limited; being one of the top 500 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 endeavour 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 DIRECTORS' REPORT

Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended

A General Disclosure

Disclosures in terms of the Guidance note on accounting for employee share-based payments or any other relevant accounting standards: For details please refer to notes to Financial Statement mentioned in Annual Report 2018-19.

B Summary	ESOP 2008 - 6	ESOP 2008 - 9	ESOP 2008 - 10	ESOP 2008 - 11	ESOP 2008 - 12
1 Date of Shareholders Approval	ESOP 2008 scheme was approved by members of the Company at its 11 th Annual General Meeting held on July 29, 2008				
2 Total number of options approved under the scheme	20,00,000 options were approved under ESOP 2008 scheme				
3 Date of Grant	29.04.2014	08.06.2018	08.06.2018	27.07.2018	28.01.2019
4 Options Granted	160,675	9,191	5,253	28,720	17,210
5 Vesting Schedule	30% - 29.04.2015 30% - 29.04.2016 40% - 29.04.2017	100% - 07.06.2021	30% - 08.06.2019 30% - 08.06.2020 40% - 08.06.2021	30% - 27.07.2019 30% - 27.07.2020 40% - 27.07.2021	30% - January 28, 2020 30% - January 28, 2021 40% - January 28, 2022
6 Pricing Formula	The options are granted to eligible employees at the closing price of the Equity Shares of the Company at BSE Ltd. on the working day immediately preceding the date of grant. The options were granted at an exercise price of ₹ 362/-	The options are granted to employee at the closing price of the Equity Shares of the Company at BSE Ltd. on the working day immediately preceding the date of grant. The options were granted at an exercise price of ₹ 544/-	The options are granted to employee at the closing price of the Equity Shares of the Company at BSE Ltd. on the working day immediately preceding the date of grant. The options were granted at an exercise price of ₹ 544/-	The options are granted to eligible employees at the closing price of the Equity Shares of the Company at BSE Ltd. on the working day immediately preceding the date of grant. The options were granted at an exercise price of ₹ 546/-	The options are granted to eligible employees at the closing price of the Equity Shares of the Company at BSE Ltd. on the working day immediately preceding the date of grant. The options were granted at an exercise price of ₹ 514/-
7 Maximum Term of Options Granted	Four years from the date of Grant	Five years from the date of Grant	Five years from the date of Grant	Five years from the date of Grant	Five years from the date of Grant
8 Source of Shares	Primary	Primary	Primary	Primary	Primary
9 Variation in terms of Options	-	-	-	-	-
10 Method used for Accounting of ESOP	Fair Value Method				
11 Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with (IND-AS) 20 Earnings Per Share	The diluted EPS of the Company calculated after considering the effect of potential equity shares arising on account of exercise of options is ₹ 8.95 per share.				
12 Weighted average exercise prices of the options granted during the year whose exercise price either equals or is less than the market price of the stock					
Market price is Greater than Exercise Price	NA	544	544	546	514
Market price is Less than Exercise Price	NA	NA	NA	NA	NA

B Summary	ESOP 2008 - 6	ESOP 2008 - 9	ESOP 2008 - 10	ESOP 2008 - 11	ESOP 2008 - 12
Market price is Equal to Exercise Price	NA	NA	NA	NA	NA
Weighted average Fair Value of the options granted during the year whose exercise price either equals or is less than the market price of the stock					
Market price is Greater than Exercise Price	NA	219.45	189.71	167.93	160.20
Market price is Less than Exercise Price	NA	NA	NA	NA	NA
Market price is Equal to Exercise Price	NA	NA	NA	NA	NA
C Options Movement During the year	ESOP 2008 - 6	ESOP 2008 - 9	ESOP 2008 - 10	ESOP 2008 - 11	ESOP 2008 - 12
1 Options Outstanding at the beginning of the year	49,919	0	0	0	0
Weighted average exercise price	362	NA	NA	NA	NA
2 Option Granted during the year	0	9,191	5,253	28,720	17,210
Weighted average exercise price	NA	544	544	546	514
3 Options vested during the year	-	0	0	0	0
Weighted average exercise price	NA	NA	NA	NA	NA
4 Options exercised during the year	29,239	0	0	0	0
Weighted average exercise price	362	NA	NA	NA	NA
5 No. of shares arising as a result of exercise of options during the year	29,239	0	0	0	0
6 Options cancelled & lapsed during the year	20,680	0	0	4,910	0
Weighted average exercise price	362	NA	NA	NA	NA
7 Options Outstanding at the end of the year	-	9,191	5,253	23,810	17,210
Weighted average exercise price	-	-	-	-	-
8 Options exercisable at the end of the year	-	0	0	0	0
Weighted average exercise price	-	-	-	-	-
9 Money realised by exercise of options (in ₹)	1,05,84,518	-	-	-	-
10 Loan repaid by the trust during the year from the exercise price received			NA		

D Options granted to Senior Management Personnel: Please refer disclosures under E

E Options granted to any employee during the year amounting to 5% or more of options granted during the year

Name	No. of Options				
1 Mr. Rajiv Suri - Managing Director & Chief Executive Officer	-	9,191	-	-	-
2 Mr. Karunakaran Mohanasundaram - Chief Financial Officer	-	-	5,253	-	-
3 Mr. BVM Rao - Chief Human Resource Officer	-	-	-	3,740	-
4 Mr. Devadas C - Chief Supply Chain Officer	-	-	-	3,480	-
5 Mr. Maneesh Mittal - Chief Omni Channel & Digital Officer	-	-	-	4,100	-
6 Mr. Shilpee Sharma - Chief Creative Officer	-	-	-	4,190	-

Name	No. of Options				
7 Ms. Uma Talreja - Chief Marketing & Customer Officer	-	-	-	5,430	-
8 Mr. Anil Shankar - Chief Technology Officer	-	-	-	2,870	-
9 Mr. Gopal Asthana - (Ceased to be an employee)	-	-	-	4,910	-
10 Mr. Amitabh Suri - President - Private Brands	-	-	-	-	5,300
11 Mr. Anupam Saxena - President - Beauty	-	-	-	-	5,300
12 Mr. Neeraj Nagpal - President - Brands	-	-	-	-	6,610

F Options granted to any employee equal to or exceeding 1% of the issued capital of the Company at the time of grant: None

G For stock options exercised during the period the weighted average share price on the date of exercise (₹)	578.6	NA	NA	NA	NA
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H For stock options outstanding at the end of the period, the range of exercise prices and weighted average remaining contractual life (Vesting period + exercise period)

Number of options outstanding	0	9,191	5,253	23,810	17,210
Weighted average exercise price	NA	544	544	546	514
Weighted average Contractual life (years)	NA	4.19	4.19	4.32	4.76

I A description of the method and significant assumption used during the year to estimate the fair values of options. Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Binomial options pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the Bombay Stock Exchange, over a period prior to the date of grant, corresponding with the expected life of the options has been considered. The expected life is considered as average of the minimum & maximum life of the options. There are no market conditions attached to the grant and vest.

J Employee options plan expenses The expense of ₹ 20.59 lacs has arose on account employee stock option scheme.

ANNEXURE III TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2018-19.

1	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes.	The Company has framed the CSR Policy in compliance with provisions of the Companies Act, 2013. The same is placed on the website of the Company and link for the same is http://corporate.shoppersstop.com/uploaded_files/c3acb62-ce14.pdf
2	Composition of the CSR Committee.	1. Ms. Ameera Shah, Chairperson – Independent Director 2. Mr. Ravi C. Raheja, Non-Independent Director 3. Mr. Robert Bready, Independent Director 4. Mr. Rajiv Suri, Managing Director and Chief Executive Officer Ms. Uma Talreja, Chief of Marketing & Customer Officer acts as Secretary to the Committee.
3	Average Net Profit of the Company for last 3 financial years	₹ 6,964 lacs
4	Prescribed CSR Expenditure (2% of the amount as in item 3 above)	₹ 139.28 lacs
5	Details of CSR spent during the financial year:	
	(a) Total Amount to be spent for the financial year;	₹ 139.28 lacs
	(b) Amount unspent, if any;	-
	(c) Manner in which the amount spent during the financial year	The same is provided hereunder.

(₹ In lacs)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified.	Sector in which the Project is covered	Projects or programmes 1. Local area or other 2. Specify the state and district where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount Spent on the Projects Or programmes Sub-Heads: (1) Direct Expenditure (2) Overhead	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Livelihood creation for persons with disabilities (Employment linked training)	Retail	Pan India	89.28	89.28	89.28	Implementing Agency - TRRAIN
2	Flood relief	Natural Calamity	Kerala	10	10	10	Implementing Agency - GOONJ
3	Livelihood creation for young underprivileged women (Employment linked training)	Retail	West & South	10	10	10	Implementing Agency - TRRAIN
4	Promote sustainable fashion through reuse, recycle and reduce	Environment	Pan India	30	30	30	Implementing Agency - GOONJ
6	Reasons for not spending the amount		Not Applicable				
7	The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.						

Sd/-

Rajiv Suri

Managing Director and Chief Executive Officer

Sd/-

Ameera Shah

Chairperson – CSR Committee

ANNEXURE IV TO THE DIRECTORS' REPORT

Appointment and Remuneration of Directors & Senior Management Policy

The Nomination, Remuneration & Corporate Governance Committee and this Policy is in compliance with the provisions of Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This appointment and remuneration policy applies to (i) selection and appointment of the directors and senior management (including Key Managerial Personnel (KMP) therein), and (ii) remuneration of the directors and senior management of Shoppers Stop Limited (the "**Company**").

(I) Purpose

The human resources of a company are critical to performance of the Company. Therefore the Company aims to achieve a balance of experience, expertise and the right skills amongst its Directors and other human resources and to optimise the compensation payable to them in order to drive the Company's performance to maximise stakeholders value.

The primary objective of this Policy is to provide a framework and set standards for the selection, appointment and re-appointment of directors and senior management who should have the capacity and ability to lead the Company towards achieving sustainable development. The Policy is aimed at ensuring that the management of the Company consists of persons with a diverse range of skills and qualities to meet their primary responsibility for promoting the success of the Company in a way which ensures that the interests of the Company as well as the interests of the stakeholders are promoted and protected.

(II) Definitions

"Act" shall mean the Companies Act, 2013 and rules made thereunder, including any statutory modification or re-enactment thereof for the time being in force;

"Board of Directors" or **"Board"** means the collective body of the directors of the Company;

"Company" means Shoppers Stop Limited;

"Director" means a director appointed to the Board of the Company;

"Key Managerial Personnel" in relation to a Company, means:

Managing Director or Chief Executive Officer or Manager; Whole-time Director; Chief Financial Officer; Company Secretary; such other officer, not more than one level below the Directors who is in whole-time employment and designated as key managerial personnel by the Board and such other officer as may be prescribed under the Act and Listing Regulations, from time to time.

"Listing Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

"Nomination, Remuneration & Corporate Governance Committee" shall mean the committee of the Board of Directors constituted under provisions of the Act, Listing Regulations and SBEB Regulations;

"Policy" means this Appointment and Remuneration of Directors & Senior Management policy, including any amendment(s) thereto.

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

"SBEB Regulations" means Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time.

"Senior Management" means officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise 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.

(III) Policy for Selection & Appointment of Directors and Senior Management

The Board is responsible for the selection and appointment of directors and senior management. The Board has delegated the screening and selection process involved in selecting directors and senior management to the Nomination, Remuneration & Corporate Governance Committee ("**Committee**") of the Company.

The Board has constituted the said Committee pursuant to provisions of the Act and Listing Regulations.

The Board should be of a size and composition as is conducive to quick and focused decision making. It should be large enough to incorporate a variety of perspective skills, and to represent the best interests of the Company as a whole rather than of individual shareholders or interest groups. At the same time it should not be so large that effective decision-making is hindered.

The Board of Directors believes that the membership of the Board as well as of the senior management of the Company should comprise persons with an appropriate mix of skills, experience and personal & positive attributes that allow the management to:

- Discharge their responsibilities and duties under the law effectively and efficiently;
- Understand the business of the Company and the environment in which the Company operates so as to be able to appreciate the management objectives, goals and strategic direction which will maximise stakeholder's value; and
- Assess the performance of the management in meeting those goals and objectives.

The role/terms of reference of the Committee shall, *inter-alia*, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and senior management;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on Board diversity;
- In accordance with this policy, 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 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, Remuneration & Corporate Governance Committee or by an independent external agency and review its implementation and compliance.
- Determining and recommending 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.
- Recommending to the board of directors, all remuneration, in whatever form, payable to Directors & senior management.

- Undertaking specific duties as may be prescribed by the Act, Listing Regulations and other applicable laws and or as may be prescribed by the Board of Directors of the Company, from time to time;
- 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.

The Committee shall consider the selection, appointment of the Directors and Senior Management and make a recommendation to the Board. The Committee may engage in informal discussions with the members of the Board for the purpose. Alternatively, a member of the Board may recommend a candidate for a position on the Board or as a part of senior management to the Committee. The Committee shall then assess whether a position exists for the candidate so nominated and shall also evaluate whether the nominated candidate meets the criteria and is suitable for the position.

In evaluating the necessity to appoint a director on the Board (whether by increasing the strength of the Board or on account of retirement of an existing director or otherwise), or on whether to appoint a person to senior management, due consideration should be given to the following:

- Assess the management's current skills, experience and expertise to identify the skills that may be lacking or the skills that would best increase the effectiveness of the management as well as that of the Company;
- Assess the needs of the business currently and going forward. The Board and senior management should be structured in a manner it has proper understanding of and competence to deal with the current and emerging business issues;
- The extent to which the candidate is likely to contribute to the overall effectiveness of the Board and senior management; as the case may be and work constructively with the existing management;
- The skills and experience that the candidate shall bring to the role and how he will enhance the skill sets and experience of the management as a whole.
- Independence of such candidate under the provisions of the Act, and Listing Regulations, if and as may be applicable.
- The appointment of Directors and KMP shall be subject to the compliance of the applicable laws and Articles of Association of the Company.

Accordingly, in selecting and recommending potential new director and / or member of senior management

and analysing renewal of the term of existing directors, the Committee should identify the competencies required to enable the Board and senior management to fulfill their respective responsibilities within the framework of the overall objectives and goals of the Company and wherever applicable, should also have regard to the results of the annual appraisals of the relevant person's past performance, whether on the Board of the Company or elsewhere.

While any individual person may not necessarily fulfill all criteria, in evaluating and recommending the candidature of a candidate, regard shall be had to the following criteria, skills and personal attributes:

- Outstanding in capability with extensive and varied senior commercial experience, preferably with a company engaged in the business of retail;
- High level of honesty, personal integrity and probity;
- Degree/ professional qualification, inter-alia, in the field of management, finance, accounting, technology or law;
- Strategic capability with business vision and track record of achievement;
- Entrepreneurial spirit;
- Expertise/ experience, inter-alia, in technology, accounting and finance, administration, retail, corporate and strategic planning, human resources, etc;
- Ability to be independent and capable of lateral thinking;
- Excellent interpersonal, communication and representational skills and established/ demonstrable leadership qualities;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety at work place;
- Have a reasonable network of contacts relative to the business of the Company;
- Availability of time to discharge the duties as a director of the Company including the other commitments of the candidate that require significant time commitments of the candidate.

If the candidate is found suitable, the Committee shall recommend the candidate to the Board for appointment as Director or Senior Management, as the case may be.

The term of appointment of Directors and KMPs, inter-alia shall be governed as per the provisions of the Act and Listing Regulations. Whereas the terms and conditions of appointment of Senior Management and other employees shall be governed by the prevailing HR policies of the Company.

Due to reasons for any disqualification mentioned in the Act / Listing Regulations or under any other applicable laws, and / or for any disciplinary reasons, subject to applicable laws, and the Company's prevailing HR policies, the Committee may recommend, to the Board, removal of a Director or member of Senior Management, as the case may be.

The retirement age of Directors shall be as per the applicable laws. The retirement age of Senior Management shall be as per the prevailing policy of the Company, subject to the applicable laws. Further, subject to the applicable laws, the Board shall have the discretion to retain the Director, Senior Management, even after attaining the retirement age, for the benefit of the Company.

The re-appointment of directors shall not be automatic. A Director who retires at an annual general meeting may, if willing to act, be re-appointed and is subject to the selection and appointment procedures outlined above. The re-election shall also be dependent upon the evaluation of such directors' performance by the Board.

The Committee may engage recruitment consultants as and when required to undertake search for new candidates for new positions on the Board or Senior Management and/ or may consult other independent experts where it considers necessary to carry out its duties and responsibilities.

(IV) Evaluation of Directors and Senior Management

The performance of each Director (Independent and Non-Independent) and member of senior management shall be reviewed on an annual basis by the Committee, who may use such external support as may be required to undertake such reviews.

The performance of each Director (Independent or Non-Independent) and member of senior management shall be evaluated annually against the Goal Sheet as may be decided by the Committee and or Board, from time to time. The Committee shall discuss the findings of the evaluation and give its recommendation to the Board in this regard. However, the actual evaluation shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board and of the Company as a whole.

The appointment/ re-appointment/ continuation of Independent Directors on the Board shall be subject to the outcome of the performance evaluation process. The evaluation process shall be in compliance with the Act and Listing Regulations, as amended from time to time.

(V) Remuneration of the Directors and members of Senior Management

The objective of the Company's remuneration policy is to attract, motivate and retain qualified and

expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognising the interests of the Company's stakeholders.

The remuneration/ compensation/ commission, in whatever form, for the Directors and Senior Management (including annual increments, if any) will be determined by the Committee and recommended to the Board for approval.

In determining the remuneration policy, it shall be ensured that a competitive remuneration package for executive talent is maintained and the Company should aim for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size, scale of operations and complexity, 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 a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

In order to link remuneration to the Company's performance, the remuneration package shall include a variable part in the form of an annual incentive, i.e. Profit Link Reward Scheme (PLRS), (based on factors such as the achievement of specific targets) and a long-term incentive in the form of Employee Stock Options. Equity-related compensation of Executive Directors and senior management motivates them and aligns their financial interests with those of shareholders. The emphasis should be on linking pay with performance by rewarding effective management of business performance with a long-term focus, as well as individual achievement.

In designing and setting the levels of remuneration for the members of the Board and for senior management of the Company, the Committee / Board shall also take into account the relevant statutory provisions and provisions relating to corporate governance, societal and market trends and the interests of stakeholders. However, in extraordinary circumstances the remuneration payable may exceed the level prescribed under the relevant statutory provisions by taking appropriate consents as prescribed under applicable laws.

The remuneration to Executive Director and / or Senior Management may comprise of the following components:

- Fixed remuneration;
- Performance based remuneration (variable salary);
- Use of official car to the Executive Directors/Senior Management as may be decided;
- Leave travel allowance according to the policy of the Company;
- House rent & other allowances according to the policy of the Company;
- Employee Stock Options;
- Other benefits as may be approved by the Board on the recommendation of the Committee.

Deviations on elements of this remuneration policy in extraordinary circumstances may, however, be considered, when deemed necessary in the interests of the Company, in order to attract or retain extraordinary talent.

The remuneration of Non-Executive / Independent Directors may comprise of Commission and / or Sitting Fees for attending meetings of Board or Committee thereof. Provided that the amount of fees & commission shall be such as determined by the Board of Directors from time to time. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and Listing Regulations, as amended from time to time.

(VI) Board diversity

The Board of Directors shall comprise of Directors having expertise in different areas / fields like retail, finance, sales and marketing, banking, etc. or as may be considered appropriate. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. The Board shall have at least one woman Independent director.

(VII) Scope Limitation

Further, in any circumstance where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over the policy and procedures until such time as this policy is changed to conform to the law, rule, regulation or standard as the case may be.

(VIII) Dissemination of Policy

The Company shall disclose this policy as required under the Act and Listing Regulations, from time to time.

ANNEXURE V TO THE DIRECTORS' REPORT

EXTRACT OF ANNUAL RETURN As on the financial year ended on 31 March 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]

FORM NO. MGT-9

I REGISTRATION & OTHER DETAILS:

i	CIN	L51900MH1997PLC108798
ii	Registration Date	June 16, 1997
iii	Name of the Company	Shoppers Stop Limited
iv	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
v	Address of the Registered office & contact details	Umang Tower, 5 th Floor, Mindspace, Off. Link Road, Malad (West), Mumbai - 400 064. Tel: 022-42497000 E-mail: investor@shoppersstop.com Website: www.shoppersstop.com
vi	Whether listed company	Yes
vii	Name, Address & Contact details of the Registrar & Transfer Agent	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032. Tel: (040) 6716 2222 / Toll Free No: 18003454001 E-mail ID: einward.ris@karvy.com : balaji.reddy@karvy.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name & Description of main products/services	NIC Code of the Product/service*	% to total turnover of the Company
1	Apparels	477	60.10%
2	Non-Apparels	477	39.90%

*As per National Industrial Classification - Ministry of Statistics and Programme implementation.

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN	Holding / Subsidiary/ Associate	% of Shares held*	Applicable Section
1	Crossword Bookstores Ltd. Umang Tower, 2 nd Floor, Mindspace, Off Link Road, Malad (West), Mumbai - 400 064.	U52396MH1999PLC122528	Subsidiary Company	100	Section 2(87) of the Companies Act, 2013
2	Shoppers' Stop.Com (India) Ltd. Umang Tower, 5 th Floor, Mindspace, Off Link Road, Malad (West), Mumbai - 400 064.	U72900MH2000PLC124178	Subsidiary Company	100	Section 2(87) of the Companies Act, 2013
3	Shopper's Stop Services (India) Ltd. Umang Tower, 5 th Floor, Mindspace, Off Link Road, Malad (West), Mumbai - 400 064.	U74999MH2000PLC124945	Subsidiary Company	100	Section 2(87) of the Companies Act, 2013
4	Upasna Trading Ltd. Umang Tower, 5 th Floor, Mindspace, Off Link Road, Malad (West), Mumbai - 400 064.	U51900MH1995PLC095115	Subsidiary Company	100	Section 2(87) of the Companies Act, 2013
5	Gateway Multichannel Retail (India) Ltd. Umang Tower, 5 th Floor, Mindspace, Off Link Road, Malad (West), Mumbai - 400 064.	U52100MH2007PLC170243	Subsidiary Company	100	Section 2(87) of the Companies Act, 2013

* 6 Equity Shares (1 Equity Share each) is held by 6 other entities & individuals, with due compliance of Section 89 of the Companies Act, 2013 and rules thereunder.

IV Shareholding Pattern (Equity Share capital break up as % of total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the end of the year (i.e. as on April 1, 2018)			No. of Shares held at the end of the year (i.e. as on 31 March 2019)			% change during the year	
	Demat	Physical	Total	Demat	Physical	Total		% of Total Shares
A. Promoters								
(1) Indian								
a) Individual/HUF	3,695,000	0	3,695,000	3,695,000	0	3,695,000	4.20 (0.00)	
b) Central Government/State Government(s)	0	0	0	0	0	0	0.00 0.00	
c) Bodies Corporates	52,334,674	0	52,334,674	52,334,674	0	52,334,674	59.50 (0.02)	
d) Financial Institutions/Banks	0	0	0	0	0	0	0.00 0.00	
e) Others	0	0	0	0	0	0	0.00 0.00	
Sub-Total: (A) (1)	56,029,674	0	56,029,674	56,029,674	0	56,029,674	63.70 (0.02)	
(2) Foreign								
a) Individuals (NRIs/Foreign Individuals)	0	0	0	0	0	0	0.00 0.00	
b) Bodies Corporate	0	0	0	0	0	0	0.00 0.00	
c) Institutions	0	0	0	0	0	0	0.00 0.00	
d) Others	0	0	0	0	0	0	0.00 0.00	
Sub-Total: (A) (2)	0	0	0	0	0	0	0.00 0.00	
Total Shareholding of Promoter *	56,029,674	0	56,029,674	56,029,674	0	56,029,674	63.70 (0.02)	
(A)= (A)(1)+(A)(2)								
B. Public Shareholding								
(1) Institutions								
a) Mutual Funds /UTI	12,452,958	0	12,452,958	12,551,399	0	12,551,399	14.26 0.11	
b) Financial Institutions /Banks	11,611	0	11,611	6,721	0	6,721	0.01 (0.01)	
c) Central Government/State Government(s)	0	0	-	0	0	-	0.00 0.00	
d) Venture Capital Funds	0	0	-	0	0	-	0.00 0.00	
e) Insurance Companies	0	0	-	0	0	-	0.00 0.00	
f) Foreign Institutional Investors/Foreign Portfolio Investors	8,082,545	0	8,082,545	9,139,943	0	9,139,943	10.39 1.20	
g) Foreign venture Capital Investors	0	0	-	0	0	-	0.00 0.00	
h) Others	0	0	-	0	0	-	0.00 0.00	
Alternate Investment Funds	47,300	0	47,300	188,241	0	188,241	0.21 0.16	
Sub-Total (B)(1):	20,594,414	0	20,594,414	21,886,304	0	21,886,304	24.87 1.46	

Category of Shareholders	No. of Shares held at the end of the year (i.e. as on April 1, 2018)			No. of Shares held at the end of the year (i.e. as on 31 March 2019)			% change during the year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total	% of Total Shares
(2) Non-Institutions									
a) Bodies corporates	7,954,431	0	7,954,431	9.04	6,828,060	0	6,828,060	7.76	(1.28)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lac	1,431,593	322	1,431,915	1.63	1,538,821	322	1,539,143	1.75	0.12
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lac	1,441,987	0	1,441,987	1.64	1,412,916	0	1,412,916	1.61	(0.03)
c) Others									
Non-resident Indians / Foreign Nationals	89,515	0	89,515	0.10	90,970	0	90,970	0.10	0.00
Clearing Members	57,592	0	57,592	0.07	13,600	0	13,600	0.02	(0.05)
Trusts	191,319	0	191,319	0.22	90,285	0	90,285	0.10	(0.11)
NBFCs Registered with RBI	128,728	0	128,728	0.15	52,319	0	52,319	0.06	(0.09)
HUF	40,380	0	40,380	0.05	45,063	0	45,063	0.05	0.01
IEPF	734	0	734	0.00	1,594	0	1,594	0.00	0.00
Sub-Total (B)(2):	11,336,279	322	11,336,601	12.89	10,073,628	322	10,073,950	11.45	(1.44)
Total Public Shareholding (B)=(B)(1)+(B)(2)	31,930,693	322	31,931,015	36.30	31,959,932	322	31,960,254	36.32	0.02
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	0.00	-
Grand Total (A+B+C)	87,960,367	322	87,960,689	100.00	87,989,606	322	87,989,928	100.00	0.00

* There is no change in the total number of shares held by the promoters of the Company. However, the percentage of the shareholding has changed during the year due to allotment of 29,239 equity shares due to exercise of Employee Stock Options by employees.

(ii) Share Holding of Promoters

Sr. No.	Shareholders Name	Shareholding at the end of the year (i.e. as on April 1, 2018)			Shareholding at the end of the year (i.e. as on 31 March 2019)			% change in share holding during the year**	
		No. of shares	% of total shares of the Company	No. of shares pledged	% of shares pledged/ encumbered to total shares	No. of shares pledged	% of shares pledged/ encumbered to total shares		
1	Palm Shelter Estate Development LLP	11,813,300	13.43	-	0.00	11,813,300	13.43	0.00	(0.00)
2	Ragnukool Estate Developement LLP	5,593,300	6.36	-	0.00	5,593,300	6.36	0.00	(0.00)
3	Capstan Trading LLP	5,459,768	6.21	-	0.00	5,459,768	6.20	0.00	(0.00)
4	Casa Maria Properties LLP	5,253,300	5.97	-	0.00	5,253,300	5.97	0.00	(0.00)
5	Anbee Constructions LLP	10,386,401	11.81	-	0.00	10,386,401	11.80	0.00	(0.01)
6	Cape Trading LLP	10,386,401	11.81	-	0.00	10,386,401	11.80	0.00	(0.01)
7	K Raheja Corp Private Limited	3,382,204	3.85	3,382,204	100.00	3,382,204	3.84	3,382,204	100.00
8	Neel C. Raheja	1,150,000	1.31	1,150,000	100.00	1,150,000	1.31	1,150,000	100.00
9	Ravi C. Raheja	1,100,000	1.25	1,100,000	100.00	1,100,000	1.25	1,100,000	100.00
10	Jyoti C. Raheja	747,500	0.85	747,500	100.00	747,500	0.85	747,500	100.00
11	Chandru L. Raheja	697,500	0.79	697,500	100.00	697,500	0.79	697,500	100.00
12	Inorbit Malls (India) Private Limited	20,000	0.02	-	0.00	20,000	0.02	-	0.00
13	Ivory Properties And Hotels Private Limited	20,000	0.02	-	0.00	20,000	0.02	-	0.00
14	K Raheja Private Limited	20,000	0.02	-	0.00	20,000	0.02	-	0.00
	Total	56,029,674	63.70	7,077,204	12.63	56,029,674	63.68	7,077,204	12.63

* There is no change in the total number of shares held by the promoters of the Company. However, the percentage of the shareholding has changed during the year due to allotment of 29,239 equity shares, due to exercise of Employee Stock Options by employees.

(iii) Change in Promoters' Shareholding:

There is no change in the total number of shares held by the promoters of the Company. However, the percentage of the shareholding has changed during the year due to allotment of 29,239 equity shares due to exercise of Employee Stock Options by employees.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the Company
1	RELIANCE CAPITAL TRUSTEE CO. LTD.	6,346,491	7.22	01/04/2018	-	-	6,346,491	7.22
				13/04/2018	Sale	(135,000)	6,211,491	7.06
				20/04/2018	Sale	(112,841)	6,098,650	6.93
				27/04/2018	Sale	(144,709)	5,953,941	6.77
				04/05/2018	Sale	(10,145)	5,943,796	6.76
				11/05/2018	Sale	(5,562)	5,938,234	6.75
				18/05/2018	Sale	(236,500)	5,701,734	6.48
				25/05/2018	Sale	(20,000)	5,681,734	6.46
				06/07/2018	Purchase	21,505	5,703,239	6.48
				20/07/2018	Purchase	10,000	5,713,239	6.49
				27/07/2018	Purchase	15,000	5,728,239	6.51
				03/08/2018	Sale	(918,600)	4,809,639	5.47
				10/08/2018	Sale	(682,432)	4,127,207	4.69
				28/09/2018	Purchase	66,500	4,193,707	4.77
				12/10/2018	Purchase	8,000	4,201,707	4.78
				21/12/2018	Sale	(105,588)	4,096,119	4.66
				15/02/2019	Sale	(25,564)	4,070,555	4.63
				15/03/2019	Purchase	12,953	4,083,508	4.64
				22/03/2019	Purchase	45,786	4,129,294	4.69
				29/03/2019	Purchase	625,693	4,754,987	5.40
31/03/2019	-	-	4,754,987	5.40				
2	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED	4,853,014	5.52	01/04/2018	-	-	4,853,014	5.52
				06/04/2018	Purchase	31,500	4,884,514	5.55
				13/04/2018	Purchase	75,600	4,960,114	5.64
				20/04/2018	Purchase	61,920	5,022,034	5.71
				27/04/2018	Purchase	31,680	5,053,714	5.75
				04/05/2018	Purchase	38,160	5,091,874	5.79
				11/05/2018	Purchase	49,050	5,140,924	5.84
				18/05/2018	Purchase	35,100	5,176,024	5.88
				18/05/2018	Sale	(849,277)	4,326,747	4.92
				25/05/2018	Purchase	44,950	4,371,697	4.97
				25/05/2018	Sale	(16,285)	4,355,412	4.95
				01/06/2018	Purchase	32,175	4,387,587	4.99
				08/06/2018	Purchase	44,775	4,432,362	5.04
				15/06/2018	Purchase	44,775	4,477,137	5.09
				22/06/2018	Purchase	41,850	4,518,987	5.14
				29/06/2018	Purchase	40,500	4,559,487	5.18
				06/07/2018	Purchase	40,500	4,599,987	5.23
13/07/2018	Purchase	35,100	4,635,087	5.27				
20/07/2018	Purchase	44,800	4,679,887	5.32				
27/07/2018	Purchase	40,500	4,720,387	5.36				

Sr. No.	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the Company
				03/08/2018	Purchase	52,200	4,772,587	5.42
				10/08/2018	Purchase	40,500	4,813,087	5.47
				17/08/2018	Purchase	24,300	4,837,387	5.50
				24/08/2018	Purchase	48,600	4,885,987	5.55
				31/08/2018	Purchase	15,462	4,901,449	5.57
				14/09/2018	Purchase	4,500	4,905,949	5.58
				21/09/2018	Purchase	24,750	4,930,699	5.60
				28/09/2018	Purchase	30,600	4,961,299	5.64
				05/10/2018	Purchase	24,300	4,985,599	5.67
				12/10/2018	Purchase	30,256	5,015,855	5.70
				19/10/2018	Purchase	11,021	5,026,876	5.71
				26/10/2018	Purchase	37,800	5,064,676	5.76
				02/11/2018	Purchase	45,900	5,110,576	5.81
				09/11/2018	Purchase	27,000	5,137,576	5.84
				16/11/2018	Purchase	41,850	5,179,426	5.89
				23/11/2018	Purchase	24,300	5,203,726	5.91
				30/11/2018	Purchase	50,850	5,254,576	5.97
				07/12/2018	Purchase	27,900	5,282,476	6.00
				14/12/2018	Purchase	26,861	5,309,337	6.03
				21/12/2018	Purchase	50,400	5,359,737	6.09
				28/12/2018	Purchase	32,400	5,392,137	6.13
				31/12/2018	Purchase	9,720	5,401,857	6.14
				04/01/2019	Purchase	26,100	5,427,957	6.17
				11/01/2019	Purchase	49,140	5,477,097	6.22
				11/01/2019	Sale	(11,019)	5,466,078	6.21
				18/01/2019	Purchase	33,120	5,499,198	6.25
				25/01/2019	Purchase	29,160	5,528,358	6.28
				01/02/2019	Purchase	27,000	5,555,358	6.31
				08/02/2019	Purchase	38,880	5,594,238	6.36
				15/02/2019	Purchase	43,667	5,637,905	6.41
				15/02/2019	Sale	(12,494)	5,625,411	6.39
				22/02/2019	Purchase	35,640	5,661,051	6.43
				01/03/2019	Purchase	24,413	5,685,464	6.46
				08/03/2019	Purchase	11,880	5,697,344	6.47
				15/03/2019	Purchase	29,193	5,726,537	6.51
				15/03/2019	Sale	(4,845)	5,721,692	6.50
				22/03/2019	Purchase	18,360	5,740,052	6.52
				29/03/2019	Purchase	70,366	5,810,418	6.60
				29/03/2019	Sale	(20,864)	5,789,554	6.58
				31/03/2019	-	-	5,789,554	6.58
3	AMAZON.COM NV INVESTMENT HOLDINGS LLC	4,395,925	5.00	01/04/2018	-	-	4,395,925	5.00
				31/03/2019	-	-	4,395,925	5.00

Sr. No.	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the Company
4	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	2,892,439	3.29	01/04/2018	-	-	2,892,439	3.29
				11/05/2018	Sale	(204)	2,892,235	3.29
				18/05/2018	Sale	(120,000)	2,772,235	3.15
				29/06/2018	Sale	(6,422)	2,765,813	3.14
				06/07/2018	Sale	(14,733)	2,751,080	3.13
				13/07/2018	Sale	(13,254)	2,737,826	3.11
				20/07/2018	Sale	(69,884)	2,667,942	3.03
				03/08/2018	Sale	(4,190)	2,663,752	3.03
				31/08/2018	Sale	(115,628)	2,548,124	2.90
				07/09/2018	Sale	(10,239)	2,537,885	2.88
				05/10/2018	Sale	(7,710)	2,530,175	2.88
				12/10/2018	Sale	(3,080)	2,527,095	2.87
				19/10/2018	Sale	(15,586)	2,511,509	2.85
				02/11/2018	Sale	(3,926)	2,507,583	2.85
				09/11/2018	Purchase	795	2,508,378	2.85
				07/12/2018	Sale	(2,244)	2,506,134	2.85
				21/12/2018	Sale	(313)	2,505,821	2.85
				28/12/2018	Purchase	692	2,506,513	2.85
				31/12/2018	Purchase	910	2,507,423	2.85
				11/01/2019	Purchase	10	2,507,433	2.85
				08/02/2019	Sale	(26,891)	2,480,542	2.82
				15/02/2019	Sale	(17,702)	2,462,840	2.80
				22/02/2019	Sale	(32,216)	2,430,624	2.76
01/03/2019	Sale	(6,667)	2,423,957	2.75				
08/03/2019	Sale	(5,128)	2,418,829	2.75				
15/03/2019	Purchase	21,586	2,440,415	2.77				
22/03/2019	Purchase	5,873	2,446,288	2.78				
31/03/2019	-	-	2,446,288	2.78				
5	MIRAJ MARKETING COMPANY LLP	2,098,000	2.39	01/04/2018	-	-	2,098,000	2.39
				06/04/2018	Sale	(16,000)	2,082,000	2.37
				13/04/2018	Sale	(13,000)	2,069,000	2.35
				20/04/2018	Sale	(23,000)	2,046,000	2.33
				27/04/2018	Sale	(6,567)	2,039,433	2.32
				04/05/2018	Sale	(12,580)	2,026,853	2.30
				11/05/2018	Sale	(3,535)	2,023,318	2.30
				18/05/2018	Sale	(5,334)	2,017,984	2.29
				25/05/2018	Sale	(5,851)	2,012,133	2.29
				01/06/2018	Sale	(65,073)	1,947,060	2.21
				08/06/2018	Sale	(14,078)	1,932,982	2.20
				15/06/2018	Sale	(12,391)	1,920,591	2.18
				22/06/2018	Sale	(6,553)	1,914,038	2.18
				13/07/2018	Sale	(36,255)	1,877,783	2.13
				27/07/2018	Sale	(11,818)	1,865,965	2.12
				03/08/2018	Sale	(37,047)	1,828,918	2.08
				10/08/2018	Sale	(9,633)	1,819,285	2.07

Sr. No.	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the Company
				17/08/2018	Sale	(3,531)	1,815,754	2.06
				24/08/2018	Sale	(17,309)	1,798,445	2.04
				31/08/2018	Sale	(9,500)	1,788,945	2.03
				07/09/2018	Sale	(7,000)	1,781,945	2.03
				30/11/2018	Sale	(2,893)	1,779,052	2.02
				07/12/2018	Sale	(13,568)	1,765,484	2.01
				14/12/2018	Sale	(32,500)	1,732,984	1.97
				21/12/2018	Sale	(35,435)	1,697,549	1.93
				28/12/2018	Sale	(47,806)	1,649,743	1.87
				31/12/2018	Sale	(55,869)	1,593,874	1.81
				04/01/2019	Sale	(21,500)	1,572,374	1.79
				11/01/2019	Sale	(500)	1,571,874	1.79
				01/02/2019	Sale	(500)	1,571,374	1.79
				31/03/2019	-	-	1,571,374	1.79
6	GOVERNMENT PENSION FUND GLOBAL	0	0.00	01/04/2018	-	-	-	0.00
				18/05/2018	Purchase	1,000,000	1,000,000	1.14
				22/06/2018	Sale	(4,328)	995,672	1.13
				29/06/2018	Sale	(16,501)	979,171	1.11
				03/08/2018	Purchase	400,000	1,379,171	1.57
				10/08/2018	Purchase	751,947	2,131,118	2.42
				01/03/2019	Sale	(7,726)	2,123,392	2.41
				08/03/2019	Sale	(17,534)	2,105,858	2.39
				22/03/2019	Sale	(7,282)	2,098,576	2.39
				29/03/2019	Sale	(20,094)	2,078,482	2.36
				31/03/2019	-	-	2,078,482	2.36
7	L&T MUTUAL FUND TRUSTEE LIMITED	1,183,434	1.35	01/04/2018	-	-	1,183,434	1.35
				06/04/2018	Purchase	68,559	1,251,993	1.42
				20/04/2018	Purchase	14,907	1,266,900	1.44
				27/04/2018	Purchase	73,000	1,339,900	1.52
				18/05/2018	Purchase	125,200	1,465,100	1.67
				01/06/2018	Purchase	10,000	1,475,100	1.68
				15/06/2018	Purchase	43,400	1,518,500	1.73
				13/07/2018	Purchase	18,755	1,537,255	1.75
				20/07/2018	Purchase	50,000	1,587,255	1.80
				03/08/2018	Purchase	5,000	1,592,255	1.81
				07/09/2018	Sale	(100,000)	1,492,255	1.70
				14/12/2018	Purchase	5,209	1,497,464	1.70
				15/02/2019	Purchase	42,819	1,540,283	1.75
				22/02/2019	Purchase	11,781	1,552,064	1.76
				08/03/2019	Purchase	50,187	1,602,251	1.82
				15/03/2019	Purchase	8,813	1,611,064	1.83
				31/03/2019	-	-	1,611,064	1.83

Sr. No.	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the Company
8	FIRST STATE INDIAN SUBCONTINENT FUND	915,280	1.04	01/04/2018	-	-	915,280	1.04
				10/08/2018	Purchase	179,288	1,094,568	1.24
				21/09/2018	Sale	(1,035)	1,093,533	1.24
				08/03/2019	Sale	(18,736)	1,074,797	1.22
				15/03/2019	Sale	(41,785)	1,033,012	1.17
				22/03/2019	Sale	(12,552)	1,020,460	1.16
				29/03/2019	Sale	(278,776)	741,684	0.84
				31/03/2019	-	-	741,684	0.84
9	THE MASTER TRUST BANK OF JAPAN, LTD. AS TRUSTEE OF NISSAY INDIA EQUITY SELECTION MOTHER FUND	740,578	0.84	01/04/2018	-	-	740,578	0.84
				27/04/2018	Sale	(11,831)	728,747	0.83
				04/05/2018	Sale	(7,973)	720,774	0.82
				11/05/2018	Sale	(10,480)	710,294	0.81
				18/05/2018	Sale	(18,913)	691,381	0.79
				25/05/2018	Sale	(27,216)	664,165	0.75
				01/06/2018	Sale	(7,394)	656,771	0.75
				08/06/2018	Sale	(25,428)	631,343	0.72
				15/06/2018	Sale	(33,664)	597,679	0.68
				22/06/2018	Sale	(5,000)	592,679	0.67
				21/09/2018	Sale	(29,514)	563,165	0.64
				28/09/2018	Sale	(17,061)	546,104	0.62
				05/10/2018	Sale	(13,941)	532,163	0.60
				21/12/2018	Sale	(12,804)	519,359	0.59
				28/12/2018	Sale	(16,907)	502,452	0.57
				31/12/2018	Sale	(1,823)	500,629	0.57
				11/01/2019	Sale	(19,864)	480,765	0.55
				18/01/2019	Sale	(16,258)	464,507	0.53
				25/01/2019	Sale	(5,796)	458,711	0.52
				01/02/2019	Sale	(22,333)	436,378	0.50
08/02/2019	Sale	(12,446)	423,932	0.48				
15/02/2019	Sale	(13,372)	410,560	0.47				
22/02/2019	Sale	(5,815)	404,745	0.46				
01/03/2019	Sale	(6,761)	397,984	0.45				
08/03/2019	Sale	(10,386)	387,598	0.44				
15/03/2019	Sale	(123,122)	264,476	0.30				
22/03/2019	Sale	(20,654)	243,822	0.28				
29/03/2019	Sale	(11,518)	232,304	0.26				
				31/03/2019	-	-	232,304	0.26

Sr. No.	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the Company
10	RELIANCE NIPPON LIFE INSURANCE CO LIMITED	678,983	0.77	01/04/2018	-	-	678,983	0.77
				06/04/2018	Sale	(49,944)	629,039	0.72
				13/04/2018	Sale	(11,546)	617,493	0.70
				20/04/2018	Sale	(10,229)	607,264	0.69
				27/04/2018	Sale	(1,003)	606,261	0.69
				04/05/2018	Sale	(460)	605,801	0.69
				18/05/2018	Sale	(11,691)	594,110	0.68
				25/05/2018	Sale	(10)	594,100	0.68
				01/06/2018	Purchase	7,169	601,269	0.68
				08/06/2018	Purchase	7,701	608,970	0.69
				22/06/2018	Sale	(1,003)	607,967	0.69
				29/06/2018	Sale	(1,779)	606,188	0.69
				06/07/2018	Sale	(3)	606,185	0.69
				20/07/2018	Purchase	5,000	611,185	0.69
				27/07/2018	Purchase	17	611,202	0.69
				03/08/2018	Purchase	5,014	616,216	0.70
				10/08/2018	Sale	(347)	615,869	0.70
				24/08/2018	Sale	(890)	614,979	0.70
				31/08/2018	Purchase	751	615,730	0.70
				07/09/2018	Sale	(375)	615,355	0.70
				28/09/2018	Sale	(196)	615,159	0.70
				30/11/2018	Sale	(377)	614,782	0.70
				28/12/2018	Purchase	50,000	664,782	0.76
				04/01/2019	Purchase	162,500	827,282	0.94
				11/01/2019	Sale	(2,426)	824,856	0.94
				18/01/2019	Sale	(783)	824,073	0.94
				01/02/2019	Sale	(61,738)	762,335	0.87
				22/02/2019	Sale	(13,825)	748,510	0.85
				01/03/2019	Sale	(52,082)	696,428	0.79
				31/03/2019	-	-	696,428	0.79

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name	Shareholding at the beginning of the year		Date wise Increase/Decrease in Share holding during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the Company
1	Mr. Chandru L. Raheja ¹	697,500	0.79	01.04.2018	-	-	697,500	0.79
				31.03.2019	N.A.	-	-	-
2	Mr. Ravi C. Raheja	1,100,000	1.25	01.04.2018	-	-	1,100,000	1.25
				31.03.2019	-	-	1,100,000	1.25
3	Mr. Neel C. Raheja	1,150,000	1.31	01.04.2018	-	-	1,150,000	1.31
				31.03.2019	-	-	1,150,000	1.31
4	Mr. B. S. Nagesh ²	582,685	0.66	01.04.2018	-	-	582,685	0.66
				31.03.2019	-	-	582,685	0.66
5	Mr. Govind Shrikhande ³	305,479	0.35	01.04.2018	-	-	305,479	0.35
				31.03.2019	N.A.	-	-	-
6	Mr. Deepak Ghaisas ⁴	7,750	0.01	01.04.2018	-	-	7,750	0.01
				31.03.2019	-	-	7,750	0.01
7	Prof. Nitin Sanghavi	-	-	01.04.2018	-	-	-	-
				31.03.2019	-	-	-	-
8	Mr. Nirvik Singh	-	-	01.04.2018	-	-	-	-
				31.03.2019	-	-	-	-
9	Ms. Abanti Sankaranarayanan ¹	-	-	01.04.2018	-	-	-	-
				31.03.2019	N.A.	-	-	-
10	Mr. Manish Chokhani	-	-	01.04.2018	-	-	-	-
				31.03.2019	-	-	-	-
11	Ms. Ameera Shah ⁵	N.A.	N.A.	01.04.2018	N.A.	-	-	-
				31.10.2018	Purchase	4,050	4,050	0.00
				31.03.2019	-	-	4,050	0.00
12	Mr. Robert Bready ⁶	N.A.	N.A.	01.04.2018	N.A.	-	-	-
				31.03.2019	-	-	-	-
13	Mr. Rajiv Suri (Managing Director and Chief Executive Officer) ⁷	-	-	01.04.2018	-	-	-	-
				31.03.2019	-	-	-	-
14	Mr. Karunakaran Mohanasundaram (Chief Financial Officer) ⁸	N.A.	N.A.	01.04.2018	N.A.	N.A.	N.A.	N.A.
				31.03.2019	-	-	-	-
15	Mr. Bharat Sanghavi (Company Secretary)	4,355	0.00	01.04.2018	-	-	4,355	0.00
				11.04.2018	Sale	100	4,255	0.00
				27.04.2018	Allotment under ESOP	651	4,906	0.01
				31.03.2019	-	-	4,906	0.01

Notes:

- Mr. Chandru L Raheja, Chairman and Ms. Abanti Sankaranarayanan, Director ceased to be Directors of the Company effective June 8, 2018.
- Mr. B. S. Nagesh was elevated from Vice Chairman to the Chairman effective June 8, 2018. Off the number of shares held by him, 15,000 shares are held jointly with a relative, as a second holder.
- Mr. Govind Shrikhande, Managing Director resigned from the Company effective June 30, 2018.
- Mr. Deepak Ghaisas, holds these shares with his wife as a second holder.
- Ms. Ameera Shah, appointed as Independent Director of the Company effective June 8, 2018. She holds these shares with her mother as a second holder.
- Mr. Robert Bready, appointed as an additional and Independent Director of the Company effective July 27, 2018.
- Mr. Rajiv Suri, Chief Executive Officer was appointed as the Managing Director and Chief Executive Officer of the Company effective June 8, 2018.
- Mr. Karunakaran Mohanasundaram was appointed as Chief Financial Officer of the Company effective June 8, 2018.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars				(₹ In lacs)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	8,737.90	-	0	8,737.90
ii) Interest due but not paid	0.13	0	0	0.13
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	8,738.03	-	-	8,738.03
Change in Indebtedness during the financial year				
Additions	0.00	0	0	-
Reduction	4,737.90	-	0	4,737.90
Net Change	(4,737.90)	-	-	(4,737.90)
Indebtedness at the end of the financial year				
i) Principal Amount	4,000.00	-	-	4,000.00
ii) Interest due but not paid	5.57	0	0	5.57
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	4,005.57	-	-	4,005.57

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration - Managing Director**

Sr. No.	Particulars of Remuneration	(₹ In lacs)	
		Mr. Govind Shrikhande [§]	Mr. Rajiv Suri [#]
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961	495.69	530.34
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	5.91	0.33
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
5	Others - Provident Fund	4.61	9.02
	Total (A)	506.21	539.69
	Ceiling as per the Act	Within 10% of the Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013	

Mr. Rajiv Suri, Chief Executive Officer, was appointed as Managing Director & CEO of the Company effective June 8, 2018. The remuneration includes provision of ₹214.32 lacs, made for a period commencing from January 9, 2018 to 31 March 2019, towards Performance linked bonus.

§ Remuneration to Mr. Shrikhande is upto June 30, 2018 i.e date of his cessation as Director and Managing Director of the Company. It also include long term incentive of ₹ 187.73 lacs and gratuity of ₹ 125.64 lacs & ₹ 21.35 lacs of leave encashment paid at the end of his tenure.

(Amount in ₹)

B. 1 Independent Directors		Name of the Directors							Total
Sr. No.	Particulars of Remuneration	Mr. Deepak Ghaisas	Prof. Nitin Sanghavi	Mr. Nirvik Singh	Ms. Abanti Sankaranarayanan	Mr. Manish Chokhani	Ms. Ameer Shah	Mr. Robert Bready	Total
(a)	Fee for attending Board / Committee meetings	750,000	750,000	350,000	125,000	650,000	250,000	250,000	3,125,000
(b)	Commission	600,000	300,000	600,000	-	300,000	300,000	300,000	2,400,000
(c)	Others, please specify	-	-	-	-	-	-	-	-
	Total B (1)	1,350,000	1,050,000	950,000	125,000	950,000	550,000	550,000	5,525,000
2 Other Non-Executive Directors		Name of the Directors							Total
Sr. No.	Particulars of Remuneration	Mr. Chandru L. Raheja	Mr. Ravi C. Raheja	Mr. Neel C. Raheja	Mr. B. S. Nagesh				Total
(a)	Fee for attending Board / Committee meetings	100,000	850,000	600,000	500,000				2,050,000
(b)	Commission	-	300,000	300,000	300,000				900,000
(c)	Others, please specify	-	-	-	-				-
	Total B (2)	100,000	1,150,000	900,000	800,000				2,950,000
	Total (B)=(B1+B2)								8,475,000
	Ceiling as per the Act								Commission is within 1% of the Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013

C. Remuneration to Key Managerial Personnel other than Managing Director
Key Managerial Personnel

(₹ In lacs)

Sr. No.	Particulars of Remuneration	Mr. Rajiv Suri (Chief Executive Officer upto 07.06.2018)	Mr. Karunakaran M (Chief Financial Officer w.e.f. 08.06.2018)	Mr. Vijay Jain (Interim Chief Financial Officer upto 08.06.2018)	Mr. Bharat Sanghavi (Company Secretary)	Total
1	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	74.26	95.02	15.94	48.25	233.47
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.07	-	-	0.31	0.38
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option#	-	-	-	1.15	1.15
3	Sweat Equity	-	-	-	-	-
4	Commission as % of profit	-	-	-	-	-
5	Others - Provident Fund	2.06	4.75	0.68	1.25	8.74
	Total	76.39	99.77	16.62	50.96	243.74

On account of allotment of equity shares under ESOP on April 27, 2018

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty			Nil		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			Nil		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			Nil		
Punishment					
Compounding					

ANNEXURE VI TO THE DIRECTORS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019
 [Pursuant to Section 204(1) of the Companies Act, 2013
 and Rule 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 - 400 064. 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 31st March, 2019 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 31st March, 2019, according to the provisions of:

- (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;
 - 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, 2009 - NOT APPLICABLE
 - h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- 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 that during the audit period:

1. The members of the Company in its Annual General Meeting held on 27th July, 2018 have approved the appointment of Mr. Rajiv Suri, (DIN: 08124971) as a Managing Director of the Company for a period of three years w.e.f. 08th June, 2018 and have sought approval of the Central Government for the said appointment.

For Kaushal Dalal & Associates
Company Secretaries

Kaushal Dalal
Proprietor

M. No. 7141 CP No. 7512

Date: April 30, 2019
Place: Mumbai

To,
The Members,
SHOPPERS STOP LIMITED

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our 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, regulations, 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

Date: April 30, 2019
Place: Mumbai

ANNEXURE VII TO THE DIRECTORS' REPORT

Conservation of Energy & Technology absorption.

A. Conservation of Energy

Energy conservation measures were taken during the year 2018-19:

- Installed energy efficient LED lights and Variable frequency drives (VFD) in 65 stores which resulted in saving of 36 lacs KWH of power.
- Controlled and optimised usage of HVAC by setting temperature at 24 Degree C without manual intervention by installing VFD at Air Handling Units.
- After LED installation rationalise power load in 61 stores saving 957KVA.
- Adopted good maintenance practice to avoid energy losses and optimised energy consumption.
- APFC Banks are installed for the Power factor correction and maintenance to reduce losses and to avail PF incentives on energy bills, this FY we had availed benefits of ₹ 56.26 lacs.
- Cumulative efforts were resulted in the saving of 36 lacs Units (which is equivalent to energy cost saving of appx. ₹425 lacs) cumulatively for like to like stores, achieved through consistent monitoring and controlling

the consumption at optimum level as compared to the consumption of the last year plus various initiative like LED rollout, operational efficiency improvement, adoption of good maintenance practices, etc.

- Result of the good maintenance practices and energy optimized uses helped the Company to win second prize in "Uttar Pradesh State Energy conservation Awards-2018" conducted by UPNEDA, UP Government, under the State Ministry of Power, for Shoppers Stop Store at GIP Noida, among the "Shopping Malls" category.
- Installed Solar panels in one of the stores is generating @80KWH power per day.

The Capital Investment on Energy conservation Equipment:

The company has invested ₹ 761.14 lacs on energy conservation out of which ₹ 701 lacs was for LED at stores and ₹ 60.14 lacs was towards energy efficiency measures like installation of VFD at stores.

B. Technology absorption.

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

April 30, 2019

To,
The Board of Directors
Shoppers Stop Limited
Umang Tower, 5th Floor,
MindSpace, Off Link Road,
Malad (West), Mumbai - 400 064.

Dear Sirs,

We hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year 2018-19 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 have taken or proposed to be taken 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

Rajiv Suri
Customer Care Associate &
Managing Director and Chief Executive Officer

Karunakaran Mohanasundaram
Customer Care Associate & Chief Financial Officer

BUSINESS RESPONSIBILITY REPORT

VISION AND VALUES OF THE COMPANY

The Vision and Values adopted by Shoppers Stop govern and guide all business activities and stakeholders' interactions.

Vision: To be an inspirational and trusted brand, transforming customers' lives through fashion and a delightful shopping experience every time.

Values that help us in achieving our Vision:

- **Excellence** – We will have an environment that encourages development & excellence.
- **Openness** – The obligation to dissent and an environment conducive to openness.
- **Care** – We will have a willingness to apologize and forgive.
- **Integrity** – We will be fair and not take what is not ours.
- **Innovative** – We will have an environment of innovation and growth.
- **Socially Responsible** – We will respect our customer's rights and be socially responsible.

ABOUT THIS REPORT

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members present herewith the third Business Responsibility Report (BRR) of the Company for the financial year 2018-19:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN)	L51900MH1997PLC108798
2	Name	Shoppers Stop Limited
3	Registered office Address	Umang Tower, 5 th Floor, Mindspace, Off. Link Road, Malad (West), Mumbai - 400 064. Tel: 022 - 42497000.
4	Website	www.shoppersstop.com
5	E-mail id	investor@shoppersstop.com
6	Financial Year reported	April 1, 2018 to March 31, 2019
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Apparels - 477 Non-Apparels - 477
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Apparels Non-Apparels
9	Total number of locations where business activity is undertaken by the Company	
	Number of International Locations (Provide details of major 5)	Number of International Locations - Nil
	Number of National Locations	Number of National Locations - The Company has 83 Shoppers Stop stores (including 5 airport stores) and 12 HomeStop Stores spread across India. Details of these store locations are provided in "General Shareholders Information" section of Corporate Governance Report. In addition, under the "Beauty segment", the Company also operates 115 stores under M.A.C, Clinique, Estee Lauder, Bobbi Brown and Smash Box formats.
10	Markets served by the Company - Local/State/ National/International	National

SECTION B - FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital	₹ 439,949,640 (87,989,928 Equity Shares of ₹ 5 each)
2	Total Turnover	₹ 3,48,130.81 lacs
3	Total profit after taxes	₹ 7,875.26 lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's spending on CSR for the year ended March 31, 2019 was ₹ 139.28 lacs, which is 2% of average net profit for the last 3 financials years.
5	List of activities in which expenditure in 4 above has been incurred	Livelihood creation for persons with disabilities (Employment linked training), inculcating requisite skills to under privilege women, Recycle & Upcycle of old clothes. The details above CSR activities are provided in Principle 8 - Inclusive Growth and Equitable Development and as Annexure III to the Directors' Report.

SECTION C - OTHER DETAILS

1	Does the Company have any Subsidiary Companies?	During the year under review, the Company has 5 Subsidiaries. The details of the subsidiaries form part of Annexure V to Board's Report i.e. "Form No. MGT-9 - Extract of Annual Return".
2	Do the Subsidiary Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The subsidiaries of the Company are separate legal entities and may follow BR initiatives as per rules and regulations as may be applicable to them.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company has not mandated any vendors, suppliers, business partners etc. to participate in the BR initiatives of the Company. However, they are encouraged to adopt BR Initiatives and follow the model expected from responsible business entities.

SECTION D - BR INFORMATION

1	Details of Director responsible for BR	
	(a) Details of the Director responsible for implementation of the BR policies	
	1	DIN
	2	Name
	3	Designation
	(b) Details of the BR head	
	1	DIN
	2	Name
	3	Designation
	4	Telephone number
	5	e-mail id
2	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	

(a) Details of compliance (Reply in Y/N)										
No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders? ^{Note 1}	Y	Y	Y	Y	Y	Y	-	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	The spirit and content of the Code of Conduct and the applicable laws are captured in the policies framed by the Company.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	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 and Chief Executive Officer and other policies are approved by the Managing Director and Chief Executive Officer / Functional Heads of the Company as appropriate from time to time.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policies? ^{Note 2}	Y	Y	Y	Y	Y	Y	-	Y	Y
6	Indicate the link for the policies to be viewed online?	Policies mandated to be displayed on website of the Company as per the Act and Listing Regulations are displayed at https://corporate.shoppersstop.com/Investors/Policies.aspx and all other policies are displayed on intranet platform "Spandhan"								
7	Has the policy been formally communicated to all relevant internal and external stakeholders? ^{Note 1}	Y	Y	Y	Y	Y	Y	-	Y	Y
8	Does the Company have in-house structure to implement the policies	Y	Y	Y	Y	Y	Y	-	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policies to address stakeholders' grievances related to the policies?	Y	Y	Y	Y	Y	-	-	-	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? ^{Note 3}	Y	Y	Y	Y	Y	Y	-	Y	Y
Note 1: There have been consultation with all stakeholders wherever required and possible and accordingly the relevant policies have evolved over a period of time. The same has been communicated to them wherever possible.										
Note 2: The implementation and adherence to the Code of Conduct for Employees is overseen by the Human Resource and GRC respectively. The Corporate Social Responsibility Policy is administered by the CSR Committee in line with the requirements of the Act. The Energy Management Policy is overseen by the Maintenance Function. Resolution of all customer and other business related issues are done by the relevant operating functions. The Nomination, Remuneration & Corporate Governance Committee as well oversees the implementation of certain policies.										
Note 3: The internal auditors and GRC function carry out independent audit/evaluation of working of these policies from time to time.										
(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)										
No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)									
	While there is no specific policy outlined for this principle, the Company, through trade bodies and associations, puts forth a number of suggestions with respect to the economy in general and the retail sector in particular.	-	-	-	-	-	-	✓	-	-

3	Governance related to BR	
(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The various parameters of BR performance is assessed periodically by the Management / Board of Directors and its Committees.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Business Responsibility Report being published for the FY 2018-19 by the Company is available on the website of the Company at www.shoppersstop.com

SECTION E - PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability.

WE AIM - TO CONDUCT AND GOVERN OUR BUSINESS WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY. ALL STAKEHOLDERS WHO WORK WITH COMPANY ARE EXPECTED TO ADHERE TO THESE PRINCIPLES.

Shoppers Stop has consistently held on to its reputation by abiding by the principles of ethics, transparency and accountability. These values form the cornerstone in business execution. Every employee across stores, distribution centres and services office lives by these values to ensure that business continues uninterrupted. Our people pledge to the same, through an anthem that is played, every day at 10.45 am across all stores and services office. In addition, we recognise and reward associates with 'Values award' and 'Hadh se aage award' for staying true to our value systems round the year.

To formalise the governance practices, we have a Unified Code of Conduct framework enlisting the principles and policies that ensure financial, business and workplace integrity. We are nurturing a work environment that is conducive to all stakeholders.

Our Whistle Blower Policy provides a platform to our Directors and employees to report breach of conduct or any potential concern over unethical behaviour and actual or suspected fraud and violation. To make the system more transparent, safeguards are in place to protect the victimisation of those who raise concerns. An external agency is appointed to receive and monitor complaints, through a direct helpline as well as a Post box, without divulging the whistle blower's identity. No complaints, concerns were received under this Policy, in the year under review.

Our Code of Practices and Procedures entails fair disclosure of Unpublished Price Sensitive Information (UPSI) and Code of Internal Procedures and Conduct regulates, monitors and reports on insider trading activities. Such practices ensure timely compliance towards disclosures and fulfills regulatory requirements, while instilling a sense of responsibility within pertinent stakeholders.

We have in place dedicated resources and mechanisms to respond to concerns/complaints raised by stakeholders. There are dedicated resources to respond to these stakeholders complaints within a time bound manner.

We received six complaints / communications from the shareholders during the year under review, which have been resolved satisfactorily.

Principle 2: Product Responsibility.

WE STRONGLY BELIEVE THAT 'WE ARE RESPONSIBLE FOR WHAT WE SELL'. GENUINE PRODUCT AND QUALITY ASSURANCE IS OUR PROMISE TO OUR CUSTOMERS WHO SHOP WITH US IN-STORE OR ONLINE.

As a Multi-Brand Retail Company, Shoppers Stop curates Portfolio of Fashion & Lifestyle Products from Brand and Manufacturing Partners. We have stated standards and robust practices, procedures and policy to source merchandise on a sustainable basis. The Vendor Partner Selection and Procurement is strictly aligned and encourages Vendors / Manufacturing Partners to abide and improve upon applicable Environmental, Health & Safety Standards. We are committed to continuously raise our bar in sustainable product and service supply chain to be a socially responsible enterprise.

Our Retail Format HomeStop further promotes and celebrates Sustainability through its organic, recyclable and environmental friendly offering through "Back to Earth" Homeware Products. Our end to end supply chain also encompasses reuse and recycle of packaging material and electronic wastage disposal through authorised agencies.

We encourage and empower small and medium scale businesses through sourcing our private label merchandise and supporting their technological and financial capability enhancement. Shoppers Stop continuously engages with Vendor Partners to surpass agreed Benchmarks on better design, product performance and aesthetics and leveraging best in class technology infrastructure and platform. Apart from being digitally connected, We have a formal engagement platform with our key stakeholder Vendor Partners through an Annual Partnership Forum "Partnership for Progress".

We also have a comprehensive Returns policy that enables our customers in case required to return products to our stores. On both customer and vendor side, we have an effective mechanism to track stakeholder feedback, Net Promoter Score (NPS) and Partner Satisfaction Index (PSI) respectively.

Principle 3: Wellbeing of employees.

WE NURTURE THE HOLISTIC GROWTH AND DEVELOPMENT OF OUR PEOPLE, OFFERING EQUAL OPPORTUNITY FOR EVERY EMPLOYEE.

Shoppers Stop is constantly striving to foster a healthy work environment that draws its strength from gender as well as cultural diversity. We have framed various standards and practices to support the overall health, safety and wellbeing of associates and ensure that workplaces are free from discrimination and harassment, with equal opportunity for everyone.

In line with the statutory requirements, each of our units and services office incorporates a Prevention of Sexual Harassment (POSH) Committee to safeguard employees. The POSH Internal Complaints Committee (ICC) attend a two-day certification programme on the procedures and documentation of POSH cases. The POSH ICC is certified by Invictus Survival Sciences. At the same time, employees, including housekeeping, security and other contractual staff, undergo POSH training. Awareness sessions are conducted through e-learning platforms and classroom trainings to empower employees across all groups to seek help when needed. We encourage stakeholders to report their concerns and the POSH Committee takes a detailed review, adopting corrective actions to promptly resolve the same. To maintain anonymity, we launched a dedicated helpline number wherein direct employees as well as third-party staff members can voice their concerns without disclosing their identity. We received 31 complaints in the year under review, which have been resolved satisfactorily.

Learning and development is a key intervention area for us. We offer opportunities to employees to upskill through

higher education, certification programmes and so on. 'Learning Planet' is our go-to online learning platform for all product and policy trainings as well as functional and behavioural initiatives. We acquire young talent and train them in technical, functional or management matters. As part of our digitalisation process, we have launched a software to streamline our recruitment process.

To turn shopping into a grooming experience, we have trained close to 250 Personal Shoppers who help customers make the right choices on the shop floor. We have strategically hired experienced experts to accelerate the growth of our critical business verticals such as Beauty, Private Brands and so on. We have also initiated a decentralised regional structure, in order to channelise focus and reduce turnaround times. We regularly conduct manufacturer and supplier site visits, to understand process lifecycles, receive first-hand knowledge of retail best practices and facilitate cross-pollination of insights.

Shoppers Stop was featured among the '100 Best Companies to Work' in a study conducted by Great Place to Work Institute and Economic Times, in 2018. We were also among the Top 10 Great Places to Work in Retail in the same survey. Some of the other accolades that we received in the year, for our efforts towards improving employee wellbeing are listed here.

- Best Technology in HR – for the initiative SSL Radio 91 – by Retailers Association of India (RAI) at Manning Modern Retail 2018
- Best Induction Training Program – for Shoppers Stop (Retail) – by TISS LeapVault CLO Awards 2018

1	Total number of employees	7,416		
2	Total number of employees hired on temporary/ contractual/ casual basis	2,157		
3	Number of permanent women employees	2,065		
4	Number of permanent employees with disabilities	34		
5	Do you have an employee association that is recognized by management?	No		
6	What percentage of your permanent employees are members of this recognized employee association?	Not Applicable		
7	No. of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Category	No. of complaints received during the year	No. of complaints pending as on end of the financial year
		Child labour/forced labour/ involuntary labour	0	N.A.
		Sexual Harassment	31	0
		Discriminatory employment	0	N.A.
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year	98%		

Principle 4: Responsiveness to Stakeholders.

WE RESPECT THE INTERESTS OF AND ARE RESPONSIVE TOWARDS ALL STAKEHOLDERS.

The key categories of internal and external stakeholders comprise shareholders, Central and State Governments/regulatory authorities, customers, employees, vendors, suppliers, media, financial institutions/banks, service providers and communities at large. Engagement with them is an ongoing process, being attended through formal and informal ways. We have established adequate grievance redressal systems for customers and investors. We also have a variety of other suitable mechanisms to protect the interest of our stakeholder fraternity. We disclose all relevant information about our products, business and financial performance and other statutory information on our website and other media to ensure effective and continuous stakeholder engagement.

We recognise the role that we can play in uplifting members of the society; and accordingly, take initiatives to protect the community and ensure its well-being. We engage with communities to identify their needs and expectations. Our Corporate Social Responsibility (CSR) programmes address the requirement of the communities. The brief details of our CSR initiatives during the year under review are enumerated in Annexure III of the Directors' Report.

Principle 5: Human Rights.

WE UPHOLD, PROTECT AND ADVOCATE HUMAN RIGHTS IN EVERY SPHERE OF OUR BUSINESS.

Human rights are a non-negotiable priority for Shoppers Stop. Our Unified Code of Conduct, which extends to all employees, business partners and third-party contractors, clearly articulates our values promoting utmost respect for human rights. We adhere to all statutes that embody the principles of human rights, such as prevention of child labour, empowerment of women, civil liberties, non-discrimination, etc. We proactively take corrective measures to mitigate any breach in the above mentioned. We did not receive any complaints related to human rights violation during the year under review.

Principle 6: Environmental Responsibility.

WE RESPECT AND PROTECT THE ENVIRONMENT. WE ARE SENSITIVE TO OPTIMISING OUR RESOURCE FOOTPRINT AND MONITORING OUR BUSINESS ON SUSTAINABILITY PARAMETERS.

Shoppers Stop consistently identifies and assesses potential environmental risks. Our Energy Management Policy applies to all business units, employees and contractors in service to the business of the Company. It is built on the principles of 3Rs: Reduce, Reuse and Recycle. We are continuously seeking to optimise energy consumption, reduce operating costs, minimise threats to business continuity and appeal to consumers with sustainable brands; thereby increasing shareholder value.

Our in-house intranet network, Think Green facilitates insightful discussions on environmental issues between employees.

Some of the green initiatives that we undertook in the year are listed here.

- Installed energy-efficient Light Emitting Display (LED) lights and Variable Frequency Drivers (VFD) in 65 stores, saving 36 lacs KWH of power;
- Rationalised power load in 61 stores, saving 957 KVA;
- Installed solar panels in one store, saving 42,000 electrical units p.a.
- Harvested rainwater in our store in Hyderabad, saving 60,000 litres p.a. and reducing carbon emissions by ~52 tonnes;
- Recycled electronic waste at 11 stores and the Service Office, reducing carbon emissions by ~6 tonnes;
- Recycled 4,270 plastic bottles at 3 stores and safely destroyed them, preventing harm to landfills and reducing carbon emission by ~52 tonnes;
- Revamped and reused, refurbished floor fixtures and used environment-friendly alternatives wherever possible, in line with best-in-class store planning and maintenance practices.

During the year under review, the Company has not received any show cause / legal notice from CPCB or SPCB. The details of our initiatives towards energy conservation during the year under review are shared in Annexure VII of the Directors' Report.

Principle 7: Public Policy Advocacy.

WE MEANINGFULLY ENGAGE WITH INDUSTRY BODIES TO ENSURE A CONTINUOUS AND RESPONSIBLE DIALOGUE OVER RELEVANT MATTERS.

Shoppers Stop generally conveys its policy positions through its membership with Retailers Association of India (RAI). A non-profit entity, RAI acts as effective retailer voice and works towards the overall industry development. They support retailers PAN India to modernise their technology and other facilities, thus improving standards and procedures. A significant advocate for retailing in India, RAI works with all levels of government and stakeholders and makes customer delight one of its topmost priority.

We also hold memberships of other industry associations such as Clothing Manufacturers Association of India (CMAI), Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce & Industry (FICCI). Internationally, we are a part – and the only Indian member – of Intercontinental Group of Department Stores (IGDS). IGDS is the largest association of department stores world over.

We actively participate in various seminars, conferences and other forums on industry issues and policy matters that impact the interest of our stakeholders. Although we are a member of the associations, we have not advocated or lobbied for any of the above causes.

Principle 8: Inclusive Growth and Equitable Development.

OUR AIM IS TO MAINTAIN A HARMONIC RELATIONSHIP WITH THE WIDE NETWORK OF CUSTOMERS, BRAND PARTNERS AND EMPLOYEES TO OPTIMISE OUR STRENGTH TO BETTER SERVE THE COMMUNITIES IN WHICH WE OPERATE.

Inclusive growth is critical to enhancing our business resilience. Shoppers Stop's CSR programmes are aimed

to address some of the important challenges faced in the areas of employability generation and skilling, development and empowerment, livelihood generation, water, health, sanitation, environment and sustainable initiatives among others.

We follow a stringent governance process to review each of our CSR initiatives and assess their progress and impact on the community every quarter with CSR Committee.

Rupees 139.28 lacs was spent towards our CSR initiatives for FY18-19 in collaboration with external implementing agencies - not-for-profit organizations and subject matter experts.

(₹ In lacs)

Program impact area	CSR project or activity identified	Location	Amount
Employment	Livelihood creation for persons with disabilities (Employment linked training)	Pan India	89.28
Women Empowerment & Employment	Livelihood creation for young underprivileged women (Employment linked training)	West and South India	10.00
Environment & Sustainability	Promote sustainable fashion through reuse, recycle and reduce with Goonj	Pan India	30.00
Natural calamity	Flood relief	Kerala	10.00
Total			139.28

EMPLOYMENT & SKILLING

We partnered with Trust for Retailers & Retail Associates of India (TRRAIN), to:

- Support training programmes that help sensitise the differently abled and develop their life skills, English language proficiency and client-facing specific skills required in the retail segment under their initiative PANKH Wings of Destiny. We created opportunities for earning a livelihood for 728 such people and promoted inclusive growth within the retail industry. The company provided direct employment to 34 people with disabilities in the fiscal.

WOMEN EMPOWERMENT

- Promote inclusivity and gender diversity within the industry, the company sponsored the training for a 30 days non-residential women livelihood training program 'TrainHer' for 225 young women aged between 18-28 years who have completed their SSC/ SSLC. With an aim to create sustainable livelihood for women in the retail industry and make them financially independent the program focused on developing - Life Skills, English language proficiency for customer service, engagement and retail specific skills.

The response and retention has been very high for the trainees under both these initiative.

ENVIRONMENT & SUSTAINABILITY

We collaborated with Goonj, a non-profit organisation, to launch #FashionForGood, encouraging individuals to donate their old and unused clothes at any of Shoppers Stop stores round the year. For every bag of textiles dropped

off, we incentivised customers with a voucher that can be redeemed on select brands towards their next purchase. There are three aspects to this collection drive.

- Re-wear:** Wearable material received in good condition are distributed to families in rural communities.
- Reuse:** Cotton material are used to make cloth-based sanitary pads for women.
- Recycle:** Wearable material received in non-usable condition are shredded and weaved into quilts, mats and multi-purpose cloth bags.

We supplied to ~3,000 households with clothes for the entire family. The making of these products also employed the services of hundreds of village women. We additionally supported Goonj's efforts with monetary donations to recycle clothes.

HEALTH, WATER & SANITATION

We also gathered voluntary donations to support those affected by the devastating floods in Kerala in September 2018. ₹ 3.75 lacs was collected by the associates at the Services Office and across all stores. In addition, we donated ₹ 10 lacs towards the same, through Goonj. The modest contributions were part of a nationwide effort by citizens to help over 5 lac flood-ravaged communities.

Our pan-India blood donation drive, Ayushman Ho was held on the Foundation Day - October 27 across all 83 stores. This united our associates at the Services Office and across all stores to come forward for the common cause of 'Saving a life'. A total of 2,707 units of blood was collected on the day.

Principle 9: Engagement with Customers.

TO PROVIDE THE BEST VALUE IN TERMS OF PRODUCTS AND SERVICES. ADOPT THE BEST PROCESSES FOR CUSTOMERS AND MATCH GLOBAL STANDARDS OF PERFORMANCE.

We aim to enhance our shopping experiences to our diverse network of customers who shop with us through multiple mediums. To empower them to make their purchase decision, we display all the requisite information on product labels as per the guidelines. We keep our ears on the ground to listen to the evolving needs of our customers and their feedback on their shopping experience with rollout of our periodic surveys through formal and informal mechanisms. This also helps us to understand the consumer satisfaction levels and latest trends that they seek.

To reach our young audience, apart from our Shoppers Stop handles on social media, we also launched a specific Shoppers Stop beauty handle on Instagram to educate them with engaging content. The social media channels help us with a two-way dialogue with our customers to help them solve their query, product return, other issues as well as provide product information and demos to help customers make an informed purchase decision all within a quick turnaround time ranging between 24-48 hours on case-to-case basis. Direct unbiased feedback from the customers

go a long way in upgrading several business operational practices.

With an aim to delight our First Citizen members, we proactively celebrate their birthdays, anniversaries and special occasions with them in-store or with prior permission a team goes to their home to celebrate the special occasion. We also invite our loyal members and their families periodically for a "Meet & Dine" with a member from our Leadership team. To create memorable experiences for our customers and social media fans, we invite them for an exclusive "Meet & Greet" sessions with Celebrities in-store for a new product, brand, service or store launch.

As on March 31, 2019, there are 466 (online and offline) customer complaints pending, which are being meticulously attended to, redress their grievances. Further, the company is defending eight ongoing consumer cases as well. There are no cases pending in relation to unfair trade practices, irresponsible advertising and/or anticompetitive behavior. However, dissatisfied customers of the Company generally file their cases in consumer protection forums for alleged deficiency in expected level of service by the Company, in the normal course of business, which the Company defends appropriately.

Why shop with Shoppers Stop?

- Shop anytime and anywhere, with a seamless Omni-channel shopping experience in store and online, with added features like 'Click & Collect' and 'Endless Aisle'
- Explore curated collections and in-trend styles across various product categories: apparels, footwear, accessories, beauty and home décor
- Return and exchange at any store
- Obtain 100% original products with brand warranty and genuineness certificates
- Access zero cost alterations at any store (and for products purchased online as well)
- Book a personalised shopping experience through the Personal Shoppers programme and enjoy exclusive services
- Avail an exquisite product assortment from international, national, celebrity, exclusive and private brands
- Indulge in over 150 brands for beauty and wellness

INDEPENDENT AUDITOR'S CERTIFICATE

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

The Members of Shoppers Stop Limited
Umang Tower,
5th Floor, Mindspace,
Off Link Road, Malad (West),
Mumbai - 400 064

1. The Corporate Governance Report prepared by Shoppers Stop Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended 31 March 2019. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. 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.
3. 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

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. 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 the Institute of Chartered Accountants of India.

6. 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.
7. 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 key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors w.r.t. executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on 31 March, 2019 and verified that atleast one women director was on the Board during the year;
 - iv. Obtained and read the minutes of the following committee meetings held during the period 1 April, 2018 to 31 March, 2019:
 - (a) Board of Directors meeting;
 - (b) Audit committee;
 - (c) Annual General meeting;
 - (d) Nomination Remuneration & Corporate Governance Committee;
 - (e) Stakeholders Relationship committee;

- v. Obtained necessary representations and declarations from directors of the Company including the Independent Directors; and
- vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

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.

- 8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, that we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31 March 2019, referred to in paragraph 1 above.

Other matters and Restriction on Use

- 9. 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.

- 10. 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 S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Vijay Maniar

Partner

Membership Number: 36738

Place: Mumbai

Date: April 30, 2019

CORPORATE GOVERNANCE REPORT

The Directors present herewith the Company's Report on Corporate Governance for the year ended 31 March 2019, in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's philosophy on Code of Governance

The Company remains committed to good corporate governance practices in all its activities to ensure that the ultimate goal of making it, a value driven organisation. Its philosophy on Corporate Governance is to (i) ensure adequate control systems to enable the Board to efficiently conduct the business and discharge its responsibilities towards shareholders; (ii) ensure that the decision-making process is fair and transparent; (iii) ensure fullest involvement and commitment of the management for maximisation of shareholders value; (iv) imbibe the corporate values in the associates and encourage them in their conduct; and (v) ensure that the Company follows the globally recognised corporate governance practices.

The Company make conscious efforts to institutionalise these practices and believe that it shall go beyond adherence to the regulatory framework. The Company is committed to continuously adopt and adhere the best practices, in order to enhance stakeholder's value.

Board of Directors

The Board of Directors along with its Committees provides leadership and guidance to the Senior Management with a strategic direction and thrust to the operations of the Company. The Company has a strong Board with a mix of Non-Executive Directors, Non-Executive Independent Directors including a Woman Director 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 the 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 (the 'Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').

The key decisions are taken after detailed deliberations and discussions by the Board and 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 laws applicable to the Company.

None of the Directors on the Board of the Company hold directorship in more than 20 (twenty) companies, including 10 (ten) public companies pursuant to the provisions of the Act. All the Directors have confirmed that they do not hold membership of more than 10 (ten) and do not act as chairman/chairperson of more than 5 (five) Audit and Stakeholders Relationship Committees across all public companies in which they are Directors, pursuant to the Regulation 26 of the Listing Regulations.

All the Independent Directors have confirmed that they meet the criteria of Regulations 16(1)(b) and 25(8) of the Listing Regulations and Section 149(6) of the Act. None of the Independent Directors of Company serve as an Independent Director in more than 7 (seven) listed companies. Further, there are no Directors on the Board of the Company, who is serving as a whole-time director with any other listed Company. The maximum tenure of the Independent Directors is in compliance with the provisions of the Act and Listing Regulations. The terms and conditions of the appointment of Independent Directors are hosted on the Company's website. The Board of Directors has formed an opinion that the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are of independent of the Management.

Ms. Abanti Sankaranarayanan (DIN: 01788443), has stepped down as an Independent Director of the Company, with effect from June 8, 2018, due to commitments at her work place. It is confirmed that there are no other material reason other than the reason stated above. Further, Ms. Ameera Shah (DIN 00208095) was appointed as an Independent & Non - Executive Director by the board and members of the Company at their meetings held on June 8, 2018 and July 27, 2018 respectively. Mr. Robert Bready (DIN 06842835) was appointed as an Additional Independent & Non-Executive Director, by the Board on July 27, 2018, subject to the approval of the members.

Mr. Govind Shrikhande (DIN 00029419), Managing Director of the Company stepped down from the Directorship of the Company w.e.f. June 30, 2018.

Mr. Rajiv Suri (DIN 08124971), Chief Executive Officer was appointed as the Managing Director & CEO of the Company for a period of 3 years w.e.f. 8 June 2018, by the Board of Directors and Shareholders of the Company at their meetings held on 8 June 2018 and 27 July 2018 respectively. The Ministry of Corporate Affairs, Government of India, had approved Mr. Suri's appointment as the Managing Director of the Company under clause (e) Part I of Schedule V of the Companies Act, 2013. The remuneration payable to him, comprises of salary, perquisites, allowances, performance bonus, retiral benefits in terms of approval accorded by the Board and Shareholders.

Based on the performance evaluation, the Nomination, Remuneration & Corporate Governance Committee and the Board of Directors have recommended re-appointment of Mr. Nirvik Singh, Mr. Deepak Ghiasas, Prof. Nitin Sanghavi and Mr. Manish Chokhani, the Independent Directors, for specified Second Term, as Independent Directors pursuant to the provisions of the Act and Listing Regulations at the ensuing Annual General Meeting.

The composition of the Board, the number of directorship, and committee chairmanship/membership held by them in all public companies, attendance at the Board meetings held during the year under review, at 21st Annual General Meeting (AGM) and their shareholding as on 31 March 2019 are as given below:

Name of Directors	Director Identification Category Number	Attendance particulars	No. of Directorships & Committee Memberships/Chairmanships (Excluding Shoppers Stop Limited.)			No. of Equity Shares (Face Value ₹ 5 each)		
			Board Meetings	Last AGM	Directorships ¹		Committee Membership ^{1&2}	Committee Chairmanship ^{1&2}
Mr. Chandru L. Raheja ³	00027979	Promoter & Non-Executive Director	1 of 2	NA	NA	NA	NA	NA
Mr. B. S. Nagesh ⁴ (Chairman)	00027595	Non-Executive Director	5 of 5	Yes	3	2	0	582,685
Mr. Ravi C. Raheja	00028044	Promoter & Non-Executive Director	5 of 5	Yes	4	5	0	1,100,000
Mr. Neel C. Raheja	00029010	Promoter & Non-Executive Director	4 of 5	Yes	4	1	0	1,150,000
Prof. Nitin Sanghavi	00863107	Independent & Non-Executive Director	4 of 5	Yes	0	0	0	0
Mr. Deepak Ghaisas ⁸	00001811	Independent & Non-Executive Director	5 of 5	Yes	3	1	0	7,750
Mr. Nirvik Singh	01570572	Independent & Non-Executive Director	2 of 5	Yes	1	0	1	0
Mr. Manish Chokhani	00204011	Independent & Non-Executive Director	4 of 5	No	4	4	0	0
Ms. Ameera Shah ^{6&8}	00208095	Independent & Non-Executive Director	2 of 3	Yes	3	5	0	4,050
Mr. Robert Bready ⁶	06842835	Independent & Non-Executive Director	2 of 2	NA	0	0	0	0
Mr. Rajiv Suri ⁵ (Managing Director & CEO)	08124971	Executive Director	3 of 3	Yes	1	1	0	0
Ms. Abanti Sankaranarayanan ³	01788443	Independent & Non-Executive Director	1 of 2	NA	NA	NA	NA	NA
Mr. Govind Shrikhande ⁷ (Managing Director)	00029419	Executive Director	1 of 2	NA	NA	NA	NA	NA

The Board of Directors comprises of competent members who bring in proficiency, skills and competencies in the business in which Company operates. The Board of Directors of the Company has identified the following skill set with reference to its business and retail sector and which are available with the Board as a whole.

- Expertise in the field of management, finance, accounting, marketing, retail, corporate and strategic planning.
- 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.
- Ability to be independent and capable of lateral thinking.
- Excellent interpersonal, communication and representational skills and established/demonstrable leadership qualities.

Notes:

1. The other Directorships and Chairmanships/Memberships of committees held in Foreign Companies, Private Limited Companies and Companies incorporated u/s 8 of the Companies Act, 2013 (u/s 25 of erstwhile Companies Act, 1956) are excluded.
2. The Chairmanship and Membership of Audit Committee and Stakeholders Relationship Committee alone are considered.
3. Mr. Chandru L. Raheja, Promoter Chairman & Non-Executive Director and Ms. Abanti Sankaranarayanan, Non-Executive Independent Director of the Company, stepped down from the Directorship of the Company w.e.f. 8 June 2018.
4. Mr. B.S. Nagesh was elevated from Vice Chairman to the Chairman of the Board of Directors & of the Company w.e.f. 8 June 2018. Off the number of shares held by him, 15,000 shares are held jointly with a relative, as a second holder.
5. Mr. Rajiv Suri, Chief Executive Officer was appointed as a Managing Director and Chief Executive Officer of the Company w.e.f. 8 June 2018.
6. Ms. Ameera Shah was appointed as an Independent & Non - Executive Director by the board and members of the Company at their meetings held on June 8, 2018 and July 27, 2018 respectively. Mr. Robert Bready was appointed as an Additional Independent & Non-Executive Director, by the board on July 27, 2018, subject to the approval of the members.
7. Mr. Govind Shrikhande, Managing Director of the Company stepped down from the Directorship of the Company w.e.f. 30 June 2018.
8. Includes shares held jointly with a relative as a second holder.
9. Mr. Ravi C. Raheja and Mr. Neel C. Raheja are related to each other as brothers. No other Director is related to any other Director of the Company.

There are certain board members of the Company, who are also on the board of other listed companies in India. The details thereof as on 31 March 2019 are as under:

Name of Directors	Name of other listed Company	Category of directorship
Mr. B. S. Nagesh	Marico Limited	Independent & Non-Executive Director
	Kaya Limited	Independent & Non-Executive Director
Mr. Ravi C. Raheja	Chalet Hotels Limited	Promoter & Non-Executive Director
Mr. Neel C. Raheja	Chalet Hotels Limited	Promoter & Non-Executive Director
Mr. Deepak Ghaisas	The Ugar Sugar Works Limited	Independent & Non-Executive Director
Mr. Manish Chokhani	Zee Entertainment Enterprises Limited	Independent & Non-Executive Director
	Westlife Development Limited	Independent & Non-Executive Director
Ms. Ameera Shah	Kaya Limited	Independent & Non-Executive Director
	Torrent Pharmaceuticals Limited	Independent & Non-Executive Director

The Board meets at least once in every calendar quarter and 4 times in a year with a maximum time gap of not more than 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 Leadership team are invited at the Board meetings to provide necessary insights into the performance of the Company and for discussing corporate strategies with board members.

In order to support go green initiatives and sustainability, reduce the paper consumption and steps towards adopting newer technology, the Company uses web based Board Application for disseminating the agenda papers, circular resolution, minutes for Board and Committee meetings, electronically. The Directors can access them for the Board and Committee meetings through iPad/web. The agenda of the meetings along with the explanatory notes and relevant documents are uploaded well in advance for the Board members and in the exceptional circumstances, tabled at the Meeting, with the approval of the Board of Directors.

During the year under review, the Board of Directors met five times i.e. on 27 April 2018, 8 June 2018, 27 July 2018, 26 October 2018 and 28 January 2019. The requisite quorum was present at all the meetings.

Separate meeting of Independent Directors:

During the year under review, Independent Directors meeting in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25 of the Listing Regulations and Para 2.3 of the Secretarial Standard-1, was convened without the presence of Non-Independent Directors and management representatives, *inter-alia*, to discuss the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman, 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.

Familiarisation programme for Independent Directors

A familiarisation programme for Independent Directors, also extends to other Non-Executive Directors. It aims to familiarise them with the Company, nature of the retail industry, business model, processes & policies, etc., and also seeks to update them on the roles, responsibilities, rights and duties under the Act, Listing Regulations and other statutes. On appointment, the concerned Independent Director is issued a 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 programme by Managing Director & CEO of the Company.

The Presentations are regularly made to the Board of Directors, Audit and Risk Management Committee and Nomination, Remuneration & Corporate Governance Committee on various related matters, where Directors interact with the respective senior management officials. These Presentations, *inter-alia*, includes Company's strategy, business model, operations, markets, products, finance, risk management framework, financial performance, budget & control process and such other areas as may arise from time to time. Besides, these, the Independent Directors and Company's senior management 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 for the Directors are available on the Company's website at web link: <https://corporate.shoppersstop.com/Investors/Training.aspx>

Performance Evaluation

The Board adopted a process for evaluating its performance and effectiveness as well as that of its Committees and individual directors. The exercise was carried out through a structured questionnaire covering various aspects, such as Board composition and quality, strategy and risk management, relation with the management, board meetings and procedures. Further, a separate exercise was carried out to evaluate the performance of individual Directors including Independent Directors, based on their participation at Board & Committee meetings and contribution therein. Based on the aforesaid performance evaluation, 4 (Four) Directors of the Company were re-appointed for Second Term as Independent Directors pursuant to the provisions of the Act and Listing Regulations. Further, the Board of Directors expressed their satisfaction towards the process followed by the Company for evaluating the performance of the Directors, Board and its Committees.

Remuneration of Directors

Compensation paid / payable to Non-Executive Directors for the year is as under:

Name of Non-Executive Directors	Commission	Sitting Fees	(Amount in ₹ lacs)
			Total
Mr. Chandru L. Raheja ²	-	1.00	1.00
Mr. Ravi C. Raheja	3.00	8.50	11.50
Mr. Neel C. Raheja	3.00	6.00	9.00
Prof. Nitin Sanghavi	3.00	7.50	10.50
Mr. Deepak Ghaisas	6.00	7.50	13.50
Mr. Nirvik Singh	6.00	3.50	9.50
Ms. Abanti Sankaranarayanan ²	-	1.25	1.25
Mr. Manish Chokhani	3.00	6.50	9.50
Ms. Ameera Shah ³	3.00	2.50	5.50
Mr. Robert Bready ^{3&4}	3.00	2.50	5.50
Mr. B. S. Nagesh	3.00	5.00	8.00
Total	33.00	51.75	84.75

Notes:

1. A sitting fees of ₹100,000/- is paid to the Directors for attending each meeting of the Board and ₹50,000/- for attending each meeting of Audit & Risk Management Committee, Nomination, Remuneration & Corporate Governance Committee and ₹25,000 for Corporate Social Responsibility (CSR) 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. The Commission to Non-Executive Directors will be paid after the financial statements are approved by the shareholders at the Annual General Meeting scheduled to be held on 30 July 2019.
2. Mr. Chandru L. Raheja, Promoter Chairman & Non-Executive Director and Ms. Abanti Sankaranarayanan, Independent & Non-Executive Director of the Company, stepped down from the Directorship of the Company w.e.f. 8 June 2018.
3. Ms. Ameera Shah and Mr. Robert Bready, Independent & Non-Executive Directors of the Company were appointed w.e.f. 8 June 2018 and w.e.f. 27 July 2018 respectively.
4. An amount of ₹ 9 Lacs is payable to Mr. Robert Bready, for providing training and advisory services to the Senior Management of the Company. It will be paid after the financial statements are approved by the shareholders at the Annual General Meeting scheduled to be held on 30 July 2019.

Criteria for making payment of Commission to Non-Executive Directors

The Nomination, Remuneration & Corporate Governance Committee and the Board of Directors had decided that the criteria for payment of commission to Non-Executive Directors would be on the basis of collective performance and not individual performance. However, the Chairman of Audit and Risk Management Committee & Chairman of Nomination, Remuneration & Corporate Governance Committee would be paid an additional amount as commission for the year under review. The Committee also decided that for members who are using their intellectual capabilities and putting additional time and resources with the Management of the Company will be compensated with additional Commission.

Remuneration paid to Executive Directors of the Company

Particulars	(Amount in ₹ lacs)	
	Mr. Rajiv Suri [#]	Mr. Govind Shrikhande [§]
Salary	530.34	495.69
Perquisites	0.33	5.91
Total	530.67	501.60

Mr. Rajiv Suri, Chief Executive Officer, was appointed as Managing Director and Chief Executive Officer of the Company effective 8 June 2018. The remuneration includes provision of ₹ 214.32 lacs, made for a period commencing from 9 January, 2018 to 31 March 2019, towards Performance linked bonus. Such incentive is linked to the performance of the Company and of the Managing Director and is based on various qualitative and quantitative performance criterion.

§ Remuneration to Mr. Shrikhande is upto 30 June 2018 i.e. date of his cessation as Director and Managing Director of the Company. It also include long-term incentive of ₹ 187.73 lacs and gratuity of ₹ 125.64 lacs & ₹ 21.35 lacs of leave encashment paid at the end of his tenure. Such long-term incentive is linked to the performance of the Company and of the Managing Director and is based on various qualitative and quantitative performance criterion.

ESOPs:**Mr. Rajiv Suri, Managing Director and Chief Executive Officer**

Scheme	Date of Grant	Options Granted	Options vested and exercised	Grant price per equity share (₹)	Vesting period	Exercise Period
ESOP 2008 - IX	08.06.2018	9,191	NIL	544	3 years	2 years

Service Contract, Severance Fees and Notice Period:

Mr. Rajiv Suri was appointed as a Managing Director & CEO of the Company for a period of 3 years w.e.f. 8 June 2018, by the Board of Directors and Members of the Company at their meetings held on 8 June 2018 and 27 July 2018 respectively. The Ministry of Corporate Affairs, Government of India, had approved Mr. Suri's appointment as the Managing Director of the Company under clause (e) Part I of Schedule V of the Companies Act, 2013. There is no separate provision for payment of any severance fees. There is a notice period of 3 (three) months from either side.

Committees of Board of Directors

The Board has constituted various committees comprising Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast 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 these committees in line with the regulatory requirements. These Committees play a vital role in the overall management of day to day affairs and governance of the Company. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The proceedings of these Committee meetings are documented in form of draft minutes and circulated to the Members of the respective Committees for their comments, if any. Thereafter, it is confirmed and signed by the Chairperson of the respective Committees. The Board also takes note of the minutes of the meetings of these Committees. The following Board Committees have been constituted by the Board and were in force during the year under review:

1. Audit Committee
2. Nomination, Remuneration and Corporate Governance Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Finance Committee

Audit Committee

The Company had constituted an Audit Committee in the year 2001. The composition and role/terms of reference of the Committee are 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. Further, pursuant to amendment to Regulation 21(5) of the Listing Regulations, whereby, the top 500 companies based on the market

capitalisation, were under an obligation to constitute a Risk Management Committee, define the role and its responsibility and may delegate review and monitoring of risk management plan w.e.f. April 1, 2019 to the said Committee. The Board of Directors has decided to delegate the risk assessment, review and its monitoring to Audit Committee and in turn renamed the Committee as Audit and Risk Management Committee effective January 28, 2019.

The Audit & Risk Management Committee comprises of 4 (four) Non-Executive Directors, of which 3 directors are Independent Directors. They are well versed with finance, accounts, corporate laws and general business practices. During the year under review, 5 (five) meetings of the Committee were held i.e. on 27 April 2018, 8 June 2018, 26 July 2018, 26 October 2018, and 21 January 2019, wherein which the requisite quorum as prescribed under the Listing Regulations was present. The Composition of the Audit & Risk Management Committee and the attendance of the members at the meetings held are as follows:

Name of Member	Status	Category	No. of meetings attended
Mr. Deepak Ghaisas	Chairman	Independent Director	5 of 5
Mr. Ravi C. Raheja	Member	Non-Executive Director	5 of 5
Prof. Nitin Sanghavi	Member	Independent Director	3 of 5
Mr. Manish Chokhani	Member	Independent Director	5 of 5

The Managing Director and Chief Executive Officer and Chief Financial Officer are the permanent invitees to the Committee Meetings. The Company Secretary of the Company acts as Secretary to the Committee. The Audit & Risk Management Committee invites such of the executives, as it considers appropriate to be present at the meeting. The representatives of the Internal and Statutory Auditors are also present at the Committee Meetings. The Chairman of the Committee was present at the 21st AGM of the Company held on 27 July 2018.

Role/Terms of Reference of the Audit & Risk Management Committee:

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 judgement 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;
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;

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 Listing Regulations.

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 crores 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 review the payment of creditors and dividend to shareholders and ensure that commitments are adhered to;
 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. Reviewing the utilisation of loans and/or advances from/investment by the Company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.
 21. The Audit Committee may sub-delegate all or any of its power as referred above to any sub-committee, Managing Director/ Director(s)/ Chief Financial Officer/ Company Secretary of the Company subject to provisions of the Act, Listing Regulations and other applicable laws;
 22. To undertake specific duties as may be prescribed under the Act, Listing Regulations, other applicable laws and/ or carrying out any other function as may be decided & delegated by the Board of Directors.

Nomination, Remuneration & Corporate Governance Committee

The Company has constituted a Nomination, Remuneration & Corporate Governance Committee in the year 2001. The composition and role of the Nomination, Remuneration & Corporate Governance Committee are in line with the Regulation 19 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act.

The Committee comprises of 3 (three) Non-Executive Directors, of which 2 (two) directors are Independent Directors. During the year under review, 4 (four) meetings of the Committee were held i.e. on 27 April 2018, 27 July 2018, 26 October 2018, and 28 January 2019. The Composition of the Committee and the attendance of the members at the meetings held are as follows:

Name of Member	Status	Category	No. of meetings attended
Mr. Nirvik Singh	Chairman	Independent Director	3 of 4
Prof. Nitin Sanghavi	Member	Independent Director	4 of 4
Mr. Neel C. Raheja	Member	Non-Executive Director	4 of 4

The Managing Director and Chief Executive Officer is the permanent invitee to the Committee Meetings. The Chief Human Resource Officer of the Company acts as Secretary to the Committee. The Chairman of the Committee was present at the 21st AGM of the Company held on 27 July 2018.

Role/Terms of Reference of the Nomination, Remuneration & Corporate Governance Committee:

1. 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.
2. In formulating the aforesaid policy, following needs to be considered:
 - a) 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;
 - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
3. Formulation of the criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. 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;
6. 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;
7. Recommend to the board of directors, all remuneration, in whatever form, payable to Directors & senior management;
8. 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;
9. The Nomination, Remuneration & Corporate Governance Committee may sub-delegate all or any of its power as referred above to any sub-committee, Managing Director/Director(s)/Chief Financial Officer/ Company Secretary or Chief Human Resource Officer of the Company subject to the provisions of the Act, Listing Regulations and other applicable laws;
10. To undertake specific duties as may be prescribed by the Act, Listing Regulations other applicable laws and or as may be prescribed by the Board of Directors of the Company, from time to time.

Remuneration Policy

The Board of Directors has on the recommendation of the Nomination, Remuneration & Corporate Governance Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration, in accordance with the provisions of the Act and the Listing Regulations. The said policy is provided in Annual Report.

Stakeholders Relationship Committee

The Company has constituted a Stakeholders Relationship Committee in the year 2004. The composition and role of the Stakeholders Relationship Committee are in line with the Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act. Mr. Bharat Sanghavi, Company Secretary of the Company acts as Compliance Officer.

The Committee comprises of 4 (four) Non-Executive Directors, of which 1 (one) director is an Independent Director. During the year under review, 3 (three) meetings of the Committee were held i.e. on 27 April 2018, 27 July 2018 and 26 October 2018. The composition of the Committee and the attendance of the members at the meetings held are as follow:

Name of Member	Status	Category	No. of meetings attended
Mr. Ravi C. Raheja	Chairman	Non-Executive Director	3 of 3
Mr. Neel C. Raheja	Member	Non-Executive Director	3 of 3
Mr. B. S. Nagesh	Member	Non-Executive Director	3 of 3
Mr. Deepak Ghaisas*	Member	Independent Director	2 of 2

* Mr. Deepak Ghaisas, Independent Director, was appointed as a Member w.e.f. 8 June 2018.

Role/Terms of Reference of the Stakeholders Relationship Committee:

1. 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.;
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. The Stakeholders Relationship Committee may sub-delegate all or any of its power as referred above to any sub-committee, Managing Director/ Director(s)/ Chief Financial Officer/ Company Secretary or Registrar and Share Transfer Agent of the Company subject to provisions of the Act, Listing Regulations and other applicable laws;
6. To undertake specific duties as may be prescribed by the Act, Listing Regulations, other applicable laws and/ or carrying out any other function as may be decided & delegated by the Board of Directors.

During the year, the Company has received 6 communications/grievances, which were attended and resolved to the satisfaction of the shareholders. No grievances were pending at the end of the year. Pursuant to Regulation 40 of the Listing Regulations, the Company obtains half-yearly compliance certificate, from a Company Secretary in Practice, with regard to the share transfer formalities and issue of certificates within prescribed time limit and submit a copy of the certificate to the Stock Exchanges. No request for transfer and dematerialisation were pending for approval as on 31 March 2019. The Company has not received any complaint during the year under review from SEBI - SCORES, a web based centralised grievance redressal system of SEBI.

Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee comprises of 4 (four) Directors. Ms. Ameera Shah, Independent Director, is the Chairperson of the Committee. The other members of the CSR Committee are Mr. Ravi Raheja - Promoter & Non-Executive Director, Mr. Rajiv Suri - Managing Director and Chief Executive Officer and Mr. Robert Bready - Independent Director.

The Composition of CSR Committee is in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. In terms of provisions of Section 135 of the Act, the Company had spent ₹139.28 lacs for the Financial Year 2018-19 towards CSR initiatives. The Company has formulated CSR Policy, which is uploaded on the website of the Company viz. www.shoppersstop.com. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

The Committee has formulated and recommended to the Board, a CSR Policy which indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act. It recommends the amount of expenditure to be incurred on the activities and monitor its implementation.

During the year under review, 4 (four) meetings of the Committee were held i.e. on 27 April 2018, 27 July 2018, 26 October 2018, and January 28, 2019. The composition of the Committee and the attendance of the members at the meetings held are as follows:

Name of Member	Status	Category	No. of meetings attended
Ms. Ameera Shah ¹	Chairperson	Independent Director	2 of 3
Mr. Ravi C. Raheja	Member	Non-Executive Director	4 of 4
Mr. Rajiv Suri ²	Member	Executive Director	3 of 3
Mr. Robert Bready ¹	Member	Independent Director	2 of 2
Ms. Abanti Sankaranarayanan ³	Member	Independent Director	1 of 1
Mr. Govind Shrikhande ⁴	Member	Executive Director	1 of 1

Notes:

- Ms. Ameera Shah and Mr. Robert Bready, Independent Directors of the Company were appointed w.e.f. 8 June 2018 and w.e.f. 27 July 2018 respectively.
- Mr. Rajiv Suri, Chief Executive Officer was appointed as the Managing Director and Chief Executive Officer of the Company w.e.f. 8 June 2018.
- Ms. Abanti Sankaranarayanan, Independent Director of the Company, stepped down from the Directorship of the Company w.e.f. 8 June 2018.
- Mr. Govind Shrikhande, Managing Director of the Company stepped down from the Directorship of the Company w.e.f. 30 June 2018.

General Body Meetings

Location, date and time of the Annual General Meetings held during the preceding 3 (three) years and the Special Resolutions passed thereat, are as under:

AGM for Financial Year ended	Date & Time	Special Resolutions passed thereat	Location
2017-2018	27 July 2018 at 3:30 p.m.	To consider appointment of Mr. Rajiv Suri (DIN: 08124971) as the Managing Director of the Company.	Boundary Hall, First Floor, MCA Recreation Centre, RG-2, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
2016-2017	28 July 2017 at 3:30 p.m.	None	
2015-2016	29 July 2016 at 3:30 p.m.	None	

Further, during the year under review, no approval of the Members was sought through postal ballot. None of the business proposed to be transacted at the ensuing AGM requires passing of special resolution through Postal Ballot.

Related Party Transactions

The Company has formulated a Related Party Transaction Policy including therein the materiality of related party transaction and determination of material subsidiaries, which has been posted on the website of the Company and is accessible at the web link: https://corporate.shoppersstop.com/uploaded_files/614043c-71cd.pdf.

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 Audit Committee and the Board of Directors have granted its omnibus approval for transactions which are repetitive in nature and has laid down the criteria of such approval. A statement of related party transactions entered into with related parties through omnibus approval is presented to the Audit Committee and Board of Directors on a quarterly basis.

Subsidiary Companies

Regulation 16 of the Listing Regulations defines a 'material subsidiary' as a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. As per this definition, the Company does not have any unlisted material subsidiary company. The Audit Committee reviews the financial statement and investments made by the subsidiaries, if any, on quarterly basis and Board of Directors of the Company, *inter-alia*, reviews the annual financial statements of subsidiaries which are duly consolidated with annual financial statements of the Company. The Board of Directors of the Company also reviews minutes of the Board Meetings of all subsidiary companies.

Disclosure from Senior Management

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 during the year under review.

Compliance Report on Corporate Governance

The Company submits on quarterly basis a compliance report on corporate governance within fifteen days from the close of the quarter with the Stock Exchanges. The said report is placed before the Board of Directors every quarter for their comments/ observations/ advice, if any.

Website

All the information and disclosures required to be disseminated pursuant to Listing Regulations and the Act, are being posted at Company's website: www.shoppersstop.com.

Disclosure of Accounting Treatment

The Financial Statements of the Company comply with the Accounting Standards referred to in the Act.

Risk Management

The Company has established a robust risk management system to identify and assess the key risks and ensure smooth and efficient operations of the business. The Company reviews the major risks which affect it, from both the external and the internal environment perspective and appropriate actions are being initiated to mitigate, partially mitigate, transfer or accept the risk (if need be) and monitor them on a regular basis.

Details of non-compliance on matters relating to Capital Market

Equity shares of the Company are listed and traded on BSE Ltd. and National Stock Exchange of India Ltd. w.e.f. 23 May 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.

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 will not be applicable.

Code of Conduct for Prevention of Insider Trading Practices

In compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Board of Directors has approved the 'Shoppers Stop Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons' and 'Code of Fair Disclosure of Unpublished Price Sensitive Information' for dealing in the shares of the Company. The Code is applicable to Designated Persons, who are expected to have access to unpublished price sensitive information relating to the Company.

Code of Conduct for all Board members and senior management personnel

The Company has adopted the Code of Conduct for all 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 signed by the Managing Director and CEO of the Company to this effect is annexed and forms part of the Annual Report.

Code of Conduct and Ethics for Independent Directors

The Company has adopted the Code of Conduct and Ethics for Independent Directors. All Independent Directors have confirmed compliance to the Code of Conduct.

Whistle-Blower Policy/Vigil Mechanism

The Company has established Vigil Mechanism and adopted whistle-blower policy for its Directors, employees, brand staff and third party vendor staff to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides adequate safeguards against victimisation of persons who use such mechanism. They have direct access to the Independent Agency, who have been appointed to identify such instances and no one has been denied access thereto or to the Audit Committee. The Company has formulated a Whistle-Blower Policy, and a brief detail thereof has been posted on the website of the Company and is accessible at the web link http://corporate.shoppersstop.com/uploaded_files/ce848df-1585.pdf.

Proceeds from preferential allotment or qualified institutions placement

The Company has not raised any proceeds from preferential allotment or qualified institutional placement, etc. during the year under review.

Compliance with mandatory and discretionary requirements

The Company continues to comply with mandatory requirements as provided under Listing Regulations and other applicable rules and regulations thereof.

The following non-mandatory requirements as provided under Regulation 27 (1) read with Part E of the Schedule II of the Listing Regulations to the extent they have been adopted are as under:

Non-Executive Chairman's Office: The Company has Non-Executive Non-Independent Chairman and his position is separate from the office of 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 as recommended by Audit Committee and approved by the Board of Directors are disseminated to Stock Exchanges and updated on the website of the Company.

Modified Opinion in Auditors Report: The Company's financial statements for the year ended 31 March 2019 do not contain any modified audit opinion.

Reporting of Internal Auditor: In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. The quarterly internal audit reports are presented to Audit Committee, which in turn reviews and suggests necessary steps & action.

Management Discussion and Analysis

Management Discussion and Analysis is given as a separate section in the Annual Report.

Certificate from Practicing Company Secretary

Kaushal Dalal & Associates, Practicing Company Secretaries, have issued certificate pursuant to the provisions of the Listing Regulations certifying, that none of the directors of the Company have been debarred or disqualified from being appointed/reappointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

Recommendations of 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, if any, of its Committees.

Fees paid to Statutory Auditor and its affiliates

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to S R B C & Co LLP, Statutory Auditor and other firms in the network entity of which the statutory auditor is a part, as included in the consolidated financial statements of the Company for the year ended March 31, 2019, is as follows:

	(Amount in ₹ Lacs)
Fees for audit and related services paid to S R B C & Co LLP and to entity of the network of which the statutory auditor is a part	74.02
Other fees paid to S R B C & Co LLP and to entity of the network of which the statutory auditor is a part	15.96
Total fees	89.98

General Shareholders Information

Annual General Meeting	: 30 July, 2019 at 3:30 p.m. at Boundary Hall, First Floor, MCA Recreation Centre, RG-2, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
Date of Book Closure	: 24 July, 2019 to 30 July, 2019 (Both days inclusive)
Financial Calendar	: 1 April, 2018 to 31 March, 2019
Dividend Payment date	: By 2 August, 2019
Listing on the Stock Exchanges	: BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. The requisite Listing Fees for the Financial Year 2019-20 has been paid to both the above Stock Exchanges where the equity shares of the Company are listed.

Stock Code

BSE Limited	: 532638
National Stock Exchange of India Limited	: SHOPERSTOP (Symbol)

Prevention of Sexual Harassment (PoSH)

The Company has adopted a policy for prevention of sexual harassment at work place, 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, there were 31 complaints received and the same have been disposed of. 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 training being conducted for sensitising all the CCAs on PoSH.

CEO and CFO Certification

The CEO and the CFO of the Company have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying, *inter-alia*, that the financial statement do not contain any materially untrue statement and these statements represents a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

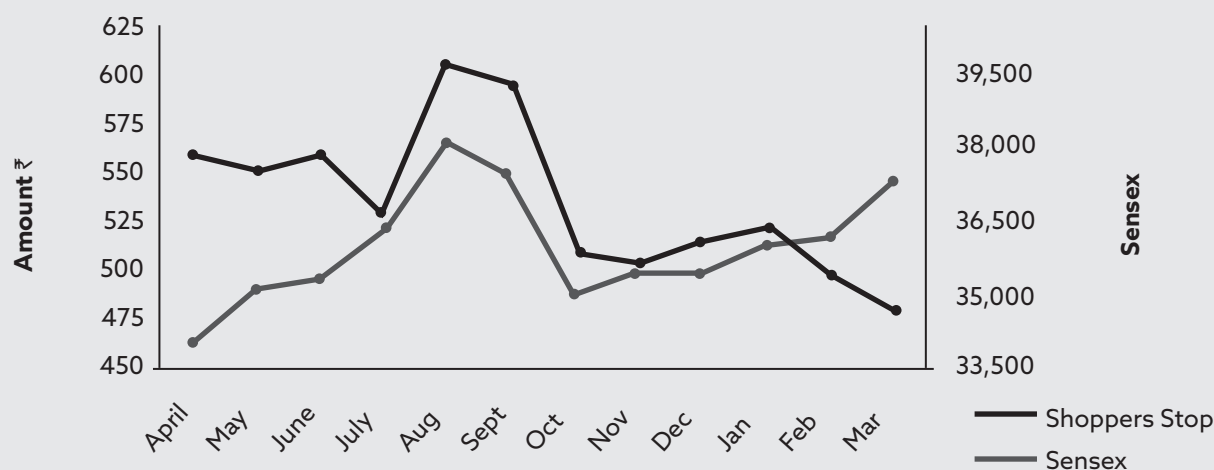
Means of Communication

- The quarterly results are published in newspapers within 48 hours of the Board Meeting, generally in Economic Times and Maharashtra Times and the same are also posted on the Company's website immediately.
- At the end of each quarter, the Company does a Conference call with the analysts in order to clarify their doubts and queries.
- The domain name of the Company's website is www.shoppersstop.com and upto date financial results, official press releases, investor presentations and the other information about the Company and its business are available on the website.

Stock Market Data for the period - 1 April 2018 to 31 March 2019

Share price performance in comparison on BSE Ltd.

Month (2018-19)	BSE		Sensex		No. of Shares transacted
	High (₹)	Low (₹)	High	Low	
April	595.00	524.70	35,213.30	32,972.56	271,782
May	579.90	520.60	35,993.53	34,302.89	622,209
June	589.40	530.55	35,877.41	34,784.68	77,971
July	578.95	477.40	37,644.59	35,106.57	84,353
August	668.00	539.00	38,989.65	37,128.99	415,963
September	690.00	501.00	38,934.35	35,985.63	235,929
October	559.90	455.00	36,616.64	33,291.58	55,572
November	539.90	464.80	36,389.22	34,303.38	21,406
December	554.90	475.00	36,554.99	34,426.29	35,627
January	548.10	496.30	36,701.03	35,375.51	29,947
February	523.50	474.00	37,172.18	35,287.16	12,243
March	506.90	450.20	38,748.54	35,926.94	449,448

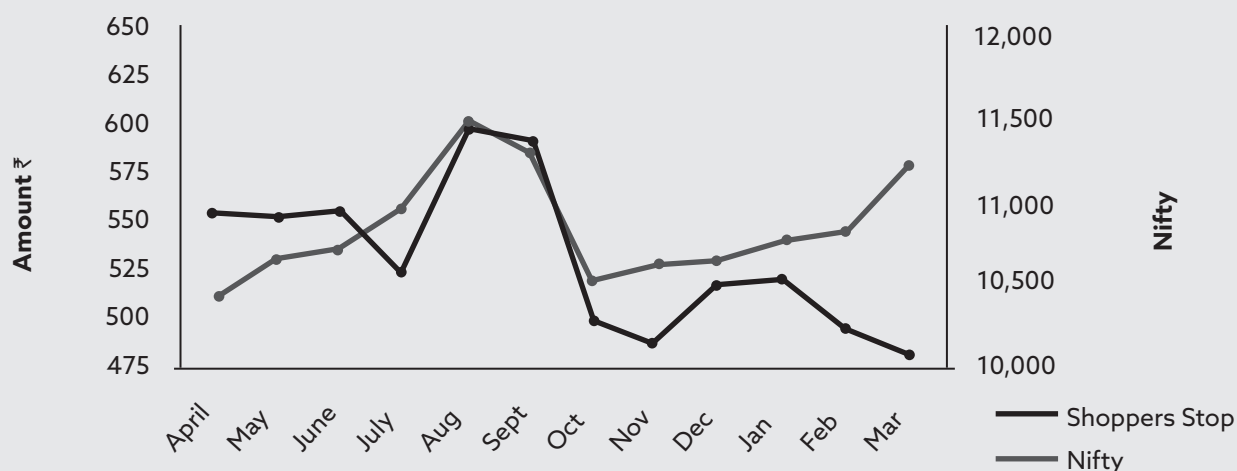
Shoppers Stop Price Movement Chart - BSE

Financial Year 2018-19

Share price performance in comparison on National Stock Exchange of India Limited (NSE):

Month (2018-19)	NSE		Nifty		No. of Shares transacted
	High (₹)	Low (₹)	High	Low	
April	594.90	520.70	10,759.00	10,111.30	2,002,621
May	590.95	522.15	10,929.20	10,417.80	1,603,618
June	590.00	530.05	10,893.25	10,550.90	918,141
July	578.00	475.80	11,366.00	10,604.65	1,444,880
August	669.30	536.55	11,760.20	11,234.95	3,418,224
September	689.25	498.45	11,751.80	10,850.30	1,938,242
October	549.90	452.30	11,035.65	10,004.55	1,163,902
November	514.50	462.20	10,922.45	10,341.90	737,369
December	560.35	475.85	10,985.15	10,333.85	940,937
January	546.00	498.05	10,987.45	10,583.65	666,759
February	521.80	472.10	11,118.10	10,585.65	598,995
March	506.95	456.05	11,630.00	10,817.00	1,372,798

Shoppers Stop Price Movement Chart - NSE



Financial Year 2018-19

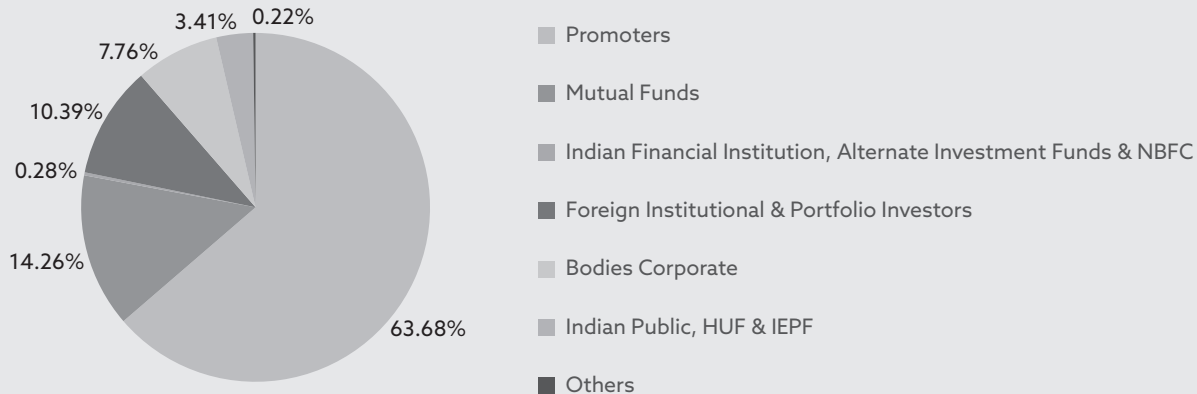
Distribution of Shareholding as on 31 March 2019 and 31 March 2018:

Shareholding of Nominal Value ₹	As on 31 March 2019				As on 31 March 2018			
	Shareholders				Shareholders			
	Number of shareholders	% to total	₹	% to total	Number of shareholders	% to total	₹	% to total
Upto 5000	12,651	97.10	4,686,435	1.07	10,560	96.54	3,949,425	0.90
5001-10000	117	0.90	862,300	0.20	113	1.03	875,650	0.20
10001-20000	87	0.67	1,273,040	0.29	89	0.81	1,319,440	0.30
20001-30000	42	0.32	1,036,465	0.24	33	0.30	812,625	0.18
30001-40000	14	0.11	485,805	0.11	19	0.17	667,900	0.15
40001-50000	16	0.12	726,660	0.17	13	0.12	595,305	0.14
50001-100000	23	0.18	1,907,605	0.43	32	0.29	2,498,635	0.57
100001 and above	79	0.61	428,971,330	97.50	80	0.73	429,084,465	97.56
Total	13,029	100.00	439,949,640	100.00	10,939	100.00	439,803,445	100.00

The categories of shareholdings as on 31 March 2019 and 31 March 2018:

Category	As on 31 March 2019		As on 31 March 2018	
	No. of Shares Held	%	No. of Shares Held	%
Promoters	56,029,674	63.68	56,029,674	63.70
Mutual Funds	12,551,399	14.26	12,452,958	14.16
Indian Financial Institution, Alternate Investment Funds & NBFC	2,45,760	0.28	182,513	0.20
Foreign Institutional & Portfolio Investors	9,139,943	10.39	8,082,545	9.19
Bodies Corporate	6,828,060	7.76	7,954,431	9.04
Indian Public, HUF & IEPF	2,998,716	3.41	2,915,016	3.31
Banks	1,521	0.00	5,126	0.01
NRI	90,970	0.10	89,515	0.10
Clearing Members (Transit)	13,600	0.02	57,592	0.07
Trust	90,285	0.10	191,319	0.22
Total	87,989,928	100.00	87,960,689	100.00

Shareholding Pattern as on March 31, 2019



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. Karvy Fintech 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 31 March 2019, entire share capital of the Company except 322 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 which has likely impact on equity share capital.

Commodity price risk or foreign exchange risk and hedging activities: 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.

Shareholders Service Centre & Registrar and Share Transfer Agent:

Mr. Balaji Reddy - Manager
Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad - 500 032.
Tel.: (040) 6716 2222 / Toll Free No.: 18003454001
Fax: (040) 2342 0814
E-mail: balaji.reddy@karvy.com
Web Address: www.karvyfintech.com

Credit Rating: During the year under review, the following credit ratings were assigned to the Company:

- India Ratings & Research Pvt. Ltd.:
 - IND A1+ for Commercial Paper of ₹ 5,000 lacs. (Revised from IND A1)
 - IND A1+ for Short-Term Debt/Commercial Paper of ₹ 10,000 lacs. (Revised from IND A1)
- CARE Ratings Limited:
 - CARE AA- : Stable (Double A Minus; Outlook: Stable) for the long-term bank facilities amounting to ₹ 74,267 lacs and CARE A1 + (A One plus) for the short-term bank facilities amounting to ₹ 2,150 lacs.
 - CARE A1+ : (A One plus) for Commercial Paper Issue amounting to ₹ 10,000 lacs.
 - CARE AA- : Stable (Double A Minus; Outlook: Stable) for Non-Convertible Debenture issue amounting to ₹ 10,000 lacs.
- CRISIL Limited:

CRISIL A1+ (pronounced as CRISIL A one Plus rating) for Commercial Paper of ₹ 10,000 lacs.

Mr. Bharat Sanghavi - Company Secretary
Shoppers Stop Limited
Umang Tower, 5th Floor,
MindSpace, Off. Link Road,
Malad (West), Mumbai - 400 064. India
Tel.: (022) 4249 7000
E-mail: investor@shoppersstop.com
Web Address: www.shoppersstop.com

Store Locations:**Western Region**

1. 211-D, S. V. Road, Andheri (W), Mumbai - 400 058.
2. Krushal Commercial Complex, G. M. Road, Chembur (West), Mumbai - 400 089.
3. Suburbia, Old Bandra Talkies, Linking Road, Bandra (West), Mumbai - 400 050.
4. Inorbit Mall, Link Road, Malad (West), Mumbai - 400 064.
5. Dynamix Mall, JVPD Scheme, Next to Chandan Cinema Hall, Vile Parle (West), Mumbai - 400 049.
6. Godrej Eternia, B-Wing, Shivaji Nagar, Mumbai-Pune Road, Pune - 411 005.
7. HomeStop, Inorbit Mall, 2nd Floor, Link Road, Malad (West), Mumbai - 400 064.
8. Prozone Mall, Plot Sector - C, Chikalthana Ind. Area, Masantpur, Aurangabad - 431 210.
9. Inorbit Mall, Vashi, Navi Mumbai - 400 705.
10. HomeStop, Inorbit Mall, 2nd Floor, Vashi, Navi Mumbai - 400 705.
11. Alpha G, Near Vastrapur Lake, Vastrapur, Ahmedabad - 380 054.
12. JK Square, next to Farvashi Academy, Trimbak Road, Nashik - 422 002
13. R City Mall, LBS Marg, Ghatkopar (West), Mumbai - 400 086.
14. Big India Mall, Behind Kasarwadawali police station, Godbunder Road, Thane West - 400 607
15. Pacific Mall, Shankar Seth Road, Pune - 411 037.
16. Opposite Alankar Talkies, Chainsukh Road, Latur - 413 512.
17. HomeStop, R City Mall, LBS Marg, Ghatkopar (West), Mumbai - 400 086.
18. HomeStop, FP No. 216, TP Scheme -1, Vastrapur, Ahmedabad - 380 054.
19. Metro Junction Mall, Shil Road, Kalyan - 421 306.
20. VR Mall, Near Magdalia Chokdi, Dumas Road, Surat - 395 007.
21. Viviana Mall, Eastern Express Highway, Thane - 400 062.
22. Alembic Road, Subhanpura, Vadodara - 390 003.
23. Seasons Mall, South Magarpatta City, Pune - 411 028.
24. HomeStop, First floor, Seasons Mall, South Magarpatta City, Pune - 411 028.
25. D Y Patil Mall, 2104/15, E Ward, Kavda Naka, Kolhapur - 416 001.
26. Orion Mall, Near Panvel Bus Depot, Panvel - 410 206.
27. West End Mall, Aundh, Taluka Haveli, Pune - 411 007.
28. Mall De Goa, Nova Cidade Complex, Alto Porvorim, Goa - 403 521.

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. Salarpuriya Tower - II, Near Forum Mall, Kormangala Indl. Layout, Bengaluru - 560 095.
5. Plot No. 1-11-251/1, Alladin Mansion, Begumpet, Hyderabad - 500 016.
6. Harrington Road, Chetpet, Chennai - 600 031.
7. GVK One Mall, Road No. 01, Banjara Hills, Hyderabad - 500 034.
8. Inorbit Mall, Apiic Software Layout, Hitech City, Madhapur, Hyderabad - 500 081.
9. Passenger Terminal Building, Shamshabad Airport, Rangareddy, Hyderabad - 500 409.
10. "Hyderabad-Next Galleria-Punjagutta Mall" Punjagutta, Hyderabad
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. Gopalan Signature Towers, Old Madras Road, Bengaluru - 560 096.
16. Mall of Mysore, Indira Nagar Extension, M.G. Road, Mysore - 570 010.
17. HomeStop, Inorbit Mall, Apiic Software Layout, Hitech City, Cyberabad, Hyderabad - 500 081.
18. Inorbit Mall - Whitefield, EPIP Area, Whitefield, Bengaluru - 560 066.
19. E-City Mall, Avinash Road, Coimbatore - 641 004.
20. Soul Space Arena, Outer Ring Road, K R Puram Hubli, Bengaluru - 560 037.

- | | |
|---|--|
| 21. HomeStop, Phoneix Market City, Velachery, Chennai - 600 042. | 26. Forum Fiza Mall, Pandeshwar Road, Mangalore - 575 001. |
| 22. The Grand Mall, No. 137, Dr. Seetharam Nagar, Velachery, Chennai - 600 042. | 27. Royal Meenakshi Mall, Ground Floor, Opposite Meenakshi Temple, Bannerghatta Road, Bengaluru - 560 076. |
| 23. Palladium Mall, Phoneix Market City Chennai, Velachery, Chennai - 600 042. | 28. Mangalore International Airport, Domestic Departures, Kenjar, Bajpe, Mangalore - 574 142. |
| 24. Manjeera, Trinity Mall, Kukatpally, Hyderabad - 500 072. | 29. Brigade Mall, Banaswadi Main Road, Maruthi Sevanagar, Bengaluru - 560 033. |
| 25. SRK Destiny, VIP Road, Near CBM Compound, Visakhapatnam - 530 016. | 30. Orion Mall, Rajajinagar Extension, Malleswaram, Bengaluru - 560 055. |

Northern Region

- | | |
|--|---|
| 1. The Metropolitan Mall, Mehrauli-Gurgaon Road, Gurgaon, Haryana - 122 002. | 15. HomeStop, 2 nd Floor, Fun Republic Mall, Gomti Nagar, Lucknow - 226 010. |
| 2. Shipra Mall, Shipra Suncity, 9 Vaibhav Khand, Indirapuram, Ghaziabad -201 012. | 16. MBD Neopolis Mall, Civil Lines, BMC Chowk, GT Road, Jalandar - 144 001. |
| 3. HomeStop, Plot No. A/3, Select City Walk, District Centre, Saket, New Delhi - 110 017. | 17. World Trade Park, South Block, Malviya Nagar, Jaipur - 302 017. |
| 4. E-City Mall, Opp. Paryatan Bhavan, Gomti Nagar, Lucknow - 226 010. | 18. Elante Mall, Industrial Area Phase - 1, Chandigarh - 160 002. |
| 5. The Great India Palace, New Okhla Industrial Development Area, Noida - 201 301. | 19. OMaxe SRK Mall, Nagala Padi, Agra - 280 002. |
| 6. Omaxe Connaught Place, Sectir Beta II, Great Noida, Gautam Budh Nagar, Noida, UP | 20. Jaipur International Airport (Departure - Level 2), Shop No. 201 New Terminal Building T-2, Jaipur - 302 011. |
| 7. Metropolitan Mall, Press Enclave Road, District Centre Saket, Sector II, New Delhi - 110 017. | 21. HomeStop, Elante Mall, Industrial Area Phase - 1, Chandigarh - 160 002. |
| 8. Alpha One Mall, MBM Farms, Sultan Wind, Main G. T. Road, Amritsar - 143 010. | 22. Gaur Central Mall, Rajnagar, Ghaziabad - 201 002. |
| 9. Ambience Mall, Nelson Mandela Road, Vasant Kunj, New Delhi - 110 070. | 23. Pavillion Mall, Old Sessions Court Road, Ludhiana - 141 001. |
| 10. DB City Mall, Arera Hills, Bhopal - 462 011. | 24. Shopprix Mall, Major Dhyanchand Nagar, Hapur Bye pass, Delhi Meerut Highway, Meerut - 250 001. |
| 11. Spaze I, Tech Park, Gurgaon, Spaze Mall, Sohna Road, Gurgaon - 122 002. | 25. Man-Upasna Plaza, C-44, Sardar Patel Marg, C-Scheme, Jaipur, Rajasthan - 302 001. |
| 12. Rohini, Sector - 10, Adjacent to Rithala Metro Station, Rohini, New Delhi - 110 085. | 26. Unity One Jankpuri, Next to Janakpuri West Metro Station, New Delhi - 110 058. |
| 13. R-Cube, Monad, Najafgarh Rd, Shivaji Place, Rajouri Garden, New Delhi - 110027. | 27. Logix City Centre Mall, Noida City Centre Metro Station, Noida - 201 301. |
| 14. BPK Star Building, Opp. Lig Gurudwara, A.B. Road, Indore - 452 001. | 28. Terminal 1D, Indira Gandhi International Airport, New Delhi 110 037. |

Eastern Region

- | | |
|---|---|
| 1. 10/3, Lala Lajpat Rai Sarani (Elgin Road), Kolkata - 700 020. | 6. Vidhan Sabha Road, Mowa, Raipur - 492 005. |
| 2. City Centre, DC - 1, Sector-1, Salt Lake, Kolkata - 700 064. | 7. City Center 2, Rajarhat, New Town, Major Arterial Road, Kolkata - 700 156. |
| 3. South City Mall, 375, Prince Anwar Shah Road, Kolkata - 700 068. | 8. Acropolis Mall, Plot No. 1858, Rajdanga Main Road, Kolkata - 700 107. |
| 4. Junction Mall, Mouza - Faridpur, City Centre, Durgapur - 713 216. | 9. Nucleus Mall, Circular Road, Ranchi - 834 001. |
| 5. City Centre, Siliguri Uttarayon Township, NH-31, Matigara, Siliguri - 734 010. | |

INDEPENDENT AUDITOR'S REPORT

To the Members of Shoppers Stop Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Shoppers Stop Limited ("the Company"), which comprise the Balance sheet as at 31 March 2019, 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 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 Ind AS 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 31 March 2019, 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Emphasis of Matter - Litigation

We draw attention to Note 30 to the standalone 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 1 June 2007 to 31 March 2010 on renting of immovable properties given for commercial use, aggregating to ₹ 1,659.56 lacs.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31 March 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>(a) Allowance for Inventory obsolescence and shrinkage (as described in note 2.4 of the standalone Ind AS financial statements)</p> <p>As at 31 March 2019, the carrying amount of inventories amounted to ₹ 105,354.96 lacs after considering allowance for Inventory obsolescence and shrinkage of ₹ 1,578.27 lacs. These inventories are held at the stores and distribution centres of the Company.</p> <p>Allowance for Inventory shrinkage was an audit focus area since inventory cycle counts were carried out 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 provision for obsolescence as per its policy.</p>	<p>Our procedures over allowance for Inventory obsolescence and shrinkage included the following:</p> <ul style="list-style-type: none"> • 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; • 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; • 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; • 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.

Revenue recognition - Point award (Loyalty) schemes

As described in the Accounting Policies in note 2.3 to the Financial Statements, the Company's revenue recognition policy requires the management to make assumptions about expected redemption of Point award (Loyalty) schemes to the total issued points based on historical trends in determining the reported revenue for the period.

We focused on this area for the estimate involved in determining the provisioning and the amounts involved are material. (₹ 3,898 lacs as at 31 March 2019).

Our audit procedures in respect of the Provision for liability on account of Point award (Loyalty) schemes accrued to customers included the following:

- We obtained an understanding, evaluated the design and tested the operating effectiveness of controls that the Company has in relation to provision for Point award (Loyalty) schemes accrued to the customers;
- For the key assumptions used in the Point award (Loyalty) schemes provisions, we reviewed the historic rates of redemption and compared these to the managements 'estimate;
- We assessed the methodology applied by comparing the outstanding points from the system generated reports and recomputed the liability as per historic rates and management estimate of redemption;
- We also assessed the Company's disclosures concerning this in Note 2A on significant accounting estimates and judgements and Note 20 Retail sale of Merchandise to the financial statements.

Impairment Evaluation of Investment in Crossword Bookstores Limited (as described in note 2.6.1 of the standalone Ind AS financial statements)

The Company has investment amounting to ₹ 3,505.93 lacs as at 31 March 2019 in its subsidiary Crossword Bookstores Limited. This subsidiary has had continued losses, which provides an indicator for impairment in the investment. Management has used external specialists to support the recoverable amounts of its Investment based on value-in-use computation.

We focused this area because of the judgemental factors involved in testing for impairment and the significant carrying value of the investment

Our audit procedures in respect of impairment evaluation of Investment in Crossword Bookstores Limited included the following:

- We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the assessment of investment to determine whether any impairment was required;
- We assess the appropriateness of the Company's valuation methodology applied in determining the recoverable amount. In making this assessment, we evaluate the objectivity and independence of Company's specialists involved in the process;
- We involved valuation expert to assist in evaluating the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used;
- We evaluated the sensitivity in the valuation, resulting from changes to key assumptions applied and compared the assumptions to corroborating information, historic performance;
- We obtained and read the audited financial statements of the subsidiaries to determine the net worth, cash flows and other financial indicators;
- We also assessed the Company's disclosures concerning this in Note 2A on significant accounting estimates and Note 4 of investments to the financial statements.

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 corporate governance report and director's report but does not include the standalone Ind AS financial statements and our auditors report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS 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 Ind AS 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 Ind AS 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 judgements 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 system 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2019 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, 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;
 - (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 Ind AS 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 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 over financial reporting of the Company with reference to these Standalone Ind AS 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 31 March 2019 has been paid/ provided 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 29 to the standalone Ind AS 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

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Vijay Maniar

Partner

Membership Number: 36738

Mumbai; 30 April 2019

ANNEXURE 1

referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (i) (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i) (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) The Company has granted loans to two companies covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.
- (iii) (b) The Company has granted loans that are re-payable on demand, to a Company covered in the register maintained under Section 189 of the Act. We have been informed that the Company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular for one Company. Further loan given in an earlier year to one of the Company has been fully provided for and no interest has been received.
- (iii) (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under Section 189 of the Act which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Act, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, employees' state insurance, goods and service tax, duty of custom, cess and other statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.
- (vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- vii) (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount** (Rs in lacs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	TDS	9,978.99	2011-12, 2012-13, 2017-18, and 2018-19	Commissioner of Income tax (Appeals)
Finance Act, 1994	Service Tax	775.97	May 2006 to May 2007	Appellate Authority- Tribunal Level
West Bengal Tax on entry of goods into Local Areas Act, 2012	Entry tax	4.76	2013-2014	Appellate Authority- Commissioner Level
The Customs Act, 1962	Duty of Customs	42.61	2007-08 to 2011-12	Appellate Authority- Tribunal Level
Maharashtra VAT Act	Value added tax	22.27	2012-2013	Joint Commissioner of Sales Tax (App)

** Net of amounts paid.

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Act.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **SRBC & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Vijay Maniar
Partner
Membership Number: 36738
Mumbai; 30 April 2019

ANNEXURE 2

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 over financial reporting of Shoppers Stop Limited ("the Company") as of March 31, 2019 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. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting 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 internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these 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 Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these

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 over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, 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.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Vijay Maniar

Partner

Membership Number: 36738

Mumbai; 30 April 2019

BALANCE SHEET

as at 31 March 2019

(All amounts in ₹ lacs)

	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3	53,551.62	58,606.69
Capital work-in-progress	3B	3,054.27	1,534.14
Intangible assets	3	5,932.54	6,170.91
Intangible assets under development	3B	452.95	281.30
Financial Assets			
(i) Investments	4	25,105.50	29,757.66
(ii) Loans	5	1,566.72	766.26
(iii) Other financial assets	6	6,862.76	11,426.59
Deferred tax assets (net)	7	3,199.54	1,977.60
Other non-current assets	8	9,551.39	9,516.21
Total non-current assets		109,277.29	120,037.36
Current assets			
Inventories	9	105,354.96	32,842.43
Financial assets			
(i) Investments	4	4,245.12	2,003.55
(ii) Trade receivables	10	4,441.53	4,372.44
(iii) Cash and cash equivalents	11	1,645.90	457.63
(iv) Bank balances other than (iii) above	12	27.17	65.57
(v) Other financial assets	6	6,209.12	544.05
Other current assets	8	16,333.10	15,929.16
Total current assets		138,256.90	56,214.83
Total assets		247,534.19	176,252.19
Equity and liabilities			
Equity			
Equity share capital	13	4,399.50	4,398.03
Other equity	14	93,365.22	90,938.59
Total equity		97,764.72	95,336.62
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	-	3,976.77
Total non-current liabilities		-	3,976.77
Current liabilities			
Financial liabilities			
(i) Borrowings	15A	-	761.12
(ii) Trade payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises		590.66	460.17
(b) Total outstanding dues of creditors other than micro Enterprises and small enterprises		124,833.26	48,401.06
(iii) Other financial liabilities	17	7,846.81	8,030.99
Provisions	18	934.59	794.40
Other current liabilities	19	15,564.15	18,491.06
Total current liabilities		149,769.47	76,938.80
Total liabilities		149,769.47	80,915.57
Total equity and liabilities		247,534.19	176,252.19

The accompanying Notes 1 to 42 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

Vijay Maniar
Partner
Membership No. 36738

Mumbai: 30 April 2019

B.S. Nagesh
Customer Care
Associate & Chairman (DIN: 00028044)
(DIN: 00027595)

Karunakaran M.
Customer Care Associate &
Chief Financial Officer

Mumbai: 30 April 2019

Ravi Raheja
Director
(DIN: 00028044)

Rajiv Suri
Customer Care Associate &
Managing Director & Chief Executive Officer
(DIN: 08124971)

Bharat Sanghavi
Customer Care Associate &
Company Secretary
Membership No. A13157

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2019

(All amounts in ₹ lacs)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from contracts with customers	20	348,130.81	359,148.91
Other income	21	1,788.65	1,602.03
Total income		349,919.46	360,750.94
Expenses			
Purchase of stock-in-trade	22a	275,229.56	218,905.75
Changes in Inventories of stock-in-trade	22b	(72,512.53)	2,434.07
Employee benefits expense	23	31,447.60	30,134.77
Finance costs	24	1,244.80	3,616.12
Depreciation and amortisation expense	3A	13,506.90	11,192.54
Other expenses	25	88,634.52	86,510.72
Total expenses		337,550.85	352,793.97
Profit before exceptional item and tax		12,368.61	7,956.97
Exceptional Items	31	-	5,040.96
Profit before tax		12,368.62	2,916.01
Current tax	26	5,715.29	3,304.01
Deferred tax	7	(1,221.94)	(1,548.38)
Income tax expenses		4,493.35	1,755.63
Profit/(Loss) for the year [A]		7,875.26	1,160.38
Other comprehensive income			
Items that will not be reclassified to profit or loss			
i) Remeasurement of employee defined benefit obligation		193.45	(124.91)
Income tax relating to (i) above		(67.60)	43.22
ii) Changes in fair value of equity instruments		4,652.17	(696.87)
Income tax relating to (ii) above	26.1	-	72.48
Total other comprehensive income [B]		4,778.02	(706.08)
Total comprehensive income for the year [A] + [B]		3,097.24	1,866.46
Earning per equity share			
Equity shares of face value ₹5 each (2018: ₹ 5 each)	28		
Basic (₹)		8.95	1.37
Diluted (₹)		8.95	1.37

The accompanying Notes 1 to 42 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

ICAI Firm Reg. No. 324982E/E300003
Chartered Accountants

Vijay Maniar

Partner
Membership No. 36738

Mumbai: 30 April 2019

B.S. Nagesh

Customer Care
Associate & Chairman (DIN: 00027595)

Karunakaran M.

Customer Care Associate &
Chief Financial Officer

Mumbai: 30 April 2019

Ravi Raheja

Director
(DIN: 00028044)

Rajiv Suri

Customer Care Associate &
Managing Director & Chief Executive Officer
(DIN: 08124971)

Bharat Sanghavi

Customer Care Associate &
Company Secretary
Membership No. A13157

STATEMENT OF CASH FLOWS

for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flows from operating activities		
Net profit after exceptional item and before tax	12,368.61	2,916.01
Adjustments to reconcile profit before tax to net cashflow:		
Depreciation and amortisation	13,506.90	11,192.54
Allowance for doubtful debts / advances	85.93	240.65
Share-based payment expense	20.59	10.63
Impairment / loss on sale of investment (Refer note 31)	-	5,040.96
Finance costs	1,244.80	3,616.12
Loss on sale of property, plant and equipment	21.85	54.13
Refundable deposit considered in measurement of minimum lease payments	744.64	796.30
Interest (time value) recognised on interest free lease deposit	(637.15)	(666.71)
Interest income	(474.71)	(865.09)
Operating profit before working capital changes	26,881.46	22,335.54
Working capital adjustment:		
(Increase) / Decrease in inventories	(72,512.53)	2,434.07
(Increase) in trade receivables	(69.09)	(797.80)
(Increase) in other financial assets and non-current assets	(157.59)	(11,724.16)
Decrease in lease deposits-net	(1,589.01)	2,165.28
(Decrease) / Increase in provisions	(53.26)	77.53
Increase in Trade payables, other financial liabilities and other current liabilities	74,145.89	21,259.03
Cash generated from operations	26,645.87	35,749.49
Income taxes paid (net of refunds)	(5,648.02)	(3,562.32)
Net cash from operating activities (A)	20,997.85	32,187.17
Cash flow from investing activities		
Purchase of property, plant and equipment	(11,261.03)	(11,828.42)
Proceeds from disposal of property, plant and equipment	31.83	35.43
Loan given to subsidiaries companies	(800.46)	(11,900.00)
Loans repaid by subsidiaries companies including interest	-	21,319.00
Investment in subsidiaries	-	(1,530.12)
Net proceeds from sale of investment in subsidiary	-	5,224.62
Proceeds from sale of investment in Joint ventures	-	2,870.40
Purchase of investments in mutual funds	(111,990.78)	(24,479.72)
Proceeds from sale of investments in mutual funds	109,749.21	22,476.17
Interest received	474.71	1,034.73
Net cash from / (used) in investing activities (B)	(13,796.52)	3,222.09
Cash flows from financing activities		
Proceeds from issue of equity shares (Refer note 13.6)	1.47	222.79
Securities premium on issue of share capital	104.39	17,918.50
Dividend and dividend distribution tax	(795.60)	(753.81)
Repayment of long-term borrowings	(3,976.76)	(29,317.53)
Short-term borrowings (net)	-	(11,302.25)
Finance costs paid	(1,239.36)	(3,781.87)
Net cash from / (used) in financing activities (C)	(5,905.86)	(27,014.17)
Net (Decrease) / Increase in cash and cash equivalents (A) + (B) + (C)	1,295.47	8,395.09
Cash and cash equivalents as at beginning of the year	(303.49)	(8,698.58)
Cash and cash equivalents as at the end of the year	991.98	(303.49)
	1,295.47	8,395.09

STATEMENT OF CASH FLOWS

for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Note (i)		
Components of cash and cash equivalents (Refer note 11.3)		
Cash and Cash Equivalents as at 31 March 2019	1,645.90	457.63
Add: Bank overdraft / Cash credit	(653.92)	(761.12)
Total cash and cash equivalents	991.98	(303.49)
Note (ii)		
Reconciliation between the opening and closing balances for liabilities arising from financing activities		
Particulars	Long-term borrowings	Short-term borrowings
31 March 2017 including current maturities of long term borrowings	37,294.29	11,302.25
Cash flow	(29,317.53)	(11,302.25)
Non-Cash Changes		
Foreign exchange movement	-	-
Classified as current maturity	(4,000.00)	-
Accrual for the period	-	-
31 March 2018 including current maturities of long term borrowings	7,976.76	-
Cash flow	(3,976.76)	-
Non-Cash Changes		
Foreign exchange movement	-	-
Classified as current maturity	(4,000.00)	-
Accrual for the period	-	-
31 March 2019 including current maturities of long term borrowings	4,000.00	-

Notes:

The accompanying Notes 1 to 42 are an integral part of the financial statements.

In terms of our attached report of even date

For S R B C & CO LLP

ICAI Firm Reg. No. 324982E/E300003
Chartered Accountants

Vijay Maniar

Partner
Membership No. 36738

Mumbai: 30 April 2019

For and on Behalf of the Board of Directors

B.S. Nagesh

Customer Care
Associate & Chairman (DIN: 00027595)

Karunakaran M.

Customer Care Associate &
Chief Financial Officer

Mumbai: 30 April 2019

Ravi Raheja

Director
(DIN: 00028044)

Rajiv Suri

Customer Care Associate &
Managing Director & Chief Executive Officer
(DIN: 08124971)

Bharat Sanghavi

Customer Care Associate &
Company Secretary
Membership No. A13157

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2019

(All amounts in ₹ lacs)

a) Equity share capital	No. of shares	(₹ in Lacs)
Equity shares of ₹5/- each issued, subscribed and fully paid up		
Balance as on 31 March 2017	83,504,744	4,175.24
Issue of equity shares under employee share option plan (Refer note 35)	60,020	3.00
Issued on preferential basis (Refer note 13.5)	4,395,925	219.79
Balance as on 31 March 2018	87,960,689	4,398.03
Issue of equity shares under employee share option plan (Refer note 34)	29,239	1.47
Balance as on 31 March 2019	87,989,928	4,399.50

b) Other equity

Particulars	Securities premium	General reserve	Retained earnings	Share Options outstanding account	Total
Balance as on 31 March 2017	47,521.31	1,909.19	22,242.92	226.95	71,900.37
Profit for the year	-	-	1,160.38	-	1,160.38
Other comprehensive income for the year, net of income tax	-	-	(706.08)	-	(706.08)
Total comprehensive income for the year	-	-	1,866.46	-	1,866.46
Recognition of share based payments *	-	-	172.52	(165.45)	7.07
Payment of dividends on equity shares	-	-	(626.31)	-	(626.31)
Payment of tax on dividends on equity shares	-	-	(127.50)	-	(127.50)
Received on issue of shares	17,918.50	-	-	-	17,918.50
Balance as on 31 March 2018	65,439.81	1,909.19	23,528.09	61.50	90,938.59
Profit for the year	-	-	7,875.26	-	7,875.26
Other comprehensive income for the year, net of income tax	-	-	(4,778.02)	-	(4,778.02)
Total comprehensive income for the year	-	-	3,097.24	-	3,097.24
Recognition of share based payments *	-	-	61.50	(61.50)	-
Arising on employee stock option scheme	-	-	-	20.59	20.59
Payment of dividends on equity shares	-	-	(659.95)	-	(659.95)
Payment of tax on dividends on equity shares	-	-	(135.64)	-	(135.64)
Received on issue of shares	104.39	-	-	-	104.39
Balance as on 31 March 2019	65,544.20	1,909.19	25,891.24	20.59	93,365.22

* after transfers to retained earnings for options lapsed/exercised.

In terms of our attached report of even date

For S R B C & CO LLP
ICAI Firm Reg. No. 324982E/E300003
Chartered Accountants

Vijay Maniar
Partner
Membership No. 36738

Mumbai: 30 April 2019

For and on Behalf of the Board of Directors

B.S. Nagesh **Ravi Raheja**
Customer Care Director
Associate & Chairman (DIN: 00028044)
(DIN: 00027595)

Karunakaran M.
Customer Care Associate &
Chief Financial Officer

Mumbai: 30 April 2019

Rajiv Suri
Customer Care Associate &
Managing Director & Chief Executive Officer
(DIN: 08124971)

Bharat Sanghavi
Customer Care Associate &
Company Secretary
Membership No. A13157

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

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 16 June 1997. The Company's registered office is at Umang Tower, 5th Floor, Mindspace, Off Link Road, Malad (West) Mumbai - 400 064, Maharashtra, India.

The Company is engaged in the business of retailing a variety of household and consumer products through departmental stores. At 31 March 2019, the Company operated through 83 such departmental stores located in different cities of India.

The financial statements were approved for issue by the board of directors on 30 April 2019.

2. Significant Accounting Policies

2.1 Basis of preparation and presentation

2.1.1 Statement of Compliance with Indian Accounting Standards (Ind ASs):

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III of the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to Consolidated financial statement.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lacs, except where otherwise indicated.

2.1.2 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, as explained in the accounting policies below.

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 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.

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 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

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(All amounts in ₹ lacs)

- 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 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 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 during this financial year adopted modified retrospective approach in line with Ind As 115, Revenue from Contracts with customers, mandatory for reporting periods beginning on or after 1 April 2018.

2.3.2 Retail sale of Merchandise: Revenue from Retail sales is measured at the fair value of the consideration received. Revenue is reduced for discounts and rebates, and, value added tax, sales tax and Goods and Service Tax (GST).

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 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.

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(All amounts in ₹ lacs)

2.5.2 Depreciation / amortisation is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Property, Plant and Equipment:	Useful Life as Prescribed by Schedule II of the Companies Act, 2013 (In Years)	Estimated Useful Life (In Years)
Air conditioning and other equipment	5	5 to 17
Furniture, fixtures and other fittings	10	5 to 10
Computer Equipment (other than desktops and laptops)	6	5 to 6
Desktops and laptops	3	3
Leasehold Improvements	On lease term	5 to 17 or Lease term whichever is lower
Office Equipment	5	2 to 6
Vehicles	8	8
Intangible assets:		
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.

2.5.3 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 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 1 April 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, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset.

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(All amounts in ₹ lacs)

Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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 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

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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.

2.7 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 estimated taxable profit for the year and is calculated 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

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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.

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 and employees of subsidiary companies 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 35. 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

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Company is the lessee:

Operating lease payments are recognised in profit or loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit or the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Where the Company is the Lessor:

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in the property, plant and equipment. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss.

Key requirements or Changes in accounting policy with effect from 1 April 2019:

Ind AS 116 was notified on 30 March 2019 and is effective for the Company in the first quarter of fiscal 2020. This standard changes the recognition, measurement, presentation and disclosure of leases. In particular, it require lessees to record all leases on the balance sheet with exemptions available for low value and short-term leases. At the commencement of a lease, a lessee will recognise lease payments (lease liability) and an asset representing the right to use the asset during the lease term (right of use asset). Lessees will subsequently reduce the lease liability when paid and recognise depreciation on the right of user asset. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. The standard has no impact on the actual cash flows of a group. However, the standard requires the capitalisation and subsequent depreciation of costs that are currently expenses as paid which impacts disclosures of cash flows with in the cash flow statement. The amounts currently expensed as operating cash outflows, which will instead be capitalised, are presented as financing cash outflows.

The Company is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the standard in conjunction with review of lease agreements.

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

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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. 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. A Critical accounting judgements 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 judgements, 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.

Impairment of equity investment in a subsidiary company

The accumulated losses of a subsidiary company viz. Crossword Bookstores Ltd. ('Crossword'), have eroded its net worth. Crossword is taking ongoing steps to revamp its business operations, including store right sizing and brand positioning.

Based on its future business plans and strategic growth projections, the Company has determined that no impairment is required at this stage. Further, the Company has historically also given guarantees to banks for loans taken by Crossword. Till date, the Company has had no cash outflows against such guarantees and therefore no provision has been considered necessary.

Income Tax

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 adjudges 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.

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. During financial years ended 31 March 2019, there were no changes in useful lives of property plant and equipment and intangible assets other than those resulting from store closures / shifting of premises.

The Company at the end of each reporting period, based on external and internal sources of information,

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(All amounts in ₹ lacs)

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 36.

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

3 Property, Plant and Equipment and Intangible Assets

	Leasehold improvements	Air conditioning and other equipments	Furniture, fixtures and other fittings	Office Equipments	Computers	Vehicles	Total PPE	Trademarks	Software	Total Intangible assets
Cost										
As at 31 March 2017	21,776.05	22,525.85	21,357.15	1,431.28	5,856.38	65.96	73,012.67	106.96	8,131.73	8,238.69
Additions	2,857.98	2,671.68	3,412.75	311.45	1,047.70	-	10,301.56	14.93	2,210.97	2,225.90
Disposal	(73.46)	(315.49)	(428.68)	(6.60)	(133.45)	-	(957.67)	-	-	-
As at 31 March 2018	24,560.57	24,882.04	24,341.22	1,736.13	6,770.63	65.96	82,356.56	121.89	10,342.70	10,464.59
Additions (Refer note iii)	1,818.32	1,609.73	1,854.73	202.71	1,141.48	57.01	6,683.98	5.28	1,577.88	1,583.16
Reclassification	126.70	6.46	(115.50)	52.70	(59.31)	-	11.05	(0.04)	(11.01)	(11.05)
Disposal	(260.15)	(984.22)	(468.93)	(5.03)	(302.58)	-	(2,020.91)	-	-	-
As at 31 March 2019	26,245.44	25,514.01	25,611.52	1,986.51	7,550.22	122.97	87,030.68	127.13	11,909.57	12,036.70
Depreciation and Amortisation										
As at 31 March 2017	(3,156.36)	(3,344.29)	(5,890.59)	(535.91)	(2,152.40)	(14.25)	(15,093.80)	(47.70)	(2,577.63)	(2,625.33)
Depreciation and amortisation expense for the year (Refer note ii)	(2,396.11)	(2,443.61)	(3,218.26)	(291.39)	(1,166.56)	(8.24)	(9,524.18)	(17.00)	(1,651.36)	(1,668.36)
Disposal	54.73	295.60	378.81	5.76	133.21	-	868.11	-	-	-
As at 31 March 2018	(5,497.74)	(5,492.30)	(8,730.04)	(821.54)	(3,185.75)	(22.49)	(23,749.87)	(64.70)	(4,228.99)	(4,293.69)
Depreciation and amortisation expense for the year (Refer note ii)	(2,883.03)	(3,822.47)	(3,354.71)	(300.52)	(1,298.86)	(36.83)	(11,696.42)	(10.53)	(1,799.95)	(1,810.48)
Disposal	257.76	966.86	435.69	4.88	302.04	-	1,967.23	-	-	-
As at 31 March 2019	(8,123.01)	(8,347.91)	(11,649.06)	(1,117.18)	(4,182.57)	(59.32)	(33,479.06)	(75.23)	(6,028.94)	(6,104.17)
Net Book Value										
As at 31 March 2018	19,062.83	19,389.74	15,611.18	914.59	3,584.88	43.47	58,606.69	57.19	6,113.72	6,170.91
As at 31 March 2019	18,122.43	17,166.10	13,962.46	869.33	3,367.65	63.65	53,551.62	51.90	5,880.64	5,932.54

Notes:

- Movable assets have been pledged to secure borrowings of the Company (Refer note 15).
- Depreciation for the year includes accelerated amounts aggregating to ₹3,253.09 Lacs (2018: ₹1,640.73 Lacs) on account of change in estimate of useful lives of property, plant & equipment resulting from store closures/shifting premises.
- During the year, the Company has capitalised the following expenses to cost of Property, plant and equipment/Capital work-in-progress.

	As at 31 March 2019	As at 31 March 2018
Employee Costs	593.56	306.85
Travelling	96.50	43.34
Consultancy	468.91	351.03
Miscellaneous expenditure	125.20	56.96
Total	1,284.17	758.18

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
3A Depreciation and amortisation expenses		
Depreciation of tangible assets (Refer note 3)	11,696.42	9,524.18
Amortisation of intangible assets (Refer note 3)	1,810.48	1,668.36
	13,506.90	11,192.54
	As at 31 March 2019	As at 31 March 2018
3B Capital work-in-progress and Intangible assets under development		
Capital work-in-progress		
Opening	1,534.14	1,254.92
Additions	9,471.80	9,629.23
Capitalisation	(7,951.67)	(9,350.01)
	3,054.27	1,534.14
Intangible assets under development		
Opening	281.30	433.07
Additions	2,044.19	1,879.20
Capitalisation	(1,872.54)	(2,030.97)
	452.95	281.30
	As at 31 March 2019	As at 31 March 2018
4 Investments - Non-current		
A (Unquoted at cost unless otherwise stated)		
Investments in equity instruments		
i) In subsidiary companies		
Shoppers' Stop Services (India) Limited 50,000 (2018: 50,000) Equity Shares of ₹ 10/- each Fully Paid	5.00	5.00
Increase / (decrease) due to change in the fair value of investments	(5.00)	(5.00)
	-	-
Upasna Trading Limited 5,000 (2018: 5,000) Equity Shares of ₹100/- each Fully Paid	5.00	5.00
Increase / (decrease) due to change in the fair value of investments	(5.00)	(5.00)
	-	-
Shoppers' Stop.com (India) Limited 50,000 (2018: 50,000) Equity shares of ₹ 10/- each Fully Paid	5.00	5.00
Increase / (decrease) due to change in the fair value of investments	(5.00)	(5.00)
	-	-
Gateway Multichannel Retail (India) Limited 50,000 (2018: 50,000) Equity shares of ₹10/- each Fully Paid	5.00	5.00
Increase / (decrease) due to change in the fair value of investments	(5.00)	(5.00)
	-	-
Crossword Bookstores Limited 1,35,62,500 (2018: 1,35,62,500) Equity shares of ₹10/- each Fully Paid	3,505.93	3,505.93
	-	-
ii) Other investments		
(At fair value through Profit and Loss)		
Stargaze Properties Private Limited 1,000 (2018: 1,000) equity shares of ₹ 10/- each Fully paid	0.11	0.11
	-	-
Retailers Association of India 10,000 (2018:10,000) equity shares of ₹ 10/- each Fully paid	1.00	1.00

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
Retailers Association's Skill Council of India 500 (2018: 500) equity shares of ₹ 100/- each Fully paid	0.50	0.50
Aesthetic Realtors Private Limited 66 (2018: 66) Equity Shares of ₹ 10/- each Fully Paid Increase / (decrease) due to change in the fair value of investments	0.01 (0.01)	0.01 (0.01)
	-	-
iii) Deemed equity investments in *:		
Crossword Bookstores Limited * Being share options to employees of subsidiary companies	9.12	9.12
Total (A)	3,516.66	3,516.66
B Quoted (fair value through Other Comprehensive Income)		
Investments in equity instruments		
Future Retail Limited 47,56,823 (2018: 47,56,823) equity shares of ₹2/- each Fully paid Increase / (decrease) due to change in the fair value of investment	25,544.14 (3,955.30)	25,544.14 696.87
Total (B)	21,588.84	26,241.00
Total (A) + (B)	25,105.50	29,757.68
Aggregate amount of impairment in value of unquoted equity investments	-	-
4 Investments - Current		
Unquoted (At fair value through Profit and Loss)		
Investments in mutual funds		
L & T Mutual Fund Nil (2018: 25,220) units in Liquid fund - Direct Growth Plan	-	600.97
ICICI Prudential Mutual Fund Nil (2018: 2,49,970) units in Money market fund - Direct Growth Plan	-	600.73
JM Financial Mutual Fund High Liquidity fund - Direct - Growth Nil (2018: 42,115) units in High Liquidity fund - Direct Growth Plan	-	200.35
Axis Mutual Fund Nil (2018: 31,187) units in Liquid fund - Direct Growth plan	-	601.50
Aditya Birla Sun Life Mutual Fund 85,980.263 (2018: Nil) units in Overnight fund - Regular Growth	881.87	-
Reliance Mutual Fund 7,69,558.585 (2018: Nil) units in Overnight fund - Regular Growth	783.25	-
UTI Mutual Fund 30,236.516 (2018: Nil) units in Overnight fund - Regular Growth	779.79	-
HDFC Mutual Fund 2,810.2261 (2018: Nil) units in Overnight fund - Regular Growth	925.18	-
SBI Mutual Fund 3,065.0046 (2018: Nil) units in Overnight fund - Regular Growth	875.03	-
Total	4,245.12	2,003.55
Aggregate value of quoted investment	21,588.84	26,241.00
Aggregate value of unquoted investment	7,761.78	5,520.21
Aggregate amount of impairment in value of investments	20.00	20.00
Aggregate amount of Increase / (decrease) due to change in the fair value of investments	(3,955.30)	696.86

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
5 Loans		
Non-current (Unsecured)		
Loans to subsidiary companies (Refer note 37)		
Considered good	1,566.72	766.26
Considered credit impaired	2,329.10	2,329.10
	3,895.82	3,095.36
Less: Impairment allowance (allowance for bad and doubtful debts)		
Considered credit impaired	2,329.10	2,329.10
	1,566.72	766.26

5.1 The above loans are given for general corporate and business purposes. They are interest bearing and repayable on demand. The loans are carried at amortised cost.

5.2 These financial assets have been pledged to secured borrowings of the Company (Refer note 15).

	As at 31 March 2019	As at 31 March 2018
6 Other financial assets		
(unsecured)		
Non-current		
Premises and other deposits		
Considered good	6,862.76	11,312.50
Considered credit impaired	417.23	357.38
	7,279.99	11,669.88
Less: Impairment allowance (allowance for bad and doubtful debts)		
Considered credit impaired	417.23	357.38
	6,862.76	11,312.50
Other Bank Balance		
Bank deposits more than 12 months maturity from balance sheet date	-	114.09
	6,862.76	11,426.59
Current		
Advances to employees	66.02	53.87
Advances to subsidiary companies (Refer note 37)	5.54	4.23
Premises and other deposits (unsecured, considered good)	5,999.71	154.39
Other receivables		
Considered good	137.85	331.56
Considered credit impaired	344.94	344.94
	482.79	676.50
Less: Impairment allowance (allowance for bad and doubtful debts)		
Considered credit impaired	344.94	344.94
	137.85	331.56
	6,209.12	544.05

6.1 These are carried at amortised cost.

6.2 These have been pledged to secure borrowings of the Company (Refer note 15).

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
7. Deferred tax assets / Liabilities (net)		
Deferred tax assets	3,199.54	1,987.77
Deferred tax liabilities	-	(10.17)
	3,199.54	1,977.60

	Balance Sheet		Statement of Profit and Loss	
	As at 31 March 2019	As at 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
Deferred tax assets / (liabilities) relates to the following:				
Deferred tax Liabilities				
Property, plant and equipment & Intangible assets	-	10.17	(10.17)	(728.90)
Deferred tax Assets				
Property, plant and equipment & Intangible assets	1,416.61	-	(1,416.61)	-
Provision for doubtful debts / advances	442.37	437.22	(5.15)	(93.00)
Provision for expenses	423.73	372.41	(51.32)	(227.39)
Employee benefits	403.81	358.40	(45.41)	38.77
Deferred Revenue on point reward schemes	-	64.30	64.30	87.61
Lease Deposits	214.05	176.48	(37.57)	(46.51)
MTM on Future Retail Ltd. Shares	-	72.47	72.47	(72.47)
Short-Term Capital Loss	298.97	506.49	207.52	(506.49)
Net deferred tax assets / (liabilities)	3,199.54	1,977.60	(1,221.94)	(1,548.38)

	As at 31 March 2019	As at 31 March 2018
8. Other Assets		
(Unsecured, considered good)		
Non-current		
Capital Advances	878.59	930.14
Service tax deposited under protest	3,541.34	3,541.34
Advance Income tax (Net of provision)	1,145.17	1,144.84
Prepaid Expenses	3,986.29	3,899.89
	9,551.39	9,516.21
Current		
Recoverables - Statutory dues	11,975.06	10,349.49
Advance for Goods & Services		
Considered good	2,926.76	3,584.12
Considered credit impaired	341.41	309.69
	3,268.17	3,893.81
Less: Impairment allowance (allowance for bad and doubtful debts)		
Considered credit impaired	341.41	309.69
	2,926.76	3,584.12
Prepaid Expenses	1,385.24	1,710.02
Other assets		
Considered good	46.04	285.53
Considered credit impaired	236.00	236.00
	282.04	521.53
Less: Impairment allowance (allowance for bad and doubtful debts)		
Considered credit impaired	236.00	236.00
	46.04	285.53
	16,333.10	15,929.16

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
9. Inventories		
(At lower of cost and Net realisable value)		
Stock-in-trade: Retail merchandise	105,354.96	32,842.43

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.

	As at 31 March 2019	As at 31 March 2018
10. Trade receivables - current		
(Unsecured)		
Considered good	4,441.53	4,372.44
Considered credit impaired	30.47	30.47
	4,472.00	4,402.91
Less: Impairment allowance (allowance for bad and doubtful debts)		
Considered credit impaired	(30.47)	(30.47)
	4,441.53	4,372.44

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).

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 37.

10.5 Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

	As at 31 March 2019	As at 31 March 2018
11. Cash and cash equivalents		
Balance with banks in current accounts	817.56	69.57
Cash on hand	828.34	388.06
	1,645.90	457.63

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.

11.3 For the purpose of Statement of cash flow, Cash and cash equivalents comprise the followings:

	As at 31 March 2019	As at 31 March 2018
Balance with banks in current accounts	817.56	69.57
Cash on hand	828.34	388.06
	1,645.90	457.63
Less: Bank overdraft / Cash credit (Refer note 17 and 15A)	(653.92)	(761.12)
	991.98	(303.49)

	As at 31 March 2019	As at 31 March 2018
12. Other bank balances		
Margin money accounts (under lien against bank guarantee)	26.79	65.19
Earmarked accounts (for unpaid dividend)	0.38	0.38
	27.17	65.57

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
13 Share capital		
13.1 Authorised		
200,000,000 equity shares of ₹ 5/- each	10,000.00	10,000.00
13.2 Issued, subscribed and fully paid up shares		
87,989,928 (2018: 87,960,689) equity shares of ₹ 5/- each fully paid up	4,399.50	4,398.03
	4,399.50	4,398.03

13.3 Reconciliation of number of equity shares:

Particulars:	31 March 2019		31 March 2018	
	Numbers	₹ Lacs	Numbers	₹ Lacs
Balance at the beginning of the year	87,960,689	4,398.03	83,504,744	4,175.24
Issued during the year (Refer note 13.6)	29,239	1.47	4,455,945	222.79
Balance at the end of the year	87,989,928	4,399.50	87,960,689	4,398.03

13.4 Details of shareholders holding more than 5% shares as at 31 March:

Name of the Shareholder	As at 31 March 2019		As at 31 March 2018	
	Shares held (Nos.)	Shares held (%)	Shares held (Nos.)	Shares held (%)
Palm Shelter Estate Development LLP	11,813,300	13.43%	11,813,300	13.43%
Anbee Construction LLP	10,386,401	11.80%	10,386,401	11.81%
Cape Trading LLP	10,386,401	11.80%	10,386,401	11.81%
Aditya Birla Sun Life Trustee Private Limited	5,789,554	6.58%	48,53,014	5.22%
Raghukool Estate Development LLP	5,593,300	6.36%	5,593,300	6.36%
Capstan Trading LLP	5,459,768	6.21%	5,459,768	6.21%
Casa Maria Properties LLP	5,253,300	5.97%	5,253,300	5.98%
Reliance Capital Trustee Co.Ltd.	4,754,987	5.40%	6,346,491	7.22%

13.5 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.

During the previous year ended 31 March 2018, the Company issued and allotted 43,95,925 equity shares of ₹5 each at an issue price of ₹ 407.78 per equity share to Amazon.com NV Investment Holdings LLC, on a preferential basis.

13.6 The Company has issued and allotted 29,239 (2018: 60,020) number of shares under Share options schemes to certain employees- Refer note 34.

	As at 31 March 2019	As at 31 March 2018
14 Other equity		
Securities premium	65,544.20	65,439.81
General reserves	1,909.19	1,909.19
Retained earnings	25,891.24	23,528.09
Share options outstanding account	20.59	61.50
	93,365.22	90,938.59

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.

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

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.

	As at 31 March 2019	As at 31 March 2018
15 Borrowings		
Non-current		
Term Loans (Secured) from banks	4,000.00	7,976.77
Less: Current maturities (Refer note 17)	4,000.00	4,000.00
	-	3,976.77

15.1 Term Loans are secured by a first *pari passu* charge on the current assets and all the movable fixed assets of the Company both present and future. First *pari passu* charge on credit / debit card collection through escrow account of the Company.

15.2 Terms of the Facilities:-

Non-current borrowings

Name of the Bank	Rate of Interest	Repayment Schedule	31 March 2019	31 March 2018
IDBI Bank	9.45% (2018: 9.45%)	10 equal quarterly instalments from 9 December 2017.	4,000.00	7,976.78
Current maturities of long-term borrowings				
IDBI Bank	9.45% (2018: 9.45%)	10 equal quarterly instalments from 9 December 2017.	4,000.00	4,000.00

15.3 Borrowings are carried at amortised cost.

	As at 31 March 2019	As at 31 March 2018
15A Current		
From banks		
- Secured	-	761.12
	-	761.12

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.

15.A2 Terms of the Facilities:-

Name of the Bank	Rate of Interest	Repayment Schedule	31 March 2019	31 March 2018
Secured:				
Axis Bank	Nil (2018: 9.25%)	On demand	-	234.14
ICICI Bank (Cash Credit)	Nil (2018: 9.25%)	On demand	-	1.15
IDBI Bank (Cash Credit)	Nil (2018: 10.25%)	On demand	-	153.05
Kotak Mahindra Bank Ltd. (Cash Credit)	Nil (2018: 9.00%,)	On demand	-	146.47
HDFC Bank Ltd. (Cash Credit)	Nil (2018: 10.55%)	On demand	-	13.30
Yes Bank	Nil (2018: 10.75%)	On demand	-	0.80
IDFC Bank	Nil (2018: 9.05%)	On demand	-	212.21
			-	761.12

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
16 Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	590.66	460.17
- Total outstanding dues of creditors other than micro enterprises and small enterprises	124,833.26	48,401.06
	125,423.92	48,861.23
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. 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.	590.66	460.17
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.	-	-
	As at 31 March 2019	As at 31 March 2018
17 Other financial liabilities		
Other financial liabilities measured at amortised cost		
Current maturities of long-term borrowings at amortised cost	4,000.00	4,000.00
Interest accrued but not due on borrowings	5.57	0.13
Unpaid dividends	0.38	0.38
Creditors for capital expenditure	970.36	2,313.17
Accrued payroll	2,027.52	1,478.82
Security deposits	80.41	98.15
Related parties payables (Refer note 37)	108.65	140.34
Overdrawn bank balances	653.92	-
	7,846.81	8,030.99
	As at 31 March 2019	As at 31 March 2018
18 Provisions		
Provision for employee benefits:		
Gratuity	276.62	193.22
Leave encashment	657.97	601.18
	934.59	794.40
	As at 31 March 2019	As at 31 March 2018
19 Other current liabilities		
Statutory liabilities	7,533.24	7,695.12
Award schemes and gift vouchers	8,030.91	10,760.22
Others	-	35.72
	15,564.15	18,491.06

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
20 Revenue from contracts with customers		
Sale of Products		
Retail Sales	324,024.42	354,093.32
Other retail operating revenue		
Net proceeds from SOR	14,007.59	-
Net income from concessionaire and consignment model	4,849.59	-
Facility management fees	2,638.00	2,578.98
Gift vouchers lapsed	1,853.60	1,721.92
Income from store displays and sponsorship	122.61	54.69
Direct marketing	635.00	700.00
	24,106.39	5,055.59
	348,130.81	359,148.91
20.1 Disaggregated revenue information		
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
Type of goods or service		
Sale of goods	364,686.52	396,078.61
Net proceeds from SOR (Refer note 39)	14,007.59	-
Net income from concessionaire and consignment model	4,849.59	-
Other operating income	5,249.21	5,055.59
Tax	(40,662.10)	(41,985.29)
Total Revenue from contracts with customers	348,130.81	359,148.91
India	348,130.81	359,148.91
Outside India	-	-
Timing of revenue recognition		
Goods transferred at a point in time	342,881.60	354,093.32
Services transferred over time (Other operating income)	5,249.21	5,055.59
Total Revenue from contracts with customers	348,130.81	359,148.91
20.2 Contract balances		
Trade receivables*	4,441.53	4,372.44

*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	31 March 2019	31 March 2018
Revenue as per contracted price	471,730.25	449,775.29
Adjustments		
Loyalty points	(4,035.66)	(4,269.87)
Sales return	(22,321.36)	(17,921.93)
Discount	(97,242.42)	(68,434.58)
Revenue from contract with customers	348,130.81	359,148.91

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
21 Other income		
Interest on financial assets:		
Inter-corporate deposit to subsidiary companies (Refer note 37)	110.92	719.60
On mutual fund investment	672.50	76.17
Bank deposits	7.50	69.32
Interest on IT Refund	356.29	-
Lease deposits measured at amortised cost	637.15	666.71
Miscellaneous income	4.29	70.23
	1,788.65	1,602.03
	For the year ended 31 March 2019	For the year ended 31 March 2018
22 a) Purchase of Stock-in-trade		
Retail Merchandise		
Apparels	171,194.41	129,823.99
Non-apparels	104,035.15	89,081.76
	(A) 275,229.56	218,905.75
22 b) Changes in inventories of stock in trade		
Opening inventory	32,842.43	35,276.50
Closing inventory	105,354.96	32,842.43
(Increase) / Decrease	(B) (72,512.53)	2,434.07
22 c) Cost of inventories recognised as an expenses*	(A)+(B)	221,339.82
* Includes write-downs/offers (net) of inventory to net realisable value on account of old season stock and shrinkages arising from stock count.	1,578.27	1,264.33
	For the year ended 31 March 2019	For the year ended 31 March 2018
23 Employee benefits expenses		
Salaries and Wages	28,641.47	27,272.68
Contribution to provident and other funds (Refer note 29(i)(c) & 35)	1,937.23	1,881.63
Share-based payments cost * (Refer note 34)	20.59	10.63
Staff welfare expenses	848.31	969.83
	31,447.60	30,134.77
* Measured at fair value		
	For the year ended 31 March 2019	For the year ended 31 March 2018
24 Finance costs		
Interest on borrowings	1,174.26	3,551.46
Bank charges	70.54	64.66
	1,244.80	3,616.12

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
25 Other expenses		
Lease rent and hire charges (Refer note 27)	38,634.03	35,973.06
Business conducting fees	1,657.25	1,441.11
Rates and taxes	316.10	2,605.70
Repairs and maintenance		
- Buildings	9,246.50	8,339.19
- Others	949.15	1,007.63
Legal and professional fees (Refer note 25.1)	799.14	1,107.26
Housekeeping charges	1,810.62	1,798.05
Security charges	2,834.03	2,743.04
Computer expenses	3,702.33	2,492.69
Conveyance and travelling expenses	2,384.66	2,158.20
Electricity charges	9,472.62	9,168.52
Advertisement and publicity	7,066.90	5,554.09
Sales promotion	684.71	4,184.97
Charges on credit card transactions	2,420.13	2,656.78
Allowances for bad and doubtful financial assets*	85.93	240.65
Loss on sale of property, plant and equipment (net)	21.85	54.13
Foreign exchange gain / loss (net)	(33.98)	(16.27)
Corporate Social Responsibility expenses (Refer note 25.2)	139.28	84.16
Miscellaneous expenses	6,443.27	4,917.76
	88,634.52	86,510.72

*excludes exceptional items

	For the year ended 31 March 2019	For the year ended 31 March 2018
25.1 Payments to Auditors (excluding GST / service tax):		
i) Audit fees	59.00	50.00
ii) Other matters	4.10	11.46
iii) Out of pocket expenses	3.50	2.26
	66.60	63.72
25.2 Expenditure related to corporate social responsibility as per Section 135 of the Companies Act, 2013 read with schedule VIII thereof		
a) Gross amount required to be spent by the Company	139.28	84.16
b) Details of amount spent are as under:		
Livelihood creation for persons with disabilities (Employment linked training)	89.28	64.08
Disaster Relief Fund	10.00	-
Livelihood creation for young underprivileged women (Employment linked training)	10.00	-
Promote sustainable fashion through reuse, recycle and reduce	30.00	-
Ensuring environmental sustainability (Swacch Bharat)	-	20.08
Total	139.28	84.16
c) Details of expenditure paid to related party in relation to CSR expenditure - Refer note 37		

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
26 Income tax expense recognised in profit or loss		
Current income tax:		
Current income tax charge	5,879.27	3,897.31
Adjustments in respect of current income tax of previous year	(163.98)	(593.30)
	5,715.29	3,304.01
Deferred tax		
In respect of current year	(1,221.94)	(1,548.38)
	(1,221.94)	(1,548.38)
Income tax expense reported in the statement of profit and loss	4,493.35	1,755.63

OCI section - Income tax related to items recognised in OCI during in the year:

	For the year ended 31 March 2019	For the year ended 31 March 2018
i) Remeasurement of employee defined benefit obligation	(67.60)	43.22
ii) Changes in fair value of equity instruments (Refer note 26.1)	-	72.48
Income tax charged to OCI	(67.60)	115.70

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting Profit before income tax (before exceptional item)	12,368.61	7,956.97
Income tax expense calculated at 34.944% (2018: 34.608%)	4,322.09	2,753.75
Effect of expenses that are not deductible in determining taxable profit		
Corporate social responsibility expenses	48.67	29.10
Interest disallowances u/s.14A	101.52	128.64
Donations / Rates and taxes	(24.34)	3.46
Adjustments in respect of current income tax of previous year		
Deferred tax written off on Service tax, FCC provisions and mark to market	123.61	(154.49)
Earlier year IT provision reversals	(76.23)	(438.81)
Others		
Deferred tax assets on short-term capital loss on sale of subsidiary	-	(506.48)
Others	(1.97)	(59.54)
Income tax expense recognised in profit or loss	4,493.35	1,755.63

26.1 In the absence of reasonable certainty, the Company has not recognised deferred tax assets (DTA) on mark to market loss on equity shares of Future Retail Ltd.

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
27 Leases		
Operating lease commitment as lessee		
Expenses recognised in the statement of profit and loss		
a) Minimum lease payments	33,576.88	31,248.50
b) Contingent rent	5,057.15	4,724.56
Variable rent for certain stores is payable in accordance with the lease agreement as the higher of (a) fixed minimum guarantee amount and (b) revenue share percentage.		
c) The future minimum rental payments in respect of non-cancellable lease for premises are as follows:		
Not later than one year	3,677.71	5,740.86
Later than one year and not later than five years	4,375.90	7,353.04
Later than five years	-	-
The agreements are executed for periods ranging from 24 to 288 months with a non-cancellable period at the beginning of the agreement ranging from 24 to 108 months and having a renewable clause.		

28 Earning Per Equity Share

Basic EPS amounts are calculated by dividing the profit/(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 profit/(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:

	As at 31 March 2019	As at 31 March 2018
(a) Profit attributable to equity share holders (₹ In Lacs)	7,875.26	1,160.38
(b) Weighted Number of equity shares outstanding during the year	87,987,765	84,476,182
(c) Weighted Number of equity shares outstanding during the year after adjustment for dilution	87,987,765	84,491,999
(d) Nominal value per share (₹)	5	5
(e) EPS:		
Basic (₹)	8.95	1.37
Diluted (₹)	8.95	1.37
Weighted Average number of Equity shares for basic EPS	87,987,765	84,476,182
Effect of dilution:		
Share options	*	15,817
Weighted average number of Equity shares adjusted for the effect of dilution	87,987,765	84,491,999

* Note: Since average market price is less than exercise price effect becomes anti-dilutive.

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
29 Contingent liabilities and commitments:		
i) Contingent liabilities		
a) Claims against the Company not acknowledged as debts, comprising of:		
Income tax claims disputed by the Company relating to disallowances aggregating *	11,220.25	240.00
* During the year, the survey action was carried out by income tax authorities w.r.t. TDS for A.Y. 17-18, AY18-19 and A.Y. 12-13 post which order was passed directing the Company to pay tax of ₹4408 Lacs for A.Y. 17-18 ₹4213 Lacs for A.Y. 18-19 and ₹2,341 Lacs for A.Y. 12-13 on account of non-deduction of contract manufacturing goods. The Company has filed an appeal to higher authorities and deposited ₹1,000 Lacs under protest. The Company is confident of getting the same quashed hence no provision on the same has been made and disclosed under contingent liabilities as on 31 March 2019. Further, the Company has also filed an appeals to higher authorities against disallowances of Section 14A and other matters amounting to ₹258.25 Lacs.		
Indirect tax claims disputed by the Company relating to issues of applicability and classification aggregating		
- Service tax other than on rent #	1,120.42	1,120.42
- Service tax on rent (Refer note 30)	1,659.56	1,659.56
- VAT	-	5.79
- Customs Duty *	46.77	42.61
# The Service tax authority has raised demand through SCN amounting to ₹ 344.45 Lacs (Basis 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 ₹1,120.42 Lacs (deposit paid under protest ₹ 344.45 Lacs). The Company has filed an appeal and matter is still pending before Mumbai High Court.		
* Aggrieved with the decision of custom department for demanding the payment of SAD refund of ₹ 41.60 Lacs the Company has filed an appeal before CESTAT. Further, the Company has received demand order of ₹5.17 Lacs 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	25.00	25.00
c) Provident Fund	-	-
There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28 February 2019. Pending clarity, the Company has made a provision on a prospective basis from 1 March 2019. Appropriate changes to provision would be made on receiving further clarity on the subject.		
d) Bank Guarantees	584.11	538.89
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.		
ii) Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	3,768.41	2,206.80
b) Corporate guarantee given to bank jointly and severally:		
- Shopper Stop Limited has given the corporate guarantee for loans taken by Crossword Bookstores Ltd. ₹2,340.00 Lacs (2018: Crossword Bookstores Ltd. ₹2,340.00 Lacs)	2,340.00	2,340.00

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

30 Service tax

Pursuant to levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from 1 June 2007, the Company has challenged the aid 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 ₹1,659.56 lacs for the period 1 June 2007 to 31 March 2010.

31 Exceptional Items

During the previous year ended 31 March 2018 exceptional items comprised of net loss of ₹4,886.75 lacs on sale of a subsidiary and net loss of ₹ 154.21 lacs on account of disposal of its shareholding in two Joint ventures.

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.

- i) The Company operates in a single geographical environment i.e. in India.
- ii) No single customer contributed 10% or more to Company's revenue.

33 Derivatives / Forward foreign exchange contracts

- a) 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.

It is the policy of the Company to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts. The Company also enters into forward foreign exchange contracts to manage the risk associated with anticipated sales and purchase transactions out of 6 months within 40% to 50% of the exposure generated.

Adjustments are made to the initial carrying amounts of non-financial hedged items when the anticipated sale or purchase transaction takes place.

The following are the outstanding Forward Exchange Contracts entered into by the Company as at 31 March 2019.

Particulars	31 March 2019			31 March 2018		
	Number of Contracts	-	-	-	1	1
Type	-	-	-	Buy	Buy	Buy
Foreign currency (in lacs)	-	-	-	0.27 EURO	0.06 GBP	1.86 USD
INR Equivalent (in lacs)	-	-	-	22.20	5.77	121.43

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.

Particulars	31 March 2019		31 March 2018	
	₹ In Lacs	In Foreign currency	₹ In Lacs	In Foreign currency
Trade Payable	90.88	USD 1,31,429	-	-
Creditors for capital expenditure	0.69	EURO 889	-	-

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

34 Share-based payments

The expense recognised for employee services received during the year is shown in the following table:

	Year ended 31 March 2019	Year ended 31 March 2018
Expense arising on Employee Stock Option Scheme	20.59	10.63
Total expense arising from share-based payment transactions	20.59	10.63

34.1 Employee share option plan of the Company

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 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 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 Lattice 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.

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	Vesting date	Exercise Price (₹)	Fair value at grant date (₹)
Granted on 31 July 2015	3,275	31.07.2015	31.07.2018	404.00	124.35
Granted on 29 April 2014	160,675	29.04.2014	29.04.2017	362.00	123.21
Granted on 8 June 2018	9,191	08.06.2018	07.06.2021	544.00	219.45
Granted on 8 June 2018	5,253	08.06.2018	08.06.2021	544.00	189.71
Granted on 27 July 2018	28,720	27.07.2018	27.07.2021	546.00	167.93
Granted on 28 January 2019	17,210	28.01.2019	28.01.2022	514.00	160.20

All options vested based on the predetermined 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.

34.2 Fair value of share options granted in the year

The following are the new grants during the F.Y. 2018-19.

Options series	Number	Grant date	Vesting date	Exercise Price (₹)	Fair value at grant date (₹)
Granted on 8 June 2018	9,191	08.06.2018	07.06.2021	544.00	219.45
Granted on 8 June 2018	5,253	08.06.2018	08.06.2021	544.00	189.71
Granted on 27 July 2018	28,720	27.07.2018	27.07.2021	546.00	167.93
Granted on 28 January 2019	17,210	28.01.2019	28.01.2022	514.00	160.20

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
	31 March 2019		31 March 2018	
Outstanding at the beginning of the year	49,919	363.07	211,124	353.61
Granted during the year	60,374	536.40	-	-
Lapsed/Cancelled during the year	25,590	-	101,185	-
Exercised during the year	29,239	362.00	60,020	345.99
Surrendered during the year	-	-	-	-
Outstanding at the end of the year	55,464	536.40	49,919	363.07

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Of the above outstanding share options, 55,464 (2018: 49,919) shares are exercisable at the end of the respective reporting periods.

Details of year-wise grant and exercise:

Year / (date of Grant)	Options granted	Exercised till	Exercised in	Exercised till	Outstanding	Exercised in	Outstanding
	(net of lapsed)	31.03.2017	2017-18	31.03.2018	31.03.2018	2018-19	31.03.2018
2009-10 (29.04.2009)	958,740	958,740	-	958,740	-	-	-
2009-10 (24.03.2010)	358,200	358,200	-	358,200	-	-	-
2011-12 (29.04.2011)	124,100	124,100	-	124,100	-	-	-
2012-13 (09.06.2012)	101,807	101,807	-	101,807	-	-	-
2013-14 (28.08.2013)	42,512	28,629	13,883	42,512	-	-	-
2014-15 (29.04.2014)	83,906	10,494	44,173	54,667	29,239	29,239	-
2014-15 (05.11.2014)	-	-	-	-	-	-	-
2015-16 (31.07.2015)	1,964	-	1,964	1,964	-	-	-
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)	17,210	-	-	-	-	-	17,210
			60,020	1,641,990	29,239	29,239	55,464

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 (₹)
Granted on 29 April 2014	29,239	27.04.2018	362

34.5 New share options granted

The compensation cost of stock options granted to employees is calculated using the intrinsic value of the stock options.

Date of grant	2018-19			
	08.06.2018	08.06.2018	27.07.2018	28.01.2019
Number of option granted	9,191	5,253	28,720	17,210
Contractual life	3 years	3 years	3 years	3 years
Vesting Schedule (from the date of grant)				
First Year	-	30%	30%	30%
Second Year	-	30%	30%	30%
Third Year	100%	40%	40%	40%
Method of settlement	Equity	Equity	Equity	Equity
Estimated Fair Values (Arrived at by applying Lattice model for option pricing)	219.45	189.71	167.93	160.20
Model inputs (share price at the grant date) ₹	544	544	546	514
Exercise Price ₹	544	544	546	514
Expected Volatility	32.83%	33.01%	33.12%	34.08%
Risk free rate of return	1.97%	1.93%	1.90%	1.84%

34.6 The weighted average contractual life of the options outstanding is 4.42 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 ₹1,316.39 Lacs (2018: ₹ 1,158.15 Lacs) 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 37.

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(All amounts in ₹ lacs)

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.

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.

b) The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate	7.00% p.a.	7.40% p.a.
Expected rate of salary increase	4.50% p.a.	4.00% p.a.
Average Longevity at retirement age for current beneficiaries of the plan (years)	Indian Assured Lives Mortality 2006-08	
Rate of employee turnover		
Upto 5 Year	35.00% p.a.	34.00% p.a.
Above 5 Year	12.00% p.a.	11.00% p.a.

c) Amount recognised in statement of profit and loss in respect of these defined benefit plan

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	199.19	252.28
Net interest cost	14.29	14.35
Components of defined benefits costs recognised in profit or loss.	213.48	266.63
Remeasurements on the net defined benefit liability:		
- Return on plan assets, excluding amount included in interest expense/(income)	(1.90)	(16.14)
- Actuarial (gain)/loss from change in demographic assumptions	9.84	(107.12)
- Actuarial (gain)/loss from change in financial assumptions	78.84	(22.44)
- Actuarial (gain)/loss from change in experience adjustments	106.67	20.79
Total amount recognised in other comprehensive income	193.45	(124.91)
Total	406.93	141.72

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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 31 March, 2019	As at 31 March, 2018
Present value of funded defined benefit obligation	1,404.74	1,343.48
Fair value of plan assets	1,128.12	1,150.26
Net asset arising from defined benefit obligation	276.62	193.22

e) Movement in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening defined benefit obligation	1,343.48	1,341.10
Current service cost	199.19	252.28
Interest cost	99.35	95.82
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	9.84	(107.12)
- Actuarial (gain)/loss from change in financial assumptions	78.84	(22.44)
- Actuarial (gain)/loss from change in experience adjustments	106.67	20.79
Benefits paid	(432.63)	(236.95)
Closing defined benefit obligation	1,404.74	1,343.48

f) Movement in the fair value of the plan assets are as follows.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening fair value of plan assets	1,150.26	1,140.29
Interest income	85.06	81.47
Remeasurement (gains)/losses:		
- Return on plan assets, excluding amount included in net interest expense	1.89	16.14
Contributions from the employer	323.54	149.33
Benefits paid/transferred	(432.63)	(236.97)
Closing fair value of plan assets	1,128.12	1,150.26

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	31 March 2019	31 March 2018
Defined benefit obligation (base)	1,404.74	1,343.48

Particulars	31 March 2019		31 March 2018	
	Decrease	Increase	Decrease	Increase
Discount rate (- / +1%)	1,496.07	1,323.23	1,425.08	1,270.61
% change compared to base due to sensitivity	6.50%	-5.80%	6.10%	-5.40%
Salary growth rate (- / +1%)	1,320.63	1,497.44	1,267.67	1,427.05
% change compared to base due to sensitivity	-6.00%	6.60%	-5.60%	6.20%
Attrition rate (- / +50%)	1,369.70	1,395.51	1,277.24	1,355.65
% change compared to base due to sensitivity	-2.50%	-0.70%	-4.90%	0.90%
Mortality rate (- / +10%)	1,404.36	1,405.11	1,343.02	1,343.93
% change compared to base due to sensitivity	0.00%	0.00%	0.00%	0.00%

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(All amounts in ₹ lacs)

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.

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 a 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 ₹490.94 lacs to its gratuity plan for the next year.
- Weighted average duration of the defined benefit obligation is 6 years (based on discounted cashflows).

Expected cash flows over the next (valued on undiscounted basis):	₹ In Lacs
1 year	197.91
2 to 5 years	728.88
6 to 10 years	606.59
More than 10 years	847.89

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 incorporation and operation	Proportion of ownership interest and voting rights held	
				As at 31 March 2019	As at 31 March 2018
1	Crossword Bookstores Limited	Retailing in books and other allied items through departmental stores operated by self or by franchisees	India	100%	100%
2	Shoppers' Stop Services (India) Limited	Services	India	100%	100%
3	Upasna Trading Limited	Supervising distribution and logistics operations	India	100%	100%
4	Shoppers' Stop.com (India) Limited	Services	India	100%	100%
5	Gateway Multichannel Retail (India) Limited	Catalogue retailing	India	100%	100%

36.2 The Company has given corporate guarantee to banks for loans taken by subsidiaries - Refer note 29 (ii) (b).

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

37 Related party disclosures

Names of related parties and description of relationship:

(a) Subsidiaries	Crossword Bookstores Limited. Gateway Multi Channel Retail (India) Limited. Upasna Trading Limited. Shoppers Stop Services (India) Limited. Shoppers Stop.com (India) Limited. Hypercity Retail (India) Limited (upto November 30, 2017)	
(b) Key Management Personnel	Executive Director : Non Executive Directors: Chief Executive Officer Chief Financial Officer Deputy Chief Financial Officer Company Secretary Chandru L. Raheja Ravi Raheja Neel Raheja	Govind Shrikhande (upto June 30, 2018) Rajiv Suri (w.e.f June 08, 2018) Chandru L. Raheja (upto June 08, 2018) Ravi Raheja Neel Raheja B.S.Nagesh Nitin Sanghavi Deepak Ghaisas Nirvik Singh Ameera Shah (w.e.f. June 08, 2018) Abanti Sankaranarayanan (upto June 08,2018) Gareth Thomas (upto October 26, 2017) Manish Chokhani Robert Bready (w.e.f. July 27, 2018) Rajiv Suri (w.e.f January 09, 2018) Karunakaran M (w.e.f. June 08, 2018) Sanjay Chakravarti (upto December 22, 2017) Vijay Jain (From April 27, 2018 to June 08, 2018) Bharat Sanghavi
(c) Promoter directors		
(d) Entities in which a director is a director	Ivory Properties and Hotels Private Limited*, Avacado Properties and Trading India Private Limited* Trion Properties Private Limited* Retailers Association of India K. Raheja Corp. Private Limited* Inorbit Malls (India) Private Limited* Chalet Hotels Limited* Magna Warehousing & Distribution Private Limited* Genext Hardware and Parks Private Limited *	
(e) Entities in which other directors are directors / trustees	Sanghavi Associates Ltd Trust for Retailers & Retail Association of India Trrain Foundation JW Harriott Sahar Mumbai unit of Chalet Hotels Private Limited*	
(f) Joint Ventures	Nuance Group (India) Private Limited (upto October 6, 2017) Timezone Entertainment Private Limited. (upto February 15, 2018)	

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Following are the transactions with related parties

Nature	Subsidiaries	Entities in which the directors are directors / trustees (refer d and e above)	Joint Ventures	Key Management Personnel	Total
Trading transactions					
Purchase of stock in trade	35.42	-	-	-	35.42
	(14.75)	-	-	-	(14.75)
Crossword Bookstores Limited	35.42	-	-	-	
	(3.11)	-	-	-	
Hypercity Retail (India) Limited	-	-	-	-	
	(11.64)	-	-	-	
Loan to related parties					
Loan Given	800.00	-	-	-	800.00
	(11,900.00)	-	-	-	(11,900.00)
Crossword Bookstores Limited	800.00	-	-	-	
	-	-	-	-	
Hypercity Retail (India) Limited	-	-	-	-	
	(11,900.00)	-	-	-	
Recovery of Loan					
	-	-	-	-	-
Hypercity Retail (India) Limited	-	-	-	-	-
	(21,319.00)	-	-	-	(21,319.00)
Compensation to key management personnel					
Remuneration to managing director	-	-	-	506.21	506.21
Short term benefits	-	-	-	380.57	
Post employment benefits	-	-	-	125.64	
	-	-	-	(499.16)	(499.16)
Remuneration to managing director & chief executive officer					
(Mr. Rajiv Suri, chief executive officer (w.e.f. January 9, 2018) was appointed as managing director & chief executive officer w.e.f. June 8, 2018)					
Short term benefits	-	-	-	616.09	
Post employment benefits	-	-	-	0.08	
Share based payments	-	-	-	5.45	
	-	-	-	(100.22)	(100.22)
Remuneration to company secretary					
Short term benefits	-	-	-	49.81	
Post employment benefits	-	-	-	0.36	
Share based payments	-	-	-	1.15	
	-	-	-	(43.63)	(43.63)
Remuneration to chief financial officer					
Short term benefits	-	-	-	95.02	
Post employment benefits	-	-	-	5.14	
Share based payments	-	-	-	2.69	
	-	-	-	(100.65)	(100.65)
Remuneration to Deputy Chief Financial Officer					
Short term benefits	-	-	-	15.94	
Post employment benefits	-	-	-	0.68	
Share based payments	-	-	-	-	

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(All amounts in ₹ lacs)

Nature	Subsidiaries	Entities in which the directors are directors / trustees (refer (d and e above)	Joint Ventures	Key Management Personnel	Total
Other related party transactions					
Purchase of Assets					
	-	-	-	-	-
	(10.39)	-	-	-	(10.39)
Hypercity Retail (India) Limited	-	-	-	-	-
	(0.90)	-	-	-	-
Crossword Bookstores Ltd	-	-	-	-	-
	(9.49)	-	-	-	-
Payment of Business conducting fees	-	1,657.25	-	-	1,657.25
Ivory Properties and Hotels Private Limited *	-	1,657.25	-	-	-
	-	(1,441.11)	-	-	(1,441.11)
Payment of Lease rent	-	3,809.70	-	-	3,809.70
Ivory Properties and Hotels Private Limited *	(74.14)	(3,668.85)	-	-	(3,742.99)
	-	253.76	-	-	-
	-	(264.88)	-	-	-
Inorbit Malls (India) Private Limited *	-	2,407.67	-	-	-
	-	(2,381.02)	-	-	-
Chalet Hotels Ltd *	-	374.40	-	-	-
	-	(143.79)	-	-	-
Trion Properties Private Limited *	-	773.87	-	-	-
	-	(706.61)	-	-	-
Genext Hardware and Parks Private Limited *	-	-	-	-	-
	-	(172.55)	-	-	-
Hypercity Retail (India) Limited	-	-	-	-	-
	(74.14)	-	-	-	-
Payment of common area maintenance (Repair & Maintenance- Building)	-	992.56	-	-	992.56
Ivory Properties and Hotels Private Limited *	-	(997.14)	-	-	(997.14)
	-	16.41	-	-	-
	-	(10.45)	-	-	-
Inorbit Malls (India) Private Limited *	-	686.49	-	-	-
	-	(717.47)	-	-	-
Chalet Hotels Ltd *	-	37.19	-	-	-
	-	-	-	-	-
Trion Properties Private Limited *	-	252.47	-	-	-
	-	(269.22)	-	-	-
Reimbursement of Expenses	36.38	524.13	-	1.56	562.05
	(38.72)	(627.41)	-	(0.95)	(667.08)
Crossword Bookstores Limited	36.38	-	-	-	-
	(21.35)	-	-	-	-
Hypercity Retail (India) Limited	-	-	-	-	-
	(17.37)	-	-	-	-
Inorbit Malls (India) Private Limited *	-	363.71	-	-	-
	-	(472.63)	-	-	-
Trion Properties Private Limited *	-	121.42	-	-	-
	-	(138.71)	-	-	-
Chalet Hotels Ltd*	-	19.40	-	-	-
	-	-	-	-	-
Sanghavi Associates Ltd	-	-	-	-	-
	-	(10.06)	-	-	-

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Nature	Subsidiaries	Entities in which the directors are directors / trustees (refer (d and e above)	Joint Ventures	Key Management Personnel	Total
Juhu Beach Resorts Limited *	-	10.97 (0.10)	-	-	
Retailers Association of India	-	4.16 (3.51)	-	-	
Trrain Foundation	-	4.47	-	-	
Trrain Circle Pvt Ltd	-	- (0.77)	-	-	
K. Raheja Corp. Pvt. Ltd.*	-	- (1.63)	-	-	
B. S. Nagesh	-	-	-	1.56 (0.95)	
Interest on Inter-corporate deposit to subsidiary companies	110.92	-	-	-	110.92
	(719.60)	-	-	-	(719.60)
Crossword Bookstores Limited	110.92 (88.12)	-	-	-	
Hypercity Retail (India) Limited	-	-	-	-	
	(631.48)	-	-	-	
Advances given	2.49	-	-	-	2.49
	-	-	-	-	-
Gateway Multi Channel Retail (India) Limited	0.46	-	-	-	
	-	-	-	-	
Shoppers Stop.Com (India) Limited	1.03	-	-	-	
	-	-	-	-	
Shoppers Stop Services (India) Limited	0.29	-	-	-	
	-	-	-	-	
Upasna Trading Limited	0.71	-	-	-	
	-	-	-	-	
Deposits Paid	-	24.31	-	-	24.31
	-	(71.03)	-	-	(71.03)
Inorbit Malls (India) Private Limited *	-	- (49.64)	-	-	
Trion Properties Private Limited *	-	1.01 (0.88)	-	-	
Genext Hardware and Parks Private Limited *	-	- (20.51)	-	-	
Chalet Hotels Ltd*	-	23.30	-	-	
	-	-	-	-	-
Advance Rent	-	-	-	-	-
	(12.08)	(29.47)	-	-	(41.55)
Hypercity Retail (India) Limited	-	-	-	-	
	(12.08)	-	-	-	
Genext Hardware and Parks Private Limited *	-	- (28.76)	-	-	
Avacado Properties and Trading India Private Limited *	-	- (0.71)	-	-	

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Nature	Subsidiaries	Entities in which the directors are directors / trustees (refer (d and e above)	Joint Ventures	Key Management Personnel	Total
Expenses paid	-	221.58	-	-	221.58
	-	(150.88)	-	-	(150.88)
Miscellaneous expenses					
Chalet Hotels Ltd*	-	5.99	-	-	
		-			
Inorbit Malls (India) Private Limited *	-	5.60	-	-	
		(8.88)			
Juhu Beach Resorts Ltd.*	-	1.76	-	-	
		-			
Retailers Association of India	-	2.00	-	-	
		(2.00)			
JW Marriott Sahar Mumbai unit of Chalet Hotels Pvt Ltd *	-	-	-	-	
		(4.78)			
Legal and professional fees					
Chalet Hotels Ltd*	-	0.37	-	-	
		-			
Retailers Association of India	-	5.00	-	-	
		-			
JW Marriott Sahar Mumbai unit of Chalet Hotels Pvt Ltd *	-	-	-	-	
		(0.37)			
Advertisement and publicity					
Inorbit Malls (India) Private Limited *	-	73.14	-	-	
		(53.82)			
Trion Properties Private Limited *	-	23.17	-	-	
		(17.04)			
Salaries & Wages (Recruitment expenses)					
Juhu Beach Resorts Ltd.*	-	5.27	-	-	
		-			
Corporate Social Responsibility expenses					
CSR- Trust for Retailers & Retail Association of India	-	99.29	-	-	
		(64.00)			(64.00)
Expenses recovered	388.87	-	-	-	388.87
	(334.86)	-	-	-	(334.86)
Hypercity Retail (India) Limited	-	-	-	-	
	(6.24)				
Crossword Bookstores Limited	388.87	-	-	-	
	(328.62)				
Deposit received back					
Trion Properties Private Limited	-	-	-	-	
	-	(197.18)	-	-	(197.18)
Transfer of Loyalty Points					
	(35.44)	-	-	-	(35.44)
Receipt of Loyalty points					
	(20.61)	-	-	-	(20.61)

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Nature	Subsidiaries	Entities in which the directors are directors / trustees (refer (d and e above)	Joint Ventures	Key Management Personnel	Total
Commission and Sitting fees to Non Executive Directors				84.75	84.75
Chandru L.Raheja (upto June 8,2018)				1.00	
Ravi Raheja				11.50	
Neel Raheja				9.00	
B.S.Nagesh				8.00	
Nitin Sanghavi				10.50	
Deepak Ghaisas				13.50	
Nirvik Singh				9.50	
Abanti Sankaranarayanan (upto June 8,2018)				1.25	
Ameera Shah (appointed w.e.f.June 8,2018)				5.50	
Manish Chokhani				9.50	
Robert Bready (appointed w.e.f.July 27,2018) **				5.50	
	-	-	-	(50.60)	(50.60)

Balance outstanding at the year end	31 March 2019	31 March 2018
Payable		
Upasna Trading Limited	108.65	109.37
Receivables		
Shoppers Stop Services (India) Limited	1.79	1.51
Shoppers Stop.Com (India) Limited	3.75	2.72
Hypercity Retail (India) Limited	-	63.58
Ivory Properties and Hotels Private Limited *	1,016.15	1,010.52
Inorbit Malls (India) Private Limited *	861.23	846.31
Genext Hardware and Parks Private Limited *	-	179.55
Gateway Multi Channel Retail (India) Limited	2,329.48	2,329.10
Trion Properties Private Limited*	286.83	285.96
Crossword Bookstores Limited	1,567.54	744.74

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

* 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.

** An amount of ₹9 Lacs is payable to Mr. Robert Bready, for providing training and advisory services to the senior management of the Company.

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 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: ₹ 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.

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

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. 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 summarizes the capital of the Company:

Capital	As at 31 March 2019	As at 31 March 2018
Long term borrowings (including current maturities)	4,000.00	7,976.77
Short term borrowings	-	761.12
Total debt	4,000.00	8,737.89
Equity share capital	4,399.50	4,398.03
Other equity	93,365.22	90,938.59
Total equity	97,764.72	95,336.62
Debt Equity Ratio	0.04	0.09

The Company's objective is to keep the debt equity ratio below 1 which it has achieved in both these years.

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 fifty basis points in floating interest rates would result in decrease / increase in the Company's profit before tax by approximately ₹15 lacs (2018: ₹188 lacs).

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 34 for the forward cover contracts outstanding at the end of the reporting period.

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(All amounts in ₹ lacs)

(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	Carrying amounts
At 31 March 2018			
Borrowings (long term and short term)	4,761.12	3,976.77	8,737.89
Interest payable	0.13	-	0.13
Trade payables and other accruals	48,861.23	-	48,861.23
At 31 March 2019			
Borrowings (long term and short term)	4,000.00	-	4,000.00
Interest payable	5.57	-	5.57
Trade payables and other accruals	1,25,423.92	-	1,25,423.92

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 financing facilities which were undrawn as at the end of reporting periods mentioned.

Undrawn financing facility	As at 31 March 2019	As at 31 March 2018
Secured Working Capital Facilities		
Amount Used	-	464.14
Amount Unused	32,200.00	31,735.86
Total	32,200.00	32,200.00
Unsecured Working Capital Facilities		
Amount Used	-	-
Amount Unused	2,500.00	2,500.00
Total	2,500.00	2,500.00

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

C. Fair Value Measurements

(i) Financial assets and liabilities that are measured at amortised cost:

	As at 31 March 2019	As at 31 March 2018
Financial Assets (amortised cost):		
Loans to subsidiary companies	1,566.72	766.26
Trade receivables	4,441.53	4,372.44
Cash & Cash equivalents	1,645.90	457.63
Other bank balances	27.17	65.57
Other financial assets		
- Premises and other deposits	12,862.47	11,580.98
- Others	209.41	389.66
Financial Liabilities (amortised cost):		
Borrowings - long term	-	3,976.77
Borrowings - short term	4,000.00	4,761.12
Trade payables	1,25,423.92	48,861.23
Other financial liabilities	3,846.81	4,030.99

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 reporting period:

Financial assets / Financial liabilities	Fair value as at		Fair value hierarchy
	31 March 2019	31 March 2018	
Fair Value through Profit and Loss			
Forward foreign currency contracts	Assets Nil	Assets ₹0.39 lacs	Level 2
Investment in Mutual Funds	Assets ₹ 4,245.12 lacs	Assets ₹ 2,003.55 lacs	Level 2
Fair Value through OCI			
Investment in Future Retail Limited	Assets ₹ 21,588.84 lacs	Assets ₹ 26,241.01 lacs	Level 1

Valuation technique and key input used: Fair value is determined using discounted future cash flows which are estimated based on forward exchange rates 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 and Future Retail Limited) are based on the price quotations at the reporting date.

39 Revenue from contracts with customers

The Company has applied IND AS 115 for the first time with effect from 1 April 2018. IND AS 115 supersedes IND AS 18 Revenues and it applies, with limited exceptions to all revenues arising from contracts with customers. IND AS 115 establishes a five step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IND AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted IND AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018 and there are no adjustments required to the retained earnings as at 1 April 2018.

Due to the application of Ind-AS 115, revenue for the year ended 31 March 2019 is lower by ₹ 38,963.78 Lacs and other operating income is higher by ₹ 14,007.59 Lacs resulting into lower revenue from operations and cost of goods sold by ₹ 24,956.19 Lacs on account of impact of sales or return (SOR) basis arrangements as company is agent. However, this does not have any impact on profits/(loss) for year ended 31 March 2019.

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

40 Accounting pronouncements not yet adopted

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 amending the following standard.

Ind AS 116 Leases:

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 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).

At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company will implement Ind AS 116 from 1 April 2019 by applying the modified retrospective approach, meaning that the comparative figures in the financial statements for the year ending 31 March 2019 will not be restated to show the impact of Ind AS 116. The operating leases which will be recorded on the balance sheet following implementation of Ind AS 116 are principally in respect of rented premises, and other identified assets representing right to use as per contracts excluding low value assets and short-term leases of 12 months or less.

The Company has established an implementation team to implement Ind AS 116 related to operating leases and it continues to evaluate the changes to accounting system and processes and additional disclosure requirements that may be necessary. A reliable estimates of the quantitative impact of Ind AS 116 on the financial statements will only be possible once the implementation project has been completed.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. The Company will apply the interpretation from its effective date. Since the Company operates in a complex multinational tax environment, applying the Interpretation may affect its standalone financial statements.

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

In addition, the Company may need to establish processes and procedures to obtain information that is necessary to apply the Interpretation on a timely basis.

Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. These amendments have no impact on the standalone financial statements of the Company.

Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income. The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

The amendments should be applied retrospectively in accordance with Ind AS 8 for annual reporting periods on or after 1 April 2019. Since the Company does not have such long-term interests in its associate and joint venture, the amendments will not have an impact on its standalone financial statements.

Annual improvement to Ind AS (2018);

These improvements include:

Amendments to Ind AS 103: Party to a Joint Arrangements obtains control of a business that is a Joint Operation

The amendments clarify that, when a party to a joint arrangement obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 April 2019. These amendments are currently not applicable to the Company but may apply to future transactions.

Amendments to Ind AS 111: Joint Arrangements

A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103. The amendments clarify that the previously held interests in that joint operation are not remeasured. An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after 1 April 2019. These amendments are currently not applicable to the Company but may apply to future transactions.

Amendments to Ind AS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its standalone financial statements.

Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its standalone financial statements.

41 Events after the reporting period

The Board of Directors has recommended dividend of ₹0.75 per share for the financial year 2018-19. The payment is subject to the approval of shareholders at the annual general meeting.

The Company has evaluated subsequent events from the balance sheet date through 30 April 2019, 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.

42 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

Vijay Maniar

Partner
Membership No. 36738

Mumbai: 30 April 2019

B.S. Nagesh

Customer Care
Associate & Chairman
(DIN: 00027595)

Karunakaran M.

Customer Care Associate &
Chief Financial Officer

Mumbai: 30 April 2019

Ravi Raheja

Director
(DIN: 00028044)

Rajiv Suri

Customer Care Associate &
Managing Director & Chief Executive Officer
(DIN: 08124971)

Bharat Sanghavi

Customer Care Associate &
Company Secretary
Membership No. A13157

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT'2013

PART A : SUBSIDIARIES

(All amounts in ₹ Lacs)

Sr. No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves	Total Assets *	Total Liabilities **	Investments	Turnover/ Total Income	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend including Dividend distribution tax	% of shareholding	Country
1	Crossword Bookstores Limited	INR	1,356.25	(2,836.93)	4,179.40	5,660.44	-	9,885.05	(1,445.67)	-	(1,445.67)	-	100%	India
2	Upasna Trading Limited	INR	5.00	12.05	160.76	143.72	-	-	(1.20)	-	(1.20)	-	100%	India
3	Gateway Multi Channel Retail (India) Limited	INR	5.00	(4,508.83)	2973	4,533.56	-	0.20	(1.25)	-	(1.25)	-	100%	India
4	Shoppers Stop Services (India) Limited	INR	5.00	0.83	8.11	2.28	-	-	(1.12)	-	(1.12)	-	100%	India
5	Shoppers Stop. com (India) Limited	INR	5.00	(4.87)	4.31	4.19	-	0.22	(0.90)	-	(0.90)	-	100%	India

* Total Assets = Non Current Assets + Current Assets

** Total Liabilities = Non Current Liabilities + Current Liabilities

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to the financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT'2013

PART B : JOINT VENTURES

Name of the Joint Ventures	(All amount in ₹ Lacs)	
	Nuance Group (India) Pvt. Ltd. *	Timezone Entertainment Private Limited *
Latest audited Balance Sheet Date *	31 March'2019	31 March'2019
Share of Joint Ventures held on the year end *	(31 March'2018)	(31 March'2018)
No. of equity shares (Face value of ₹10/- each fully paid *	-	-
Amount of Investments in Joint Ventures (₹ in Lacs)	-	-
Networth attributable to shareholding as per latest audited Balance Sheet	-	-
1. Considered in consolidation (₹ in Lacs) Profit / (Loss) for the year Profit for F.Y. 2017-18 *	(5.22)	(137.89)
2. Not considered in consolidation	-	-

Figures in bracket pertains to previous year

* The Group has disposed off these joint ventures during the F.Y. 2017-18 (Refer note 35(b) of consolidated financial statements).

Note :-

- Nuance Group (India) Private Limited financials are consolidated by the Group till 6th October'2017 (Refer note 35(b) of consolidated financial statements)
- Timezone Entertainment Private Ltd. financials are consolidated by the Group till 15th February,2018 (Refer note 35(b) of consolidated financial statements)

INDEPENDENT AUDITOR'S REPORT

To the Members of Shoppers Stop Limited

Report on the Audit of the Consolidated Ind AS Financial Statements¹

Opinion

We have audited the accompanying consolidated Ind AS 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") comprising of the consolidated Balance sheet as at March 31 2019, 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 Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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, the aforesaid consolidated Ind AS 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, as at 31 March 2019, 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 Ind AS 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 Ind AS Financial Statements' section of our report. We are independent of the Group 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 Ind AS financial statements.

Emphasis of Matter - Litigation

We draw attention to Note 28 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 1 June 2007 to 31 March 2010 on renting of immovable properties given for commercial use, aggregating to ₹ 2,010.90 lacs.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended 31 March 2019. These matters were addressed in the context of our audit of the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

KAM reported by us on the Standalone Ind AS Financial Statements

Key audit matters	How our audit addressed the key audit matter
<p>(a) Allowance for Inventory obsolescence and shrinkage (as described in note 2.4 of the consolidated Ind AS financial statements)</p> <p>As at 31 March 2019, the carrying amount of inventories amounted to ₹ 105,354.96 lacs after considering allowance for Inventory obsolescence and shrinkage of ₹ 1,578.27 lacs. These inventories are held at the stores and distribution centres of the holding 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.</p>	<p>Our procedures over allowance for Inventory obsolescence and shrinkage included the following:</p> <ul style="list-style-type: none"> • We obtained an understanding, evaluated the design and tested the operating effectiveness of controls that the holding Company has in relation to allowance for inventory obsolescence and shrinkage; • We performed testing on the holding 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 centres on a sample basis, inspected the results of the inventory cycle count and confirmed variances were accounted for and approved by management; • 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 holding Company and re-performed the calculation of the inventory provision as per the policy of the holding Company; • 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.

Revenue recognition - Point award (Loyalty) schemes

As described in the Accounting Policies in note 2.4.3 to the Financial Statements, the holding Company's revenue recognition policy requires the management to make assumptions about expected redemption of Point award (Loyalty) schemes to the total issued points based on historical trends in determining the reported revenue for the period.

We focussed on this area for the estimate involved in determining the provisioning and the amounts involved are material. (INR 3,898 lacs as at 31 March 2019).

Our audit procedures in respect of the Provision for liability on account of Point award (Loyalty) schemes accrued to customers included the following:

- We obtained an understanding, evaluated the design and tested the operating effectiveness of controls that the Company has in relation to provision for Point award (Loyalty) schemes accrued to the customers;
- For the key assumptions used in the Point award (Loyalty) schemes provisions, we reviewed the historic rates of redemption and compared these to the managements 'estimate;
- We assessed the methodology applied by comparing the outstanding points from the system generated reports and recomputed the liability as per historic rates and management estimate of redemption;
- We also assessed the Company's disclosures concerning this in Note 2.4.3 on significant accounting estimates and judgements and Note 19 Retail sale of Merchandise to the financial statements.

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 corporate governance report and director's report but does not include the Ind AS financial statements and our auditors report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS 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 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 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 for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind AS 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 Ind AS 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 are responsible for assessing the ability of the Group 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 are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 system 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 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 Ind AS 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2019 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 3 subsidiaries, whose Ind AS financial statements include total assets of ₹ 198.60 lacs as at 31 March 2019, and total revenues of ₹ Nil and net cash outflows of ₹ 0.41 lacs for the year ended on that date. These Ind AS 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 Ind AS 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 report(s) of such other auditors.

Our opinion above on the consolidated Ind AS 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.

Report on Other Legal and Regulatory Requirements

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 Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (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 Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS 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 31 March 2019 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 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended 31 March 2019 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 as noted in the 'Other matter' paragraph:
- i. The Group does not have any pending litigations which would impact its consolidated financial position;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March 2019;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India during the year ended 31 March 2019.

For **SRBC & COLLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Vijay Maniar

Partner

Membership Number: 36738

Mumbai, 30 April 2019

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 as of and for the year ended March 31, 2019, We have audited the internal financial controls over financial reporting of Shoppers Stop Limited ("hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financials Controls

The respective Board of Directors of the Holding Company, its subsidiary companies 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. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these 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, both, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting with reference to these 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

over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 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 over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these 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 Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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, its subsidiary companies which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, 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.

Other Matters

Our report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, incorporated in India.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Vijay Maniar

Partner

Membership Number: 36738

Mumbai; 30 April 2019

CONSOLIDATED BALANCE SHEET

as at 31 March 2019

(All amounts in ₹ lacs)

	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, Plant and Equipment	3	54,452.96	59,981.81
Capital work-in-progress	3B	3,055.67	1,534.17
Goodwill on consolidation	3	965.36	965.36
Other Intangible Assets	3	6,051.71	6,316.71
Intangible assets under development	3B	452.95	281.30
Financial Assets			
(i) Investments	4	21,590.45	26,242.61
(ii) Other financial assets	6	7,142.31	11,956.94
Deferred tax assets (net)	7	3,199.54	1,977.60
Other non-current assets	8	9,779.97	9,678.12
Total non-current assets		106,690.92	118,934.62
Current assets			
Inventories	9	107,193.32	35,631.57
Financial assets			
(i) Investments	4	4,245.12	2,003.55
(ii) Trade receivables	5	4,724.24	4,771.72
(iii) Cash and cash equivalents	10	1,713.70	534.88
(iv) Bank balances other than (iii) above	11	30.52	68.80
(v) Other financial assets	6	6,424.14	588.82
Other current assets	8	16,537.00	16,227.84
Total current assets		140,868.04	59,827.18
Total assets		247,558.96	178,761.80
Equity and liabilities			
Equity			
Equity share capital	12	4,399.50	4,398.03
Other equity	13	87,070.50	86,045.96
Equity attributable to owners of the Company		91,470.00	90,443.99
Total equity		91,470.00	90,443.99
Liabilities			
Non-current liabilities			
Financial liabilities			
i) Borrowings	14	201.92	4,400.08
Other financial liabilities	15	61.40	61.40
Provisions	17	9.93	-
Total non-current liabilities		273.25	4,461.48
Current liabilities			
Financial liabilities			
(i) Borrowings	14.3	3,022.26	3,834.77
(ii) Trade payables	16		
(a) Total outstanding dues of micro enterprises and small Enterprises		590.66	460.17
(b) Total outstanding dues of creditors other than micro enterprises and small Enterprises		127,119.16	51,446.64
(iii) Other financial liabilities	15	8,036.87	8,258.91
Provisions	17	965.07	821.82
Other current liabilities	18	16,081.69	19,034.02
Total liabilities		155,815.71	83,856.33
Total equity and liabilities		247,558.96	178,761.80

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

Vijay Maniar
Partner
Membership No. 36738

Mumbai: 30 April 2019

B.S. Nagesh
Customer Care
Associate & Chairman (DIN: 00027595)

Karunakaran M.
Customer Care Associate &
Chief Financial Officer

Mumbai: 30 April 2019

Ravi Raheja
Director
(DIN: 00028044)

Rajiv Suri
Customer Care Associate &
Managing Director & Chief Executive Officer
(DIN: 08124971)

Bharat Sanghavi
Customer Care Associate &
Company Secretary
Membership No. A13157

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2019

(All amounts in ₹ lacs)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
A) Continuing operations			
Income			
Revenue from contracts with customers	19	357,793.15	369,672.43
Other income	20	1,865.26	1,653.10
Total Income		359,658.41	371,325.53
Expenses			
Purchase of stock-in-trade	21a	279,386.83	224,315.09
Changes in Inventories of stock-in-trade - (increase)	21b	(71,561.75)	2,477.91
Employee benefits expense	22	32,959.89	31,566.33
Finance costs	23	1,378.76	3,768.46
Depreciation and amortisation expenses	3A	14,060.19	11,490.46
Other expenses	24	92,442.83	90,164.22
Total expenses		348,666.75	363,782.47
Profit before exceptional items and tax		10,991.66	7,543.06
Exceptional Item	30	-	(21,598.69)
Profit before tax		10,991.66	29,141.75
Current tax	25	5,715.29	3,304.01
Deferred tax	7	(1,221.94)	(1,548.38)
Income tax expenses		4,493.35	1,755.63
Profit for the year from continuing operations		6,498.31	27,386.12
B) Discontinued operations	34		
Loss from discontinued operations		(1.25)	(6,082.34)
Share of Profit/(Loss) in joint ventures		-	143.12
(Loss) for the year from discontinued operations		(1.25)	(5,939.22)
C) Profit / (Loss) for the year (A) + (B)		6,497.06	21,446.90
D) Other comprehensive income			
Items that will not be reclassified to profit or loss:			
i) Remeasurement of employee defined benefit obligation		(217.35)	123.72
Income tax relating to (i) above		67.60	(43.22)
ii) Changes in fair value of equity instruments	25.1	(4,652.17)	696.87
Income tax relating to (ii) above		-	(72.48)
Other comprehensive income / (Loss) for the year [D]		(4,801.92)	704.89
Total comprehensive Income / (Loss) for the year [C] + [D]		1,695.14	22,151.79
Profit / (loss) for the year attributable to:			
- Owners of the Company		6,497.06	24,421.66
- Non-controlling interests		-	(2,974.76)
Other comprehensive income for the year attributable to:			
- Owners of the Company		4,801.92	(704.89)
- Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
- Owners of the Company		1,695.14	25,126.55
- Non-controlling interests		-	(2,974.76)
Earning per equity share (for continuing operations)	27		
Equity shares of face value ₹5/- each (2017: ₹5/- each)			
Basic (₹)		7.38	32.42
Diluted (₹)		7.38	32.42
Earning per equity share (for discontinued operations)	27		
Equity shares of face value ₹5/- each (2017: ₹5/- each)			
Basic (₹)		-	(3.51)
Diluted (₹)		-	(3.51)
Earning per equity share (for continuing and discontinuing operations)	27		
Equity shares of face value ₹5/- each (2017: ₹5/- each)			
Basic (₹)		7.38	28.91
Diluted (₹)		7.38	28.91

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 LLPICAI Firm Reg. No. 324982E/E300003
Chartered Accountants**B.S. Nagesh**Customer Care
Associate & Chairman (DIN: 00027595)**Ravi Raheja**Director
(DIN: 00028044)**Rajiv Suri**Customer Care Associate &
Managing Director & Chief Executive Officer
(DIN: 08124971)**Vijay Maniar**Partner
Membership No. 36738**Karunakaran M.**Customer Care Associate &
Chief Financial Officer**Bharat Sanghavi**Customer Care Associate &
Company Secretary
Membership No. A13157

Mumbai: 30 April 2019

Mumbai: 30 April 2019

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flows from operating activities		
Profit before tax from continuing operations	10,991.66	29,141.75
(Loss) before tax from discontinued operations	(1.25)	(5,939.22)
Net (Loss)/ profit after exceptional item and tax	10,990.41	23,202.53
Adjustments to reconcile profit before tax to net cashflow		
Depreciation and amortisation	14,060.19	11,490.46
Allowance for doubtful debts / advances	148.26	270.65
Share-based payment expense	20.59	10.63
Finance costs	1,378.76	3,768.46
Loss on sale of property, plant and equipment (net)	20.06	52.39
Refundable deposit considered in measurement of minimum lease payments	802.13	821.28
Interest(time value) recognised on interest free lease deposit	(690.15)	(680.87)
Interest income	(366.48)	(1,458.08)
Exceptional items	-	(21,598.69)
Operating Profit before working capital changes	26,363.77	15,878.76
Working capital adjustment:		
(Increase) / Decrease in inventories	(71,561.75)	22,124.62
Decrease in trade receivables	47.48	1,479.02
(Increase) in other financial assets and other non-current assets	(170.73)	(33,758.01)
(Increase) / Decrease in Lease deposits-net	(1,482.92)	5,753.89
(Decrease) / Increase in Short-term provisions	(74.10)	4.22
Increase in Trade payables, other financial liabilities and other current liabilities	73,409.81	21,886.42
Cash generated from operations	26,531.56	33,368.92
Income taxes paid (net of refunds)	(5,647.69)	(3,562.32)
Net cash from operating activities (A)	20,883.87	29,806.60
Cash flows from Investing activities		
Purchase of property, plant and equipment	(11,368.31)	(11,458.49)
Proceeds from disposal of property, plant and equipment	39.19	52.03
Proceeds from sale of investment in Joint ventures (Refer note 35)	-	2,870.43
Net Proceeds from sale of investments in subsidiary (Refer note 35)	-	5,568.62
Purchases of investments in mutual funds	(111,990.78)	(24,479.72)
Proceeds from sale of investments in mutual funds	109,749.21	22,476.17
Interest received	366.48	1,464.39
Net cash used in investing activities (B)	(13,204.21)	(3,506.57)
Cash flows from Financing activities		
Proceeds from issue of equity shares	1.47	222.79
Securities premium on issue of share capital	104.39	17,918.50
Issue of share capital to minority shareholders	-	1,451.07
Dividend and dividend distribution tax	(795.60)	(753.81)
Repayment of long-term borrowings	(4,276.78)	(19,426.16)
Short-term loans (net)	-	(12,353.97)
Finance costs paid	(1,375.73)	(4,159.83)
Net cash used in financing activities (C)	(6,342.25)	(17,101.41)
Net (Decrease) / Increase in cash and cash equivalents (A)+(B)+(C)	1,337.41	9,198.62
Cash and cash equivalents as at beginning of the year	(3,299.89)	(12,498.51)
Cash and cash equivalents as at the end of the year	(1,962.48)	(3,299.89)
	1,337.41	9,198.62

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Note (i)		
Components of cash and cash equivalents		
Cash and Cash Equivalents as at 31 March 2019 (Refer note 10)	1,713.70	534.88
Add: Bank overdraft / Cash credit	(3,676.18)	(3,834.77)
Total cash and cash equivalents	(1,962.48)	(3,299.89)
Note (ii)		
Reconciliation between the opening and closing balances for liabilities arising from financing activities		
Particulars	Long - term borrowings	Short - term borrowings
31 March 2017 including current maturities of long term borrowings	63,110.26	12,353.97
Cash flow	(19,426.16)	(12,353.97)
Non - Cash Changes		
Borrowings pertaining to subsidiary sold during the year (Net proceeds shown under investing activities)	(34,983.99)	
Foreign exchange movement	-	-
Classified as current maturity	4,300.03	-
Accrual for the period	-	-
31 March 2018 including current maturities of long term borrowings	8,700.11	-
Cash flow	(4,276.78)	-
Non - Cash Changes		
Foreign exchange movement	-	-
Classified as current maturity	4,221.41	-
Accrual for the period	-	-
31 March 2019 including current maturities of long term borrowings	4,423.33	-

The accompanying Notes 1 to 43 are an integral part of the financial statements

In terms of our attached report of even date

For SRBC & CO LLP
ICAI Firm Reg. No. 324982E/E300003
Chartered Accountants

Vijay Maniar
Partner
Membership No. 36738

Mumbai: 30 April 2019

For and on Behalf of the Board of Directors

B.S. Nagesh
Customer Care
Associate & Chairman (DIN: 00027595)

Ravi Raheja
Director
(DIN: 00028044)

Karunakaran M.
Customer Care Associate &
Chief Financial Officer

Mumbai: 30 April 2019

Rajiv Suri
Customer Care Associate &
Managing Director & Chief Executive Officer
(DIN: 08124971)

Bharat Sanghavi
Customer Care Associate &
Company Secretary
Membership No. A13157

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2019

(All amounts in ₹ lacs)

a) Equity share capital	No. of shares	(₹ in Lacs)
Equity shares of ₹5/- each issue, subscribed and fully paid up		
Balance as on 31 March 2017	83,504,744	4,175.24
Issue of equity shares under employee share option plan (Refer note 36)	60,020	3.00
Issued on preferential basis (Refer note 12.6)	4,395,925	219.79
Balance as on 31 March 2018	87,960,689	4,398.03
Issue of equity shares under employee share option plan (Refer note 36)	29,239	1.47
Balance as on 31 March 2019	87,989,928	4,399.50

b) Other equity

Particulars	Securities Premium	General Reserve	Retained earnings	Share Options Outstanding Account	Debenture Redemption Reserve	Share application money pending allotment	Attributable to owners of Company	Non controlling Interests	Total
Balance as on 31 March 2017	47,521.31	1,909.18	(6,329.80)	226.95	420.00	-	43,747.64	521.06	44,268.70
Loss for the year	-	-	24,421.66	-	-	-	24,421.66	(2,974.76)	21,446.90
Other comprehensive Profit for the year, net of income tax	-	-	(704.89)	-	-	-	(704.89)	-	(704.89)
Total comprehensive income for the year	-	-	25,126.55	-	-	-	25,126.55	(2,974.76)	22,151.79
Recognition of share-based payments *	-	-	172.52	(165.45)	-	-	7.07	-	7.07
Issue of equity shares to Non-controlling interests	-	-	-	-	-	-	-	1,451.07	1,451.07
Transferred from Debenture redemption reserve	-	420.00	-	-	(420.00)	-	-	-	-
Payment of dividends on equity shares	-	-	(626.31)	-	-	-	(626.31)	-	(626.31)
Payments of tax on dividends on equity shares	-	-	(127.49)	-	-	-	(127.49)	-	(127.49)
Received on issue of shares	17,918.50	-	-	-	-	-	17,918.50	-	17,918.50
Sale of interests in subsidiary company	-	-	-	-	-	-	-	1,002.63	1,002.63
Balance as on 31 March 2018	65,439.81	2,329.18	18,215.47	61.50	-	-	86,045.96	-	86,045.96
Profit for the year	-	-	6,497.06	-	-	-	6,497.06	-	6,497.06
Other comprehensive loss for the year, net of income tax	-	-	(4,801.92)	-	-	-	(4,801.92)	-	(4,801.92)
Total comprehensive income for the year	-	-	1,695.14	-	-	-	1,695.14	-	1,695.14
Recognition of share-based payments *	-	-	61.50	(61.50)	-	-	-	-	-
Arising on employee stock option scheme	-	-	-	20.59	-	-	20.59	-	20.59
Payment of dividends on equity shares	-	-	(659.95)	-	-	-	(659.95)	-	(659.95)
Payments of tax on dividends on equity shares	-	-	(135.63)	-	-	-	(135.63)	-	(135.63)
Received on issue of shares	104.39	-	-	-	-	-	104.39	-	104.39
Balance as on 31 March 2019	65,544.20	2,329.18	19,176.53	20.59	-	-	87,070.50	-	87,070.50

* after transfers to retained earnings for options lapsed/exercised.

In terms of our attached report of even date

For S R B C & CO LLP
ICAI Firm Reg. No. 324982E/E300003
Chartered Accountants

Vijay Maniar
Partner
Membership No. 36738

Mumbai: 30 April 2019

For and on Behalf of the Board of Directors

B.S. Nagesh
Customer Care Associate & Chairman (DIN: 00027595)

Karunakaran M.
Customer Care Associate & Chief Financial Officer

Mumbai: 30 April 2019

Ravi Raheja
Director (DIN: 00028044)

Rajiv Suri
Customer Care Associate & Managing Director & Chief Executive Officer (DIN: 08124971)

Bharat Sanghavi
Customer Care Associate & Company Secretary
Membership No. A13157

NOTES

to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

1. General Background

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	Retailing in books and other allied items through departmental stores operated by self or by franchisees
3	Shoppers' Stop Services (India) Limited	Services
4	Upasna Trading Limited	Supervising distribution and logistics operations
5	Shoppers' Stop.com (India) Limited	Services
6	Gateway Multichannel Retail (India) Limited	Catalogue retailing business (Discontinued operations)

The financial statements were approved for issue by the board of directors on 30 April 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and presentation

2.1.1 Statement of Compliance with Indian Accounting Standards (Ind ASs): The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013 "the Act".

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lacs, except where otherwise indicated.

2.1.2 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, as explained in the accounting policies below.

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
- 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

NOTES

to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

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 Company. 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).

2.2.1 Investments in joint ventures

The Company's investment in a joint venture is accounted for by the Equity Method. On initial recognition the investment is recorded at cost, and the carrying amount is increased or decreased to recognise the Company's share of profit or loss and other comprehensive income of the joint venture after the date of acquisition. Distributions received from the joint venture reduce the carrying amount of the investment. The carrying amount of the investment is tested for impairment at each reporting date.

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 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 during this financial year adopted modified retrospective approach in line with Ind As 115, Revenue from Contracts with customers, mandatory for reporting periods beginning on or after 1 April 2018.

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2.4.2 Retail sale of Merchandise: Revenue from Retail sales is measured at the fair value of the consideration received. Revenue is reduced for discounts and rebates, and, value added tax, sales tax and Goods and Service Tax (GST).

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 19)

Point award schemes: The fair value of the consideration received or receivable on sale of goods that result in award credits for customers, under the Group'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 their fair value from the standpoint of the holder and is recognised as revenue on redemption and/or expected redemption after breakage.

Property option revenue: The Group has acquired the rights to sell flats in a property being constructed by a third party (termed Property Options), which are initially recognised at cost and at each reporting date valued at lower of cost and net realisable value. Sale of option inventory is recognised when there is a transfer of significant risks and rewards in accordance with the terms of the sale contracts. To the extent the transactions contain a significant financing component, it is adjusted from the total consideration using the appropriate discount rate and recognised in profit or loss over the credit period.

2.4.3 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.

2.4.4 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 recognized as they are rendered based on agreements/arrangements with the concerned parties and recognized net of service tax.

2.4.5 Direct Marketing income: Such income is recognised on straight line basis over the validity of the cards.

2.4.6 Franchisee income: Such income is recognized in accordance with the rates specified in the franchisee agreements and is based on the sales recorded by the franchisees for the year.

2.4.7 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 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.

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2.6.2 Depreciation / amortisation is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Property, Plant and Equipment	Useful Life as Prescribed by Schedule II of the Companies Act, 2013 (In Years)	Estimated Useful Life (In Years)
Air conditioning and other equipment	5	5 to 17
Furniture, fixtures and other fittings	10	5 to 10
Computer Equipment (other than desktops and laptops)	6	5 to 6
Desktops and laptops	3	3
Leasehold Improvements	On lease term	5 to 17 or Lease term whichever is lower
Office Equipment	5	2 to 6
Vehicles	8	8
Intangible assets:		
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 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.7 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Company is the Lessee:

Operating lease payments are recognised in profit or loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit or the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Where the Company is the Lessor:

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases.

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Assets subject to operating leases are included in the property, plant and equipment. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss.

Key requirements or Changes in accounting policy with effect from 1 April 2019

Ind AS 116 was notified on 30 March 2019 and is effective for the Company in the first quarter of fiscal 2020. This standard changes the recognition, measurement, presentation and disclosure of leases. In particular, it requires lessees to record all leases on the balance sheet with exemptions available for low value and short-term leases. At the commencement of a lease, a lessee will recognise lease payments (lease liability) and an asset representing the right to use the asset during the lease term (right of use asset). Lessees will subsequently reduce the lease liability when paid and recognise depreciation on the right of use asset. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. The standard has no impact on the actual cash flows of a group. However, the standard requires the capitalisation and subsequent depreciation of costs that are currently expenses as paid which impacts disclosures of cash flows with in the cash flow statement. The amounts currently expensed as operating cash outflows, which will instead be capitalised, are presented as financing cash outflows.

The Company is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the standard in conjunction with review of lease agreements.

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 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 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, the Group measures a financial asset at its fair value plus, in the case of financial asset not at fair value through the Statement of Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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

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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 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 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 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.

2.8.1 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 Group or the counterparty.

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.

2.8.2 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.

2.8.3 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.

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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 estimated 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 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 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 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 contribution 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

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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 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.

2.10.3 Short-term benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick 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.

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 Company'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 of assets that necessarily take a substantial period of time to get ready for their intended use or sale (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 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 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.

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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.

2.A Critical accounting judgements 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 judgements, 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.

Income Tax

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 Group adjudges 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.

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. During financial years ended 31 March 2019, 2018, 2017, 2016 and 2015 there were no changes in useful lives of property plant and equipment and intangible assets other than those resulting from store closures / shifting of premises.

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

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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.

Property Options Receivable

In evaluating the allowance for credit loss against Property Options Receivable, the Group assesses the risk or probability that the cash flows that are due in accordance with the contract may not be received. The expected cashflows are recognised with considering a variety of relevant factors, including the age and past due detail of the receivable, credit enhancements (guarantees) that are integral to the contractual terms and confirmed by third parties.

Impairment of Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate

consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

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3 Property, Plant and Equipment and Intangible Assets

	Leasehold im- provements	Air condition- ing and other equipments	Furniture, fixtures and other fittings	Office Equip- ments	Computers	Vehicles	Total PPE	Trademarks	Software	Goodwill	Total Intangible assets
Cost or deemed cost											
As at 1 April 2017	26,237.05	29,178.06	24,483.27	1,421.82	6,322.11	22.21	87,664.52	118.93	9,705.75	9,764.55	19,589.23
Additions	3,193.24	3,266.59	3,722.60	360.24	1,349.72	-	11,892.40	14.93	2,627.85	-	2,642.78
Disposal	(6,124.23)	(9,242.28)	(5,578.05)	(304.08)	(2,068.36)	-	(23,317.00)	-	(1,837.55)	(8,799.19)	(10,636.74)
As at 31 March 2018	23,306.06	23,202.37	22,627.83	1,477.98	5,603.47	22.21	76,239.92	133.86	10,496.05	965.36	11,595.27
Additions (Refer note iii)	1,826.50	1,630.73	1,861.98	203.71	1,154.51	57.01	6,734.44	5.28	1,585.87	-	1,591.15
Reclassification	135.10	6.46	(124.75)	49.39	(57.32)	-	8.88	(0.04)	(8.84)	-	(8.88)
Disposal	(267.72)	(990.22)	(478.93)	(5.03)	(313.58)	-	(2,055.48)	-	-	-	-
As at 31 March 2019	24,999.94	23,849.34	23,886.13	1,726.05	6,387.08	79.22	80,927.76	139.10	12,073.08	965.36	13,177.54
Accumulated Depreciation											
As at 1 April 2017	(2,155.44)	(2,711.79)	(4,943.01)	(427.96)	(1,481.71)	29.49	(11,690.42)	(50.02)	(3,265.19)	-	(3,315.21)
Depreciation and amortisation expense for the year (Refer note ii)	(2,488.21)	(2,485.61)	(3,322.26)	(298.39)	(1,205.56)	(8.24)	(9,808.26)	(17.00)	(1,665.20)	-	(1,682.20)
Disposal	931.61	1,709.75	1,687.00	94.45	817.77	-	5,240.58	-	684.21	-	684.21
As at 31 March 2018	(3,712.04)	(3,487.65)	(6,578.27)	(631.90)	(1,869.50)	21.25	(16,258.10)	(67.02)	(4,246.18)	-	(4,313.20)
Depreciation and amortisation expense for the year (Refer note ii)	(3,101.53)	(3,953.47)	(3,466.71)	(305.52)	(1,348.86)	(36.83)	(12,212.92)	(72.08)	(1,775.19)	-	(1,847.27)
Disposal	261.76	972.86	443.69	4.88	313.04	-	1,996.23	-	-	-	-
As at 31 March 2019	(6,551.81)	(6,468.26)	(9,601.29)	(932.54)	(2,905.32)	(15.58)	(26,474.79)	(139.10)	(6,021.37)	-	(6,160.47)
Net Book Value											
As at 31 March 2018	19,594.02	19,714.72	16,049.56	846.08	3,733.97	43.46	59,981.81	66.84	6,249.87	965.36	7,282.07
As at 31 March 2019	18,448.13	17,381.08	14,284.84	793.51	3,481.76	63.64	54,452.96	-	6,051.71	965.36	7,017.07

Notes:

- Movable assets have been pledged to secure borrowings of the Company (Refer note 14).
- Depreciation for the year includes accelerated amounts aggregating to ₹3,559.04 Lacs (2018: ₹1,712.40 Lacs) on account of change in estimate of useful lives of property, plant & equipment resulting from store closures/shifting premises.
- During the Company has capitalised the following expenses to cost of Property, plant and equipment.

	As at 31 March 2019	As at 31 March 2018
Employee Costs	593.56	306.85
Travelling	96.50	43.34
Consultancy	468.91	351.03
Miscellaneous expenditure	125.20	56.96
Total	1,284.17	758.18

NOTES

to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
3A Depreciation and amortisation expenses		
Depreciation of tangible assets (Refer note 3)	12,212.92	9,808.26
Amortisation of intangible assets (Refer note 3)	1,847.27	1,682.20
	14,060.19	11,490.46
	As at 31 March 2019	As at 31 March 2018
3B Capital work-in-progress and Intangible assets under development		
Capital work-in-progress		
Opening	1,534.17	1,472.33
Additions	9,473.17	9,629.20
Capitalisation	(7,951.67)	(9,567.36)
	3,055.67	1,534.17
Intangible assets under development		
Opening	281.30	527.59
Additions	2,044.19	1,879.20
Capitalisation	(1,872.54)	(2,125.49)
	452.95	281.30
	As at 31 March 2019	As at 31 March 2018
4 Investments - Non-current		
A (Unquoted at cost unless otherwise stated)		
i) Other investments		
(At fair value through Profit and Loss)		
Stargaze Properties Private Limited 1,000 (2018: 1,000) equity shares of ₹ 10/- each Fully paid	0.10	0.10
Retailers Association of India 10,000 (2018:10,000) equity shares of ₹ 10/- each Fully paid	1.00	1.00
Aesthetic Realtors Private Limited 66 (2018: 66) Equity Shares of ₹ 10/- each Fully Paid	0.01	0.01
Increase / (Decrease) due to changes in the fair value of investments	(0.01)	(0.01)
	-	-
Retailers Association's Skill Council of India 500 (2018: 500) equity shares of ₹ 100/- each Fully paid	0.50	0.50
Total (A)	1.60	1.60
Aggregate amount of impairment value of unquoted investments	0.01	0.01
B Quoted (fair value through Other Comprehensive Income)		
Investments in equity instruments		
Future Retail Limited 47,56,823 (2018: 47,56,823) equity shares of ₹2/- each Fully paid	25,544.14	25,544.14
Increase / (Decrease) due to changes in the fair value of investments	(3,955.30)	696.87
Total (B)	21,588.84	26,241.01
Total (A) + (B)	21,590.45	26,242.61
4 Investments - Current		
Unquoted (At fair value through Profit and Loss)		
Investments in mutual funds		
L & T Mutual Fund Nil (2018: 25,220) units in Liquid fund - Direct Growth Plan	-	600.97
ICICI Prudential Mutual Fund Nil (2018: 2,49,970) units in Money market fund - Direct Growth Plan	-	600.73
JM Financial Mutual Fund High Liquidity fund - Direct - Growth Nil (2018: 42,115) units in High Liquidity fund - Direct Growth Plan	-	200.35
Axis Mutual Fund Nil (2018: 31,187) units in Liquid fund - Direct Growth plan	-	601.50
Aditya Birla Sun Life Mutual Fund 85,980.263 (2018: Nil) units in Overnight fund - Regular Growth	881.87	-

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
Reliance Mutual Fund 7,69,558.585 (2018: Nil) units in Overnight fund - Regular Growth	783.25	-
UTI Mutual Fund 30,236.516 (2018: Nil) units in Overnight fund - Regular Growth	779.79	-
HDFC Mutual Fund 2,810.2261 (2018: Nil) units in Overnight fund - Regular Growth	925.18	-
SBI Mutual Fund 3,065.0046 (2018: Nil) units in Overnight fund - Regular Growth	875.04	-
Total	4,245.12	2,003.55
Aggregate value of quoted investment	21,588.84	26,241.01
Aggregate value of unquoted investment	4,246.72	2,005.15
Aggregate amount of impairment in value of investments	0.01	0.01
Aggregate amount of Increase/(decrease) due to change in the fair value of investments	(3,955.30)	696.87

	As at 31 March 2019	As at 31 March 2018
5 Trade receivables - current (Unsecured)		
Considered good	4,724.24	4,771.72
Considered credit impaired	119.39	60.46
	4,843.63	4,832.18
Impairment allowance (allowance for bad and doubtful debts) Considered credit impaired	119.39	60.46
	4,724.24	4,771.72

5.1 Trade receivables are carried at amortised cost.

5.2 These financial assets have been pledged to secure borrowings of the Company (Refer note 14).

5.3 No trade or other receivables are due from directors or other officer of the Company either severally or jointly with any other persons.

5.4 For terms and conditions relating to related party receivables, Refer note No. 32.

5.5 Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

	As at 31 March 2019	As at 31 March 2018
6 Other financial assets (unsecured)		
Non-current		
Premises and other deposits		
- Considered good	7,129.81	11,842.85
- Considered credit impaired	417.23	357.38
	7,547.04	12,200.23
'Less: Impairment allowance (allowance for bad and doubtful debts) - Considered credit impaired	417.23	357.38
	7,129.81	11,842.85
Loan to employees	12.50	-
Other Bank Balance		
Bank deposits more than 12 months maturity from balance sheet date	-	114.09
	7,142.31	11,956.94
Current		
Advances to employees	81.66	108.99
Premises and other deposits	6,204.62	154.39
Other Receivables		
- Considered good	137.86	325.44
- Considered credit impaired	344.94	344.94
	482.80	670.38
Less: Impairment allowance (allowance for bad and doubtful debts) - Considered credit impaired	344.94	344.94
	137.86	325.44
	6,424.14	588.82

6.1 These are carried at amortised cost.

6.2 These financial assets have been pledged to secure borrowings of the Company (Refer note 14).

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
7. Deferred tax assets / Liabilities (net)		
Deferred tax assets	3,199.54	1,987.77
Deferred tax liabilities	-	(10.17)
	3,199.54	1,977.60

	Balance Sheet		Statement of Profit and Loss	
	As at 31 March 2019	As at 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
7.1 Deferred tax (liabilities)/assets in relation to:				
Deferred tax Liabilities				
Property, plant and equipment & Intangible assets	-	10.17	(10.17)	(728.90)
Deferred tax Assets				
Property, plant and equipment & Intangible assets	1,416.61	-	(1,416.61)	
Impairment allowance (allowance for bad and doubtful debts)	442.37	437.22	(5.15)	(93.00)
Provision for expenses	423.73	372.41	(51.32)	(227.39)
Employee benefit expenses	403.81	358.40	(45.41)	38.77
Deferred Revenue on point reward schemes	-	64.30	64.30	87.61
Lease Deposits	214.05	176.48	(37.57)	(46.51)
Changes in fair value of equity instruments	-	72.47	72.47	(72.47)
Short-Term Capital Loss	298.97	506.49	207.52	(506.49)
Net deferred tax assets / (liabilities)	3,199.54	1,977.60	(1,221.94)	(1,548.38)

	Balance Sheet		Statement of Profit and Loss	
	As at 31 March 2019	As at 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
Deferred tax (liabilities) / assets in relation to certain subsidiaries:				
Property, Plant and Equipment and Intangible Assets	247.00	124.00	123.00	124.00
Unused tax losses #	1,225.00	869.00	866.00	869.00
Employee benefit expenses & others	78.00	11.00	24.00	11.00
Deferred tax assets ##	1,550.00	1,004.00	1,013.00	1,004.00

To the extent of deferred tax liability on Property, plant and equipment & Intangible assets.

In the absence of convincing evidence, the Company has not recognised deferred tax assets (DTA) on timing differences arising on the above mentioned items.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
8. Other Assets		
(Unsecured, considered good)		
Non-current		
Capital advances	878.60	930.78
Service tax deposited under protest (Refer note 29)	3,635.03	3,635.03
Advance income tax (net of provision)	1,214.92	1,210.52
Prepaid Expenses	4,051.42	3,898.04
Other receivables	-	3.75
	9,779.97	9,678.12
Current		
Recoverables - Statutory dues	12,084.44	10,508.43
Advance for Goods & Services		
- Considered good	2,971.13	3,723.86
- Considered credit impaired	341.41	309.69
	3,312.54	4,033.55
Less: Allowance for doubtful advances	341.41	309.69
	2,971.13	3,723.86
Prepaid Expenses	1,432.44	1,710.00
Other assets		
- Considered good	48.99	285.55
- Considered credit impaired	236.00	236.00
	284.99	521.55
Less: Allowance for doubtful assets	236.00	236.00
	48.99	285.55
	16,537.00	16,227.84

	As at 31 March 2019	As at 31 March 2018
9. Inventories		
(At lower of cost and Net realisable value)		
Stock-in-trade: Retail merchandise	107,193.32	35,631.57
	107,193.32	35,631.57

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.

	As at 31 March 2019	As at 31 March 2018
10. Cash and cash equivalents		
Balance with banks In		
- Current accounts	840.19	120.74
- Deposit accounts	11.17	5.22
Cash on hand	862.34	408.92
	1,713.70	534.88

10.1 These financial assets have been pledged to secure borrowings of the Company (See 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 Company, and earn interest at the respective short-term deposit rates.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

10.3 For the purpose of Statement of cash flow, Cash and cash equivalents comprise the followings:

	As at 31 March 2019	As at 31 March 2018
Balance with banks In		
- Current accounts	840.19	120.74
- Deposit accounts	11.17	5.22
Cash on hand	862.34	408.92
	1,713.70	534.88
Less: Bank overdraft / Cash credit (Refer note 14.3 & 15)	(3,676.18)	(3,834.77)
	(1,962.48)	(3,299.89)

	As at 31 March 2019	As at 31 March 2018
11. Other bank balances		
Margin money account (under lien against bank guarantee)	30.14	68.42
Earmarked accounts (for unpaid dividend)	0.38	0.38
	30.52	68.80

	As at 31 March 2019	As at 31 March 2018
12 Share capital		
12.1 Authorised		
200,000,000 equity shares of ₹ 5/- each	10,000.00	10,000.00
12.2 Issued, subscribed and fully paid up shares		
87,989,928 (2018: 87,960,689) equity shares of ₹ 5/- each fully paid up	4,399.50	4,398.03
	4,399.50	4,398.03

12.3 Reconciliation of number of equity shares:

Particulars:	31 March 2019		31 March 2018	
	Numbers	₹ Lacs	Numbers	₹ Lacs
Balance at the beginning of the year	87,960,689	4,398.03	83,504,744	4,175.24
Issued during the year (Refer note 12.6)	29,239	1.47	4,455,945	222.79
Balance at the end of the year	87,989,928	4,399.50	87,960,689	4,398.03

12.4 Details of shareholders holding more than 5% shares as at 31 March:

Name of the Shareholder	As at 31 March 2019		As at 31 March 2018	
	Shares held (Nos.)	Shares held (%)	Shares held (Nos.)	Shares held (%)
Palm Shelter Estate Development LLP	11,813,300	13.43%	11,813,300	13.43%
Anbee Construction LLP	10,386,401	11.80%	10,386,401	11.81%
Cape Trading LLP	10,386,401	11.80%	10,386,401	11.81%
Aditya Birla Sun Life Trustee Private Limited	5,789,554	6.58%	48,53,014	5.52%
Raghukool Estate Development LLP	5,593,300	6.36%	5,593,300	6.36%
Capstan Trading LLP	5,459,768	6.21%	5,459,768	6.21%
Casa Maria Properties LLP	5,253,300	5.97%	5,253,300	5.98%
Reliance Capital Trustee Co.Ltd.	4,754,987	5.40%	6,346,491	7.22%

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

- 12.5** 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.
- 12.6** During the previous year ended, the Company issued and allotted 43,95,925 equity shares of ₹5 each at an issue price of ₹ 407.78 per equity share to Amazon.com NV Investment Holdings LLC, on a preferential basis.
- 12.7** The Company has issued and allotted 29,239 (2018 : 60,020) number of shares under Share options schemes to certain employees - Refer note 36

	As at 31 March 2019	As at 31 March 2018
13 Other equity		
Securities Premium	65,544.20	65,439.81
General Reserves	2,329.18	2,329.18
Retained earnings	19,176.53	18,215.47
Share options outstanding account	20.59	61.50
	87,070.50	86,045.96

For addition and deductions under each of the above heads, refer Statement of changes in equity.

13.1 Securities premium account

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 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.

13.3 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 36.

	As at 31 March 2019	As at 31 March 2018
14 Borrowings		
Non-current		
Term loans (Secured) from banks	4,423.33	8,700.11
Less: Current maturities (Refer note 15)	4,221.41	4,300.03
	201.92	4,400.08

- 14.1** Term loans are secured by a first *Pari Passu* charge on stocks, book debts, hypothecation charge on credit card/debit card receivables (Escrow account) and all the movable fixed assets of the Company, both Present & Future.

Term loans availed by Crossword Bookstores Ltd. amounting to ₹201.92 Lacs (2018: 423.30 Lacs) have corporate guarantees, joint and several, given by the Company.

Borrowings are carried at amortised cost.

NOTES

to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

14.2 Terms of the Facilities:-

Non-current borrowings			31 March 2019	31 March 2018
Name of the Bank	Rate of Interest	Repayment Schedule		
IDBI Bank	9.45% (2018: 9.45%)	10 equal quarterly instalments from 9 December 2017.	4,000.00	7,976.77
Kotak Mahindra Bank	10.75% (2018: 10.20%)	12 equally quarterly Instalments from 1 August 2016 to 31 May 2019	41.33	208.34
Kotak Mahindra Bank	10.33% (2018: 9.80%)	Repayable in 12 Equated quarterly Instalments from February 2018 to November 2020	175.00	275.00
Kotak Mahindra Bank	10.50% (2018: 9.95%)	Repayable in 36 Equated quarterly Instalments from November 2018 to October 2021.	207.00	240.00
Total Non-current borrowings			4,423.33	8,700.11
Current maturities of long-term borrowings				
IDBI Bank	9.45% (2018: 9.45%)	10 equal quarterly instalments from 9 December 2017.	4,000.00	4,000.00
Kotak Mahindra Bank	10.75% (2018: 10.20%)	12 equal quarterly Instalments from 1 August 2016 to 31 May 2019	41.37	166.68
Kotak Mahindra Bank	10.33% (2018: 9.80%)	Repayable in 12 equal quarterly Instalments from February 2018 to November 2020	100.00	100.00
Kotak Mahindra Bank	10.50% (2018: 9.95%)	Repayable in 36 equal quarterly Instalments from November 2018 to October 2021.	80.04	33.35
Total Current borrowings			4,221.41	4,300.03
			As at 31 March 2019	As at 31 March 2018
14.3 Current				
From banks				
- Secured			820.60	1,633.11
From Others				
- Unsecured			2,201.66	2,201.66
			3,022.26	3,834.77

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 Company 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 Company both present and future excluding leasehold rights, lease deposits and shoppers stop brands. Loans amounting to ₹820.60 Lacs (2018: 872 Lacs) are further secured by corporate guarantees, joint and several, given by the Company.

14.5 Terms of the Facilities:-

Name of the Bank	Rate of Interest	Repayment Schedule	31 March 2019	31 March 2018
Secured:				
Axis Bank	Nil (2018: 9.25%)	On demand	-	234.14
ICICI Bank (Cash Credit)	Nil (2018: 9.25%)	On demand	-	1.15
IDBI Bank (Cash Credit)	Nil (2018: 10.50%)	On demand	-	153.05
Kotak Mahindra Bank Ltd. (Cash Credit)	Nil (2018: 9.00%,)	On demand	-	146.47
Kotak Mahindra Bank Ltd. (Cash Credit)	10.20% (2018: 10.20%)	On demand	820.60	872.00
HDFC Bank Ltd. (Cash Credit)	Nil (2018: 10.55%)	On demand	-	13.30
Yes Bank	Nil (2018: 10.75%)	On demand	-	0.79
IDFC Bank	Nil (2018: 9.05%)	On demand	-	212.21
			820.60	1,633.11
Unsecured:				
From other parties				
Hypercity Retail (India) Limited	10.75% (2018: 10.75%)	On demand	2,201.66	2,201.66
			2,201.66	2,201.66

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
15.1 Other financial liabilities - Non-current		
Security deposits	61.40	61.40
	61.40	61.40
15.2 Other financial liabilities - current		
Other financial liabilities measured at amortised cost		
Current maturities of long-term borrowings	4,221.41	4,300.03
Accrued payroll	2,077.60	1,516.14
Creditors for capital expenditure	988.31	2,337.84
Overdrawn bank balances	653.91	-
Security deposits	80.41	98.15
Interest accrued and not due on borrowings	9.40	6.37
Unpaid dividends	0.38	0.38
Others	5.45	-
	8,036.87	8,258.91
	As at 31 March 2019	As at 31 March 2018
16 Trade payables		
Retail Merchandise:		
- Total outstanding dues of micro enterprises and small enterprises	590.66	460.17
- Total outstanding dues of creditors other than micro enterprises and small enterprises	127,119.16	51,446.64
	127,709.82	51,906.81
16.1 There are no Micro and Small Enterprises, to whom the Company owes dues which are outstanding for more than 45 days during the year. 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.	590.66	460.17
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.	-	-
	As at 31 March 2019	As at 31 March 2018
17 Provisions		
Non-current		
Provision for employee benefits:		
Gratuity	9.93	-
	9.93	-
Current		
Provision for employee benefits:		
Gratuity	276.62	193.22
Leave Encashment	688.45	628.60
	965.07	821.82

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
18 Other current liabilities		
Statutory liabilities	7,634.10	7,798.27
Advance from customers	98.37	135.74
Award schemes and gift vouchers	8,255.49	10,973.86
Others	93.73	126.15
	16,081.69	19,034.02

	For the year ended 31 March 2019	For the year ended 31 March 2018
19 Revenue from contracts with customers		
Retail sale of merchandise	331,554.63	363,468.12
Other Retail operating revenue		
Net proceeds from SOR (Refer note 40)	15,119.99	-
Net income from concessionaire and consignment model	4,849.58	-
Facility management fees	2,638.00	2,578.98
Income from store displays and sponsorship	561.71	631.69
Gift Vouchers lapsed	1,853.60	1,721.92
Direct marketing	1,013.66	1,059.72
Income from franchisees	201.98	212.00
	26,238.52	6,204.31
	357,793.15	369,672.43

19.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Type of goods or service

Sale of goods	372,216.73	406,004.69
Net proceeds from SOR	15,119.99	-
Net income from concessionaire and consignment model	4,849.58	-
Other operating income	6,268.95	6,204.31
Tax	(40,662.10)	(42,536.57)

Total Revenue from contracts with customers	357,793.15	369,672.43
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India	357,793.15	369,672.43
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Outside India	-	-
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Timing of revenue recognition

Goods transferred at a point in time	351,524.20	363,468.12
Services transferred over time (Other operating income)	6,268.95	6,204.31

Total Revenue from contracts with customers	357,793.15	369,672.43
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19.2 Contract balances

Trade receivables*	4,724.24	4,771.72
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*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	31 March 2019	31 March 2018
Revenue as per contracted price	482,313.83	460,914.44
Adjustments		
Loyalty points	(4,207.69)	(4,427.98)
Sales return	(22,430.48)	(18,043.66)
Discount	(97,882.51)	(68,770.37)
Revenue from contract with customers	357,793.15	369,672.43

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
20 Other income		
Interest on financial assets:		
On lease deposits measured at amortised cost	690.15	1,388.52
Bank deposits	7.72	69.56
On mutual fund investment	672.50	-
On income tax refund	358.76	-
Miscellaneous income	134.34	193.28
Profit on sale of fixed assets	1.79	1.74
	1,865.26	1,653.10
	For the year ended 31 March 2019	For the year ended 31 March 2018
21a Purchase of stock-in-trade		
Apparels	171,194.41	1,29,823.99
Non-apparels	104,035.15	89,081.76
Book and Others	4,157.27	5,409.34
	(A) 279,386.83	224,315.09
21b Changes in inventories of stock-in-trade		
Opening inventory		
- Retail merchandise	35,631.57	38,109.48
Closing inventory		
- Retail merchandise	107,193.32	35,631.57
	(B) (71,561.75)	2,477.91
21c Cost of inventories recognised as an expenses*	(A)+(B)	
	207,825.08	226,793.00
* Includes write-downs/offers (net) of inventory to net realisable value on account of old season stock and shrinkages.	2,126.27	1,399.33
	For the year ended 31 March 2019	For the year ended 31 March 2018
22 Employee benefits expenses		
Salaries and Wages	30,034.32	28,582.86
Contribution to Provident and other funds (Refer note 28(i)(c) & 31)	2,022.21	1,969.05
Share-based payments cost* (Refer note 36)	20.59	10.63
Staff welfare expenses	882.77	1,003.79
	32,959.89	31,566.33
* Measured at fair value		
	For the year ended 31 March 2019	For the year ended 31 March 2018
23 Finance costs		
Interest on borrowings	1,306.20	3,700.00
Bank charges	72.56	68.46
	1,378.76	3,768.46

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
24 Other expenses		
Lease rent and hire Charges (Refer note 26)	40,450.53	37,655.89
Business conducting fees	1,657.25	1,441.11
Rates and taxes	670.00	2,928.55
Repairs and maintenance		
- Buildings	9,482.96	8,633.26
- Plant and machinery	4.79	3.63
- Others	964.79	1,024.13
Legal and professional fees (Refer note 24.1)	916.07	1,168.06
Housekeeping charges	1,918.02	1,914.40
Security charges	2,957.11	2,861.18
Computer expenses	3,817.62	2,582.43
Conveyance and travelling expenses	2,497.04	2,268.90
Electricity charges	9,698.39	9,443.95
Advertisement and publicity	7,231.44	5,725.15
Sales promotion	809.04	4,248.36
Charges on credit card transactions	2,475.84	2,715.05
Allowances for bad and doubtful financial assets*	148.26	270.65
Loss on Sale of Fixed Assets (net)	21.85	54.13
Foreign exchange loss (net)	(33.98)	(16.27)
Corporate Social Responsibility Expenses (Refer note 24.2)	139.28	84.16
Miscellaneous expenses	6,616.53	5,157.50
	92,442.83	90,164.22

*excludes exceptional items

	For the year ended 31 March 2019	For the year ended 31 March 2018
24.1 Payments to Auditors (excluding GST / service tax):		
i) Audit fees	66.66	59.08
ii) Other matters	4.38	11.74
iii) Out of pocket expenses	3.50	2.26
	74.54	73.08
In respect of subsidiary companies		
Payments to Auditors (excluding GST / service tax):		
i) Audit fees	7.66	9.08
ii) Other matters	0.28	0.28
iii) Out of pocket expenses	-	-

	For the year ended 31 March 2019	For the year ended 31 March 2018
24.2 Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VIII thereof		
a) Gross amount required to be spent by the Company	139.28	84.16
b) Details of amount spent are as under:		
Livelihood creation for persons with disabilities (Employment linked training)	89.28	64.08
Disaster Relief Fund	10.00	-
Livelihood creation for young underprivileged women (Employment linked training)	10.00	-
Promote sustainable fashion through reuse, recycle and reduce	30.00	-
Ensuring environmental sustainability (Swacch Bharat)	-	20.08
Total	139.28	84.16
c) Details of expenditure paid to related party in relation to CSR expenditure - Refer Note 32		

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
25 Income tax expense recognised in profit or loss		
Current income tax:		
Current income tax charge	5,879.27	3,897.31
Adjustments in respect of current income tax of previous year	(163.98)	(593.30)
Total	5,715.29	3,304.01
Deferred tax		
In respect of current year	(1,221.94)	(1,548.38)
In respect of prior years	-	-
	(1,221.94)	(1,548.38)
Income tax expense reported in the statement of profit and loss	4,493.35	1,755.63

OCI section - Deferred tax related to items recognised in OCI during in the year:

	For the year ended 31 March 2019	For the year ended 31 March 2018
i) Remeasurement of employee defined benefit obligation	(67.60)	43.22
ii) Changes in fair value of equity instruments (Refer note 25.1)	-	72.48
Income tax charged to OCI	(67.60)	115.70

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting Profit before income tax (before exceptional item)	10,990.41	1,603.83
Income tax expense calculated at 34.944% (2018: 34.608%)	3,840.49	555.05
Effect of expenses that are not deductible in determining taxable profit		
Corporate social responsibility expenses	48.67	29.10
Interest disallowances u/s.14A	101.52	128.64
Donations / Rates and taxes	(24.34)	3.46
Adjustments in respect of current income tax of previous year		
Deferred tax written off on Service tax, FCC provisions and mark to market	123.61	(154.49)
Earlier year IT provision reversals	(76.23)	(438.81)
Others		
Effect of unused tax losses for the year not recognised as deferred tax assets	518.53	2,198.68
Deferred tax assets on short-term capital loss on sale of subsidiary	-	(506.48)
Others	(38.90)	(59.52)
Income tax expense recognised in profit or loss	4,493.35	1,755.63

25.1 In the absence of reasonable certainty, the Company has not recognised deferred tax assets (DTA) on mark to market loss on equity shares of Future Retail Ltd.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
26 Leasing Transactions		
Operating lease commitment as lessee		
Expenses recognised in the statement of profit and loss		
a) Minimum lease payments	34,628.10	32,408.62
b) Contingent rent	5,822.43	5,247.27
Variable rent for certain stores is payable in accordance with the lease agreement as the higher of (a) fixed minimum guarantee amount and (b) revenue share percentage.		
c) The future minimum rental payments in respect of non-cancellable lease for premises are as follows:		
Not later than one year	3,767.41	5,785.19
Later than one year and not later than five years	4,452.66	7,353.04
Later than five years	-	-
The agreements are executed for periods ranging from 24 to 288 months with a non-cancellable period at the beginning of the agreement ranging from 24 to 108 months and having a renewable clause.		

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 Company by weighed average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit 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:

	As at 31 March 2019	As at 31 March 2018
(a) Profit attributable to equity share holders from continuing operations (₹ in Lacs)	6,498.31	27,386.12
(b) Loss attributable to equity share holders from discontinued operations (₹ in Lacs)	(1.25)	(2,964.46)
(c) Profit / (Loss) attributable to equity share holders (₹ in Lacs)	6,497.06	24,421.66
(d) Weighted Number of equity shares outstanding during the year	87,987,765	84,476,168
(e) Weighted Number of equity shares outstanding during the year after adjustment for dilution	87,987,765	84,491,999
(f) Nominal value per share (₹)	5.00	5.00
(g) Earning per Share		
Continuing operations		
Basic (₹)	7.38	32.42
Diluted (₹)	7.38	32.42
Discontinued operations		
Basic (₹)	-	(3.51)
Diluted (₹)	-	(3.51)
Continuing and Discontinued operations		
Basic (₹)	7.38	28.91
Diluted (₹)	7.38	28.91
Weighted Average number of Equity shares for basic EPS	87,987,765	84,476,168
Effect of dilution:		
Share options	*	15,831
Weighted average number of Equity shares adjusted for the effect of dilution	87,987,765	84,491,999

* Note: Since average market price is less than exercise price effect becomes anti-dilutive.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

	As at 31 March 2019	As at 31 March 2018
28 Contingent liabilities and commitments:		
i) Contingent liabilities		
a) Claims against the Company not acknowledged as debts comprise of:		
Income tax claims disputed by the Company relating to disallowances aggregating *	11,220.25	240.00
* During the year, the survey action was carried out by income tax authorities w.r.t. TDS for AY 17-18, AY 18-19 and AY 12-13 post which order was passed directing the Company to pay tax of ₹ 4,408 Lacs for AY 17-18 ₹ 4,213 Lacs for A.Y 18-19 and ₹ 2341 Lacs for A.Y. 12-13 on account of non-deduction of contract manufacturing goods. The Company has filed an appeal to higher authorities and deposited ₹ 1000 Lacs under protest. The Company is confident of getting the same quashed hence no provision on the same has been made and disclosed under contingent liabilities as on 31 March 2019. Further, the Company has also filed an appeals to higher authorities against disallowances of section 14A and other matters amounting to ₹ 258.25 Lacs.		
Indirect tax claims disputed by the Company relating to issues of applicability and classification aggregating		
- Service tax other than on rent #	1,120.42	1,120.42
- Service tax on rent (Refer note 29)	2,010.90	2,010.90
- VAT	0.89	6.67
- Customs Duty *	46.77	42.61
# The Service tax authority has raised demand through SCN amounting to ₹ 344.45 Lacs (Basis 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 ₹ 1,120.42 Lacs (deposit paid under protest ₹ 344.45 Lacs). The Company has filed an appeal and matter is still pending before Mumbai High Court.		
* Aggrieved with the decision of custom department for demanding the payment of SAD refund of ₹ 41.60 Lacs the Company has filed an appeal before CESTAT. Further, the Company has received demand order of ₹ 5.17 Lacs 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) Others	25.00	25.00
c) Provident Fund	-	-
There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28 February 2019. Pending clarity, the Company has made a provision on a prospective basis from 1 March 2019. Appropriate changes to provision would be made on receiving further clarity on the subject.		
d) Bank Guarantees	600.02	554.80
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.		
ii) Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	3,770.02	2,220.75
b) Corporate guarantee given to bank jointly and severally:		
- Shoppers Stop Limited has given the corporate guarantee for loans taken by Crossword Bookstores Ltd. (2018: Crossword Bookstores Ltd. ₹ 2,340 Lacs)	2,340.00	2,340.00

29 Service tax

Pursuant to levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from 1 June 2007, the Company has based on a legal advice, challenged the said levy and, *inter-alia*, its retrospective application. 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 to (Consolidated) ₹ 2,010.90 Lacs for the period 1 June 2007 to 31 March 2010, (fully paid under protest).

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

30 Exceptional Items

During the previous year ended 31 March 2018 exceptional items comprised of net gain on sale of a subsidiary, amounting to ₹ 20,856.36 lacs (Standalone net loss of ₹ 4,886.75 lacs) and net gain of ₹ 742.33 lacs (Standalone net loss of ₹ 154.21 lacs) on account of disposal of its shareholding in two Joint ventures.

31 Employee Benefits

31.1 Defined contribution plans

The Company operates defined contribution retirement benefit plans for all qualifying employees of the Company. The assets of the plans are held separately from those of the Company in funds maintained with the government PF authorities. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

The Company's contribution to Provident Fund and Superannuation Fund aggregating ₹1,401.39 Lacs (2018: ₹1,215.64 Lacs) 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 Company sponsors funded defined benefit plan for qualifying employees. The defined benefit plan is administered by a third-party insurer. 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.

a) The plan exposes the Company to actuarial risks such as: 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.

b) The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate	6.85%-7.00%	7.30%-7.40%
Expected rate of salary increase	3% - 5%	3% - 4%
Average Longevity at retirement age for current beneficiaries of the plan (years)	Indian Assured Lives Mortality 2006-08	
Rate of employee turnover		
Upto 5 Year	35% - 43%	34% - 43%
Above 5 Year	12% - 12%	11% - 12%

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

c) Amount recognised in statement of profit and loss in respect of these defined benefit plan:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	206.66	260.74
Net interest cost	13.30	14.57
Components of defined benefits costs recognised in profit or loss.	219.96	275.31
Remeasurements on the net defined benefit liability:		
- Return on plan assets, excluding amount included in interest expense/(income)	9.85	(16.14)
- Actuarial (gain)/loss from change in demographic assumptions	9.84	(99.57)
- Actuarial (gain)/loss from change in financial assumptions	82.04	(20.98)
- Actuarial (gain)/loss from change in experience adjustments	115.61	10.58
Total amount recognised in other comprehensive income	217.34	(126.11)
Total	437.30	149.20

d) The amount included in the balance sheet arising from Company's obligation in respect of its benefit benefit plan is as follows:

Particulars	As at 31 March, 2019	As at 31 March, 2018
Present value of funded defined benefit obligation	1,462.86	1,398.38
Fair value of plan assets	1,176.31	1,218.76
Net liability arising from defined benefit obligation	286.55	179.62

e) Movement in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening defined benefit obligation	1,398.38	1,577.53
Current service cost	206.66	260.74
Interest cost	103.38	99.29
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	9.84	(99.57)
- Actuarial (gain)/loss from change in financial assumptions	82.04	(20.98)
- Actuarial (gain)/loss from change in experience adjustments	115.61	10.58
Movements on account of subsidiaries	-	(190.17)
Benefits paid	(453.05)	(239.04)
Closing defined benefit obligation	1,462.86	1,398.38

f) Movement in the fair value of the plan assets are as follows.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening fair value of plan assets	1,218.76	1,278.70
Interest income	90.06	84.72
Remeasurement (gains)/losses:		
- Return on plan assets, excluding amount included in net interest expense	(9.85)	16.13
Contributions from the employer	330.39	173.39
Movements on account of subsidiaries	-	(95.13)
Benefits paid/transferred	(453.05)	(239.05)
Closing fair value of plan assets	1,176.31	1,218.76

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:

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(All amounts in ₹ lacs)

Particulars	31 March 2019	31 March 2018
Defined benefit obligation (base)	1,462.35	1,397.89

Particulars	31 March 2019		31 March 2018	
	Decrease	Increase	Decrease	Increase
Discount rate (- / +1%)	1,557.72	1,378.17	1,483.25	1,322.61
% change compared to base due to sensitivity	6.10% - 6.50%	(5.50%) - (5.80%)	5.90% - 6.10%	(5.30%) - (5.40%)
Salary growth rate (- / +1%)	1,375.46	1,559.16	1,319.52	1,485.31
% change compared to base due to sensitivity	(5.70%) - (6.00%)	6.20% - 6.60%	(5.60%)	6.10% - 6.20%
Attrition rate (- / +50%)	1,424.31	1,454.79	1,328.01	1,412.06
% change compared to base due to sensitivity	(2.50%) - (6.00%)	(0.70%) - 2.00%	(4.90%) - (7.50%)	0.90% - 2.70%
Mortality rate (- / +10%)	1,462.45	1,463.25	1,397.90	1,398.86
% 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.

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 30.2b above.

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 a 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 ₹508.46 lacs to its gratuity plan for the next year.
- Weighted average duration of the defined benefit obligation is ranging in between 4.21- 6 years (based on discounted cashflows)

Expected cash flows over the next (valued on undiscounted basis):	₹ In Lacs
1 year	208.20
2 to 5 years	758.21
6 to 10 years	630.73
More than 10 years	877.64

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(All amounts in ₹ lacs)

32 Related party disclosures

Names of related parties and description of relationship:

(a) Key Management Personnel	Executive Director	Govind Shrikhande (upto June 30,2018) Rajiv Suri (w.e.f June 08, 2018) Chandru L.Raheja (upto June 08,2018) Ravi Raheja Neel Raheja B. S. Nagesh Nitin Sanghavi Deepak Ghaisas Nirvik Singh Ameera Shah (w.e.f.June 08,2018) Abanti Sankaranarayanan (upto June 08,2018) Gareth Thomas (upto October 26, 2017) Manish Chokhani Amisha Prabhu Robert Bready (w.e.f.July 27,2018) Rajiv Suri (w.e.f January 09, 2018) Karunakaran M (w.e.f.June 08,2018) Sanjay Chakravarti (upto December 22, 2017) Vijay Jain (from April 27, 2018 to June 08, 2018)
	Non Executive Directors	Bharat Sanghavi Valde Varghese Maulik Desai
	Chief Executive Officer Chief Financial Officer	Deputy Chief Financial Officer Company Secretary Holding Company Subsidiary Company (Crossword Bookstores Ltd) Business Head and Manager (Crossword Bookstores Ltd)
(b) Promoter directors	Chandru L.Raheja Ravi Raheja Neel Raheja	
(c) Entities in which a director is a director	Ivory Properties and Hotels Private Limited * Avacado Properties and Trading India Private Limited * Trion Properties Private Limited * Retailers Association of India K. Raheja Corp. Private Limited* Inorbit Malls (India) Private Limited* K. Raheja Private Limited* Chalet Hotels Pvt Limited* Magna Warehousing & Distribution Private Limited* Juhu Beach Resorts Ltd.*, Genext Hardware and Parks Private Limited *	
(d) Entities in which other directors are directors / trustees	Sanghavi Associates Ltd., Trust for Retailers & Retailers Associates of India Trrain Circle Private Limited Trrain Foundation, JW Marriott Sahar Mumbai unit of Chalet Hotels Pvt Limited*	

Note 35 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 financial year :

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(All amounts in ₹ lacs)

Nature	Entities in which a director is a director (refer (c) above)	Related Parties of Joint Ventures (refer note 35)	Key Management Personnel	Total
Compensation to key management personnel				
Remuneration to managing director	-	-	506.21	506.21
Short term benefits	-	-	380.57	
Post employment benefits	-	-	125.64	
Share based payments	-	-	-	
			(499.16)	(499.16)
Remuneration to managing director & chief executive officer	-	-	621.62	621.62
(Mr. Rajiv Suri, chief executive officer was appointed as managing director & chief executive officer w.e.f. 08 June 2018)				
Short term benefits	-	-	616.09	
Post employment benefits	-	-	0.08	
Share based payments	-	-	5.45	
			(100.22)	(100.22)
Remuneration to company secretary	-	-	51.32	51.32
Short term benefits	-	-	49.81	
Post employment benefits	-	-	0.36	
Share based payments	-	-	1.15	
			(43.63)	(43.63)
Remuneration to chief financial officer	-	-	102.85	102.85
Short term benefits	-	-	95.02	
Post employment benefits	-	-	5.14	
Share based payments	-	-	2.69	
			(100.65)	(100.65)
Remuneration to Deputy Chief Financial Officer	-	-	16.62	16.62
Short term benefits	-	-	15.94	
Post employment benefits	-	-	0.68	
Share based payments	-	-	-	
			-	-
Remuneration to company secretary of Subsidiary Co	-	-	17.34	17.34
Short term benefits	-	-	17.02	
Post employment benefits	-	-	0.32	
Share based payments	-	-	-	
			(8.89)	(8.89)
Maulik Desai	-	-	45.43	45.43
Short term benefits	-	-	45.43	
Post employment benefits	-	-	-	
Share based payments	-	-	-	
			(33.56)	(33.56)

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(All amounts in ₹ lacs)

Nature	Entities in which a director is a director (refer (c) above)	Related Parties of Joint Ventures (refer note 35)	Key Management Personnel	Total
Other related party transactions				
Payment of Business conducting fees	1,657.25			1,657.25
Ivory Properties and Hotels Private Limited *	1,657.25			
	(1,441.11)			(1,441.11)
Payment of Lease rent	3,868.71			3,868.71
Ivory Properties and Hotels Private Limited *	(3,745.49)			(3,745.49)
	253.76			
	(264.88)			
Inorbit Malls (India) Private Limited *	2,466.68			
	(2,457.66)			
Chalet Hotels Ltd *	374.40			
	(143.79)			
Trion Properties Private Limited *	773.87			
	(706.61)			
Genext Hardware and Parks Private Limited *	-			
	(172.55)			
	-			
Payment of common area maintenance (Repair & Maintenance- Building)	992.56			992.56
Ivory Properties and Hotels Private Limited *	(997.14)			(997.14)
	16.41			
	(10.45)			
Inorbit Malls (India) Private Limited *	686.49			
	(717.47)			
Chalet Hotels Ltd *	37.19			
	-			
Trion Properties Private Limited *	252.47			
	(269.22)			
Reimbursement of Expenses	524.13		1.56	525.68
Inorbit Malls (India) Private Limited *	(627.40)		-	(627.40)
	363.71			
	(472.63)			
Trion Properties Private Limited *	121.42			
	(138.71)			
Chalet Hotels Ltd*	19.40			
	-			
Sanghavi Associates Ltd	-			
	(10.06)			
Juhu Beach Resorts Limited *	10.97			
	(0.10)			
Retailers Association of India	4.16			
	(3.51)			
Trrain Foundation	4.47			
	-			
Trrain Circle Pvt Ltd	-			
	(0.77)			
K.Raheja Corp.Pvt.Ltd.*	-			
	(1.63)			
B.S.Nagesh	-		1.56	
			(0.95)	

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Nature	Entities in which a director is a director (refer (c) above)	Related Parties of Joint Ventures (refer note 35)	Key Management Personnel	Total
Deposits Paid	24.30	-	-	24.30
Inorbit Malls (India) Private Limited *	(71.04)	-	-	(71.04)
Trion Properties Private Limited *	(49.64)	-	-	(49.64)
Genext Hardware and Parks Private Limited *	1.01	-	-	1.01
Chalet Hotels Ltd*	(0.88)	-	-	(0.88)
Chalet Hotels Ltd*	-	-	-	-
Chalet Hotels Ltd*	(20.52)	-	-	(20.52)
Chalet Hotels Ltd*	23.30	-	-	23.30
Advance Rent	-	-	-	-
Genext Hardware and Parks Private Limited *	(29.47)	-	-	(29.47)
Avacado Properties and Trading (India) Private Limited *	(28.76)	-	-	(28.76)
Avacado Properties and Trading (India) Private Limited *	-	-	-	-
Avacado Properties and Trading (India) Private Limited *	(0.71)	-	-	(0.71)
Expenses paid	221.59	-	-	221.59
Chalet Hotels Ltd*	(150.88)	-	-	(150.88)
Miscellaneous expenses				
Chalet Hotels Ltd*	5.99	-	-	5.99
Inorbit Malls (India) Private Limited *	-	-	-	-
Inorbit Malls (India) Private Limited *	5.60	-	-	5.60
Juhu Beach Resorts Ltd.*	(8.88)	-	-	(8.88)
Juhu Beach Resorts Ltd.*	1.76	-	-	1.76
Retailers Association of India	-	-	-	-
Retailers Association of India	2.00	-	-	2.00
JW Marriott Sahar Mumbai unit of Chalet Hotels Pvt Ltd *	(2.00)	-	-	(2.00)
JW Marriott Sahar Mumbai unit of Chalet Hotels Pvt Ltd *	-	-	-	-
JW Marriott Sahar Mumbai unit of Chalet Hotels Pvt Ltd *	(4.78)	-	-	(4.78)
Legal and professional fees				
Chalet Hotels Ltd*	0.37	-	-	0.37
Retailers Association of India	-	-	-	-
Retailers Association of India	5.00	-	-	5.00
JW Marriott Sahar Mumbai unit of Chalet Hotels Pvt Ltd *	-	-	-	-
JW Marriott Sahar Mumbai unit of Chalet Hotels Pvt Ltd *	(0.37)	-	-	(0.37)
Advertisement and publicity				
Inorbit Malls (India) Private Limited *	73.14	-	-	73.14
Inorbit Malls (India) Private Limited *	(53.82)	-	-	(53.82)
Trion Properties Private Limited *	23.17	-	-	23.17
Trion Properties Private Limited *	(17.04)	-	-	(17.04)
Salaries & Wages (Recruitment expenses)				
Juhu Beach Resorts Ltd.*	5.27	-	-	5.27
Juhu Beach Resorts Ltd.*	-	-	-	-
Corporate Social Responsibility expenses				
CSR- Trust for Retailers & Retail Association of India	99.29	-	-	99.29
CSR- Trust for Retailers & Retail Association of India	(64.00)	-	-	(64.00)

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Nature	Entities in which a director is a director (refer (c) above)	Related Parties of Joint Ventures (refer note 35)	Key Management Personnel	Total
Deposit received back				
Trion Properties Private Limited	-	-	-	-
	(197.18)			(197.18)
Commission and Sitting fees to non executive Directors				
Chandru L. Raheja (upto June 8,2018)			1.00	
Ravi Raheja			11.50	
Neel Raheja			9.00	
B. S. Nagesh			8.03	
Nitin Sanghavi			10.50	
Deepak Ghaisas			13.50	
Nirvik Singh			9.50	
Ameesha Prabhu			0.12	
Vidya Hariharan			0.09	
Abanti Sankaranarayanan (upto June 8,2018)			1.25	
Manish Chokhani			9.50	
Ameera Shah (appointed w.e.f. June 08,2018)			5.50	
Robert Bready (appointed w.e.f. July 27,2018) **			5.50	
			(50.83)	(50.83)

The figure in bracket pertain to previous year

Balance outstanding at the year end	31 March 2019	31 March 2018
Receivables		
Ivory Properties and Hotels Private Limited *	1,016.52	1,010.52
Inorbit Malls (India) Private Limited *	861.23	846.31
Trion Properties Private Limited *	286.83	285.96
Genext Hardware And Parks Pvt Ltd *	-	179.55

The Company has given corporate guarantee to banks for loans taken by subsidiaries - Refer note 28(ii)(b)

* 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.

** An amount of Rs.9 Lacs is payable to Mr. Robert Bready, for providing training and advisory services to the senior management of the Company.

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 31 March 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: ₹ 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 Ind AS 108 on 'Operating Segments' constitute the reporting segment.
- The Group operates in a single geographical environment i.e. in India.
- No single customer contributed 10% or more to Groups revenue.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

33.1 Particulars	31 March 2019	31 March 2018
Segment revenue from external customers		
Continuing Operations		
Retail Operations	357,793.15	369,672.43
Property Options	-	-
	357,793.15	369,672.43
Discontinued Operations		
Retail Operations	0.20	73,096.64
	0.20	73,096.64
Total segment revenue from external customers	357,793.35	442,769.07
Segment operating results		
Continuing Operations		
Retail Operations	12,370.41	11,311.51
	12,370.41	11,311.51
Discontinued Operations		
Retail Operations	(1.25)	(2,915.82)
	(1.25)	(2,915.82)
Total segment operating results	12,369.17	8,395.69
Interest Expense		
Continuing Operations	1,378.76	3,768.46
Discontinued Operations	-	3,023.40
	1,378.76	6,791.86
Exceptional Item	-	(21,598.69)
Profit / (Loss) before tax from continuing operations	10,991.67	29,141.75
Profit / (Loss) before tax from discontinued operations	(1.25)	(5,939.22)
Profit / (Loss) before tax	10,990.42	23,202.53
Tax expense	(4,493.35)	(1,755.63)
Profit / (Loss) after tax from continuing operations	6,498.31	27,386.12
Profit / (Loss) after tax from discontinued operations	(1.25)	(5,939.22)
Profit / (Loss) after tax	6,497.06	21,446.90
33.2 Particulars	31 March 2019	31 March 2018
Segment Assets		
Retail Operations	247,558.96	178,761.80
Total	247,558.96	178,761.80
Segment Liabilities		
Retail Operations	156,088.96	88,317.80
Total	156,088.96	88,317.80

34 Discontinued Operations

The Board of Directors of Gateway Multichannel Retail (India) Limited (Gateway), a subsidiary of SSL had decided to discontinue operation in January 2009. SSL has committed to provide the necessary level of support, to enable Gateway to remain in existence and continue as a going concern.

During the year ended 31 March 2018, the Company disposed off 77,158,778 equity shares of ₹ 10/- each constituting 51.09% of the share capital of Hypercity Retail (India) Ltd; its material subsidiary to Future Retail Limited on November 30, 2017. Accordingly, Hypercity ceases to be subsidiary of the Company. Refer note 35(a)

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Further, during the year ended 31 March 2018, the Company has disposed off its 40% and 48.42% shareholding in Nuance Group (India) Ltd. (NGIPL) and Timezone Entertainment Private Limited (TEPL). Accordingly, NGIPL and TEPL ceases to be joint ventures of the Company. Refer note 35(b)

Statement showing the revenue and expenses of discontinued operations:

Particulars	31 March 2019	31 March 2018
Revenue	-	73,096.64
Other Income	0.20	2,602.86
Total Revenue	0.20	75,699.50
Operating Expenses	1.45	81,781.84
Loss before tax from discontinued operations	(1.25)	(6,082.34)
Share of Profit/(Loss) in Joint Ventures	-	143.12
Loss before tax from discontinued operations	(1.25)	(5,939.22)
Income tax	-	-
(Loss) after tax from discontinued operations (attributable to owners of the Company)	(1.25)	(5,939.22)

The major classes of assets and liabilities of discontinued operations is as follows:

Particulars	31 March 2019	31 March 2018
Non-current assets	26.27	26.25
Current assets	3.46	3.91
Non-current liabilities	2,201.66	2,201.66
Current liabilities	41.20	40.38
Carrying value of Group's interest in Joint Ventures (Refer note 35 (b)(ii))	-	-
Equity attributable to owners of the Company	-	-
Non-controlling interests	-	-

Cash flows from discontinued operations	31 March 2019	31 March 2018*
Net cash inflow / (outflow) from operating activities	0.11	2,384.34
Net cash inflow / (outflow) from investing activities	0.20	(125.18)
Net cash inflow / (outflow) from financing activities	-	(699.88)
Net cash inflows	0.31	1,559.28

* Hypercity cashflow considered till 30 November 2017

35 SUBSIDIARIES AND JOINT VENTURE

a) The subsidiaries (which along with 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 and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31 March 2019	As at 31 March 2018
Crossword Book Stores Limited	Retailing in books and other allied items through departmental stores operated by self or by franchisees	India	100%	100%
Upasna Trading Limited	Supervising distribution and logistics operations	India	100%	100%
Shopper's Stop Services (India) Limited	Services	India	100%	100%
Shopper's Stop.Com (India) Limited	Services	India	100%	100%
Gateway Multichannel Retail (India) Limited	Catalogue retailing	India	100%	100%

* During the financial year 2018, In terms of the Share Purchase Agreement executed with Future Retail Limited and approval accorded by the members through postal ballot, the Group disposed off 77,158,778 equity shares of ₹ 10/- each constituting 51.09% of the share capital of Hypercity Retail (India) Ltd.; its material subsidiary to Future Retail Limited on November 30, 2017. Accordingly, Hypercity ceases to be subsidiary of the Group. The Group was allotted 4,756,823 equity shares of ₹2/- each at an issue price of ₹ 537/- per equity share by Future Retail Limited and received cash consideration in terms of the aforesaid Share Purchase Agreement. Accordingly, the Group has recorded a net gain of ₹20,856.36 lacs in financial year ended 31 March 2018, which has been disclosed as an exceptional item.

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(All amounts in ₹ lacs)

b) Investment in Joint Ventures

During the financial year ended 31 March 2018, the Group has disposed off its 40% shareholding in Nuance Group (India) Pvt. Ltd. (NGIPL) to The Nuance Group AG, Switzerland, at a consideration of ₹ 600 lacs on October 6, 2017. With the disposal of this shareholding, the Shareholders Agreement executed with them, stands terminated and accordingly, NGIPL ceases to be an associate company of the Group. Accordingly, the Group has recorded a net gain of ₹ 14 lacs in financial year ended 2018, which has been disclosed as an exceptional item.

During the financial year ended 31 March 2018, the Group has disposed off its 48.42% shareholding in Timezone Entertainment Private Ltd. (TEPL) to Timezone West Asia Pte. Ltd., at a consideration of ₹2270 lacs on 15 February 2018. With the disposal of this shareholding, the joint venture agreement executed in this regard, stands terminated and accordingly, TEPL ceases to be an associate company of the Group. Accordingly, the Group has recorded a net gain of ₹ 728.33 lacs in financial year ended 2018, which has been disclosed as an exceptional item.

Summarise financial information in respect of Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with the Ind-ASs adjusted by the group equity accounting purposes

Particulars	31 March 2019		31 March 2018	
	Nuance Group (India) Private Limited	Timezone Entertainment Private Limited	Nuance Group (India) Private Limited	Timezone Entertainment Private Limited
Non-Current Assets	-	-	-	-
Current Assets	-	-	-	-
Non-current Liabilities	-	-	-	-
Current Liabilities	-	-	-	-
The above amounts of assets and liabilities include the following:				
Cash and cash equivalents	-	-	-	-
Current financial liabilities (excluding trade payables and provisions)	-	-	-	-
Non-Current financial liabilities (excluding trade payables and provisions)	-	-	-	-
Reconciliation of summarised financial information to the carrying amount of interest in joint ventures				
Net Assets of joint ventures	-	-	-	-
Proportion of Group's ownership interest in the joint ventures	-	-	-	-
Goodwill	-	-	-	-
Other adjustments (please specify)	-	-	-	-
Less: Impairment in value	-	-	-	-
Carrying amount of the Group's interest in the joint ventures	-	-	-	-

Particulars	31 March 2019		31 March 2018	
	Nuance Group (India) Private Limited	Timezone Entertainment Private Limited	Nuance Group (India) Private Limited	Timezone Entertainment Private Limited
Revenue	-	-	8,514.25	5,767.57
Profit (loss) from continuing operations	-	-	13.06	284.78
Profit (loss) for the year	-	-	13.06	284.78
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	13.06	284.78
Dividends received from the joint venture during the year	-	-	-	-
The above profit (loss) for the year include the following:				
Depreciation and amortisation	-	-	178.13	832.55
Interest income	-	-	7.71	7.09
Interest expense	-	-	136.33	97.76
Income tax expense (income)	-	-	-	-

Notes:

- Nuance Group (India) Private Limited financials are consolidated by the Group till 6 October 2017.
- Timezone Entertainment Private Ltd. financials are consolidated by the Group till 15 February, 2018.

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(All amounts in ₹ lacs)

c) Disclosure on Non-controlling Interests

i Non-controlling Interests

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Balance at the beginning of the year	-	521.06
Share of profit/(loss) for the year	-	(2,974.76)
Contribution during the year	-	1,451.07
Sale of Interest in subsidiary - Hypercity	-	1,002.63
Balance at the end of the year	-	-

ii Details of non-wholly owned subsidiaries that have material non-controlling interests

Particulars	Year ended 31 March 2019	Year ended 31 March 2018 *
Revenue	-	75,776.04
Expenses	-	81,857.94
Profit/(Loss) for the year	-	(6,081.90)
Profit/(Loss) attributable to owners of the Company	-	(3,107.14)
Profit/(Loss) attributable to non-controlling interests	-	(2,974.76)
Profit/(Loss) for the year	-	(6,081.90)
Other comprehensive income attributable to owners of the Company	-	-
Other comprehensive income attributable to non-controlling interests	-	-
Other comprehensive income for the period	-	-
Total comprehensive income attributable to owners of the Company	-	(3,107.14)
Total comprehensive income attributable to non-controlling interests	-	(2,974.76)
Total comprehensive income for the year	-	(6,081.90)
Net cash inflow/(outflow) from operating activities	-	2,384.34
Net cash inflow/(outflow) from investing activities	-	(125.18)
Net cash inflow/(outflow) from financing activities	-	(699.88)
Net cash inflow/(outflow)	-	1,559.28

* Hypercity consolidated from 1 April 2017 till 30 November 2017.

36 Share-based payments

The expense recognised for employee services received during the year is shown in the following table:

	Year ended 31 March 2019	Year ended 31 March 2018
Expense arising on Employee Stock Option Scheme	20.59	10.63
Total expense arising from share-based payment transactions	20.59	10.63

36.1 Employee share option plan of the Group

The Group 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 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 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 lattice 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.

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(All amounts in ₹ lacs)

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 31 July 2015	3,275	31.07.2015	31.07.2018	404.00	124.35
Granted on 29 April 2014	160,675	29.04.2014	29.04.2017	362.00	123.21
Granted on 8 June 2018	9,191	08.06.2018	07.06.2021	544.00	219.45
Granted on 8 June 2018	5,253	08.06.2018	08.06.2021	544.00	189.71
Granted on 27 July 2018	28,720	27.07.2018	27.07.2021	546.00	167.93
Granted on 28 January 2019	17,210	28.01.2019	28.01.2022	514.00	160.20

All options vested based on the predetermined 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.

36.2 Fair value of share options granted in the year

There are no new grants during the F.Y. 2018-19.

Options series	Number	Grant date	Vesting date	Exercise Price (₹)	Fair value at grant date (₹)
Granted on 8 June 2018	9,191	08.06.2018	07.06.2021	544.00	219.45
Granted on 8 June 2018	5,253	08.06.2018	08.06.2021	544.00	189.71
Granted on 27 July 2018	28,720	27.07.2018	27.07.2021	546.00	167.93
Granted on 28 January 2019	17,210	28.01.2019	28.01.2022	514.00	160.20

36.3 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
	31 March 2019		31 March 2018	
Outstanding at the beginning of the year	49,919	363.07	211,124	353.61
Granted during the year	60,374	536.40	-	-
Lapsed/Cancelled during the year	25,590	-	101,185	-
Exercised during the year	29,239	362.00	60,020	345.99
Surrendered during the year	-	-	-	-
Outstanding at the end of the year	55,464	536.40	49,919	363.07

Of the above outstanding share options, 55,464 (2018: 49,919) shares are exercisable at the end of the respective reporting periods.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Details of year-wise grant and exercise:

Year / (date of Grant)	Options granted (net of lapsed)	Exercised till 31.3.2017	Exercised in 2017-18	Exercised till 31.3.2018	Outstanding 31.3.2018	Exercised in 2018-19	Outstanding 31.3.2019
2009-10 (29.04.2009)	958,740	958,740	-	958,740	-	-	-
2009-10 (24.03.2010)	358,200	358,200	-	358,200	-	-	-
2011-12 (29.04.2011)	124,100	124,100	-	124,100	-	-	-
2012-13 (09.06.2012)	101,807	101,807	-	101,807	-	-	-
2013-14 (28.08.2013)	42,512	28,629	13,883	42,512	-	-	-
2014-15 (29.04.2014)	83,906	10,494	44,173	54,667	29,239	29,239	-
2014-15 (05.11.2014)	-	-	-	-	-	-	-
2015-16 (31.07.2015)	1,964	-	1,964	1,964	-	-	-
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)	17,210	-	-	-	-	-	17,210
			60,020	1,641,990	29,239	29,239	55,464

36.4 Share options exercise during the year

Options series	Number Exercised	Exercise date	Weighted Average Share price at exercise date (₹)
Granted on 29 April 2014	29,239	27.04.2018	362

36.5 New scheme launched

The compensation cost of stock options granted to employees is calculated using the intrinsic value of the stock options.

Date of grant	2018-19			
	08.06.2018	08.06.2018	27.07.2018	28.01.2019
Number of option granted	9,191	5,253	28,720	17,210
Contractual life	3 years	3 years	3 years	3 years
Vesting Schedule (from the date of grant)				
First Year	-	30%	30%	30%
Second Year	-	30%	30%	30%
Third Year	100%	40%	40%	40%
Method of settlement	Equity	Equity	Equity	Equity
Estimated Fair Values(Arrived at by applying Lattice model for option Pricing)	219.45	189.71	167.93	160.20
Model inputs (share price at the grant date) ₹	544	544	546	514
Exercise Price ₹	544	544	546	514
Expected Volatility	32.83%	33.01%	33.12%	34.08%
Risk free rate of return	1.97%	1.93%	1.90%	1.84%

36.6 The weighted average contractual life of the options outstanding is 4.42 years.

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(All amounts in ₹ lacs)

37 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.

It is the policy of the Group to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts. The Group also enters into forward foreign exchange contracts to manage the risk associated with anticipated sales and purchase transactions out of 6 months within 40% to 50% of the exposure generated.

Adjustments are made to the initial carrying amounts of non-financial hedged items when the anticipated sale or purchase transaction takes place.

The following are the outstanding Forward Exchange Contracts entered into by the Group as at 31 March 2019.

Particulars	31 March 2019			31 March 2018		
	Number of Contracts	-	-	-	1	1
Type	-	-	-	Buy	Buy	Buy
Foreign currency (in lacs)	-	-	-	0.27 EURO	0.06 GBP	1.86 USD
INR Equivalent (in lacs)	-	-	-	22.20	5.77	121.43

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.

Particulars	31 March 2019		31 March 2018	
	₹ In Lacs	In Foreign currency	₹ In Lacs	In Foreign currency
Trade Payable	90.88	USD 1,31,429	-	-
Creditors for capital expenditure	0.69	EURO 889	-	-

38. 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 31 March 2019		As at 31 March 2018	
	₹ in Lacs	In Foreign currency	₹ in Lacs	In Foreign currency
Long term borrowings (including current maturities)	4,423.33		8,700.11	
Short-term borrowings	3,022.26		3,834.77	
Total debt	7,445.59		12,534.88	
Equity share capital	4,399.50		4,398.03	
Other equity (including Non-Controlling Interests, less goodwill on consolidation)	87,070.50		86,045.96	
Total Equity	91,470.00		90,443.99	
Debt to Total Equity Ratio	0.08		0.14	

The Group's objective is to keep the debt to total equity ratio of the holding company on consolidated basis below 1 which it has achieved in current year.

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(All amounts in ₹ lacs)

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 fifty basis points in floating interest rates would result in decrease / increase in the Group's profit before tax by approximately ₹15 lacs (2018: ₹ 188 lacs).

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 reporting period.

b) Credit risk:

Credit risk is a risk that the counter party 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.

Property options receivable: The Group considers a variety of relevant factors like age, past due details and credit enhancements (guarantees) in assessing credit risk from property options receivable. The property option receivables are guaranteed under contract by a company of the promoter shareholder group with further assurance from a promoter director.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

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	₹. in Lacs Carrying amounts
At 31 March 2018			
Borrowings (long-term and short-term)	8,134.80	4,400.08	12,534.88
Interest payable	6.37	-	6.37
Trade payables and other accruals	51,906.81	-	51,906.81
At 31 March 2019			
Borrowings (long-term and short-term)	7,243.67	201.92	7,445.59
Interest payable	9.40	-	9.40
Trade payables and other accruals	1,27,709.82	-	1,27,709.82

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 financing facilities which were undrawn as at the end of reporting periods mentioned.

	As at 31-Mar-19	₹. in Lacs As at 31-Mar-18
Undrawn financing facility		
Secured Working Capital Facilities		
Amount Used	778.00	1,328.14
Amount Unused	32,622.00	32,071.86
Total	33,400.00	33,400.00
Unsecured Working Capital Facilities		
Amount Used	-	-
Amount Unused	2,500.00	2,500.00
Total	2,500.00	2,500.00

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

C. Fair Value Measurements

i) Financial assets and liabilities that are measured at amortised cost:

	As at 31 March 2019	₹. in Lacs As at 31 March 2018
Financial Assets (amortised cost):		
Trade receivables	4,724.24	4,771.72
Cash & Cash equivalents	1,713.70	534.88
Other bank balances	30.52	68.80
Other financial assets		
- Premises and other deposits	13,334.43	11,997.24
- Others	232.02	548.52
Financial Liabilities (amortised cost):		
Borrowings - long-term	201.92	4,400.08
Borrowings - short-term	3,022.26	3,834.77
Trade payables	1,27,709.82	51,906.81
Other financial liabilities	8,098.27	8,320.31

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 reporting period:

Financial assets / Financial liabilities	Fair value as at		Fair value hierarchy
	31 March 2019	31 March 2018	
Fair Value through Profit and Loss			
Forward foreign currency contracts	Assets Nil	Assets ₹ 0.39 lacs	Level 2
Investment in Mutual Funds	Assets ₹ 4,245.12 lacs	Assets ₹ 2,003.55 lacs	Level 2
Fair Value through OCI			
Investment in Furture Retail Limited	Assets ₹ 21,588.84 lacs	Assets ₹ 26,241.01 lacs	Level 1

Valuation technique and key input used: Fair value is determined using discounted future cash flows which are estimated based on forward exchange rates at the end of the reporting period, discounted at a rate that reflects the credit risk of the Group.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. The Group will apply the interpretation from its effective date. Since the Group operates in a complex multinational tax environment, applying the Interpretation may affect its consolidated financial statements. In addition, the Group may need to establish processes and procedures to obtain information that is necessary to apply the Interpretation on a timely basis.

Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. These amendments have no impact on the consolidated financial statements of the Group.

Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income. The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Group.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

39 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 2019

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 lacs.)	As % of consolidated profit or loss	Amount (₹ In lacs.)	As % of consolidated profit or loss	Amount (₹ In lacs.)	As % of consolidated profit or loss	Amount (₹ In lacs.)
Holding Company								
Shoppers Stop Limited	101%	92,741.60	120%	7,799.81	100%	(4,778.02)	178%	3,021.79
Subsidiaries (Indian)								
Crossword Book Stores Limited	1%	976.54	-20%	(1,298.16)	0%	(23.90)	(78%)	(1,322.06)
Upasna Trading Limited	0%	(88.60)	0%	(1.20)	0%	-	0%	(1.20)
Shopper's Stop Services (India) Limited	0%	7.62	0%	(1.14)	0%	-	0%	(1.14)
Shopper's Stop.Com (India) Limited	0%	3.77	0%	(1.13)	0%	-	0%	(1.13)
Gateway Multichannel Retail (India) Limited	-2%	(2,170.93)	0%	(1.12)	0%	-	0%	(1.12)
Non controlling interest	0%	-	0%	-	0%	-	0%	-

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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 lacs.)	As % of consolidated profit or loss	Amount (₹ In lacs.)	As % of consolidated profit or loss	Amount (₹ In lacs.)	As % of consolidated profit or loss	Amount (₹ In lacs.)
Holding Company								
Shoppers Stop Limited	101%	91,115.98	129%	27,715.62	100%	704.89	128%	28,420.51
Subsidiaries (Indian)								
HyperCity Retail (India) Limited	0%	-	-28%	(6,081.90)	0%	-	-27%	(6,081.90)
Crossword Book Stores Limited	2%	1,574.72	-2%	(328.26)	0%	-	-1%	(328.26)
Upasna Trading Limited	0%	(87.97)	0%	(0.50)	0%	-	0%	(0.50)
Shopper's Stop Services (India) Limited	0%	8.60	0%	(0.35)	0%	-	0%	(0.35)
Shopper's Stop.Com (India) Limited	0%	3.67	0%	(0.35)	0%	-	0%	(0.35)
Gateway Multichannel Retail (India) Limited	-2%	(2,171.03)	0%	(0.44)	0%	-	0%	(0.44)
Non-controlling interest	0%	-	0%	-	0%	-	0%	-
Joint Ventures (as per Equity method)								
Nuance Group (India) Private Limited	0%	-	0%	5.22	0%	-	0%	5.22
Timezone Entertainment Private Limited	0%	-	1%	137.90	0%	-	1%	137.90

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

40 Revenue from contracts with customers

The Group has applied IND AS 115 for the first time with effect from 1 April 2018. IND AS 115 supersedes IND AS 18 Revenues and it applies, with limited exceptions to all revenues arising from contracts with customers. IND AS 115 establishes a five step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IND AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted IND AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018 and there are no adjustments required to the retained earnings as at 1 April 2018.

Due to the application of Ind-AS 115, revenue for the year ended 31 March 2019 is lower by ₹ 41,147.78 Lacs and other operating income is higher by ₹ 15,119.99 Lacs resulting into lower revenue from operations and cost of goods sold by ₹26,027.79 Lacs on account of impact of sales or return (SOR) basis arrangements as company is agent. However, this does not have any impact on profits/(loss) for year ended 31 March 2019.

41 Accounting pronouncements not yet adopted

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 amending the following standard.

Ind AS 116 Leases:

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 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).

At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Group will implement Ind AS 116 from 1 April 2019 by applying the modified retrospective approach, meaning that the comparative figures in the financial statements for the year ending 31 March 2019 will not be restated to show the impact of Ind AS 116. The operating leases which will be recorded on the balance sheet following implementation of Ind AS 116 are principally in respect of rented premises, and other identified assets representing right to use as per contracts excluding low value assets and short-term leases of 12 months or less.

The Group has established an implementation team to implement Ind AS 116 related to operating leases and it continues to evaluate the changes to accounting system and processes and additional disclosure requirements that may be necessary. A reliable estimates of the quantitative impact of Ind AS 116 on the financial statements will only be possible once the implementation project has been completed.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

The amendments should be applied retrospectively in accordance with Ind AS 8 for annual reporting periods on or after 1 April 2019. Since the Group does not have such long-term interests in its associate and joint venture, the amendments will not have an impact on its consolidated financial statements.

Annual improvement to Ind AS (2018);

These improvements include:

Amendments to Ind AS 103: Party to a Joint Arrangements obtains control of a business that is a Joint Operation

The amendments clarify that, when a party to a joint arrangement obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 April 2019. These amendments are currently not applicable to the Group but may apply to future transactions.

Amendments to Ind AS 111: Joint Arrangements

A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103. The amendments clarify that the previously held interests in that joint operation are not remeasured. An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after 1 April 2019. These amendments are currently not applicable to the Group but may apply to future transactions.

Amendments to Ind AS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Group current practice is in line with these amendments, the Group does not expect any effect on its consolidated financial statements.

Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Group current practice is in line with these amendments, the Group does not expect any effect on its consolidated financial statements.

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to the Consolidated financial statements for the year ended 31 March 2019

(All amounts in ₹ lacs)

42 Events after the reporting period

The Board of Directors has recommended dividend of ₹0.75 per share for the financial year 2018-19. The payment is subject to the approval of shareholders at the annual general meeting.

The Group has evaluated subsequent events from the balance sheet date through 30 April 2019, 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.

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 & COLLP

ICAI Firm Reg. No. 324982E/E300003

Chartered Accountants

Vijay Maniar

Partner

Membership No. 36738

Mumbai: 30 April 2019

B.S. Nagesh

Customer Care

Associate & Chairman

(DIN: 00027595)

Karunakaran M.

Customer Care Associate &

Chief Financial Officer

Mumbai: 30 April 2019

Ravi Raheja

Director

(DIN: 00028044)

Rajiv Suri

Customer Care Associate &

Managing Director & Chief Executive Officer

(DIN: 08124971)

Bharat Sanghavi

Customer Care Associate &

Company Secretary

Membership No. A13157

Statement under Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, for the year ended March 31, 2019.

Sr. No.	Name & Qualification of Employees	Age (Years)	Designation	Date of Commencement of Employment	Gross Remuneration (₹)	Experience (Years)	Last Employment held and designation therein
1	Mr. Rajiv Suri B.Com, PGD - Sales & Marketing Mgmt, PGD - Business Mgmt, Strategic Retail Management	56	Managing Director & Chief Executive Officer	09/Jan/2018	60,500,057	34	Majid Al Futtaim, Dubai, UAE Chief Executive Officer
2	Mr. Amin Kassam B.Sc	63	Chief Retail Operations	04/Jan/2017	19,997,954	42	Reliance Trends Ltd. - Chief Operating Officer
3	Mr. BVM Rao B.Com, MSW	57	Chief Human Resource Officer	08/May/2008	9,735,021	29	Food Express Stores Vice President - Hypermarket & Ops
4	Mr. Maneesh Mittal PGDM	43	Chief Of Omni Channel & Digital Officer	01/Apr/2018	8,932,656	20	Infiniti Retails Ltd - Head Ecommerce & Big Data
5	Mr. Devadas C B.Com	55	Chief Supply chain Officer	01/Dec/1997	8,898,389	32	Ivory Property & Hotel Pvt. Ltd. Assistant Manager - Distribution
6	Mr. Satish Sharma B.Arch, MBA	50	Head of Store Planning	21/Mar/2007	7,589,106	26	ITC Limited Manager - Project
7	Mr. Anil Shankar Arsavilli B.A., Diploma in RDBMS (Oracle)	47	Chief Technology Officer	24/May/1999	6,942,466	21	Sterling Resorts Senior Executive - Systems
8	Mr. Deepak Yadav MBA Marketing	40	Vice President - Business Development	12/Sep/2008	6,795,895	18	Odyssey India Ltd - AVP Business Development & Strategy
9	Mr. Raman Gupta MBA	42	Business Head - Non Apparel	27/Dec/2004	6,294,628	17	Pantaloon Retail India - Senior Executive New Business Development
10	Mr. Virender Ahuja MBA	46	Business Head - Private Label & Exclusive Brand	01/Oct/2004	6,026,793	22	Kewal Kiran Enterprises - Brand Manager

Sr. No.	Name & Qualification of Employees	Age (Years)	Designation	Date of Commencement of Employment	Gross Remuneration (₹)	Experience (Years)	Last Employment held and designation therein
Employed for part of the Financial Year with an average salary above ₹ 8.5 lac per month							
1	Mr. Govind Shrikhande B.Tech, MBA	58	Managing Director	03/Apr/2001	50,159,639	35	Bombay Dyeing & Manufacturing Co. Ltd. Vice President - Retail Division
2	Mr. Gopal Asthana B.E, CFA	47	Head - Buying & Merchandising	28/Jan/1998	16,458,084	22	H R Johnson Ltd. - Project Engineer
3	Mr. Karunakaran Mohanasundaram CA , CS	53	Chief Financial Officer	08/Jun/2018	9,502,068	30	AVON International - Executive Director Finance.
4	Mr. Shilpee Sharma Bachelors of Design	50	Chief Creative Officer	15/Jun/2018	9,595,351	27	Reliance Retail Ltd - Vice President & Head Design
5	Ms. Uma Talreja MMS - Marketing	44	Chief Marketing & Customer Officer	25/Jul/2018	9,728,821	22	Raymond Ltd - Chief Digital Officer - Lifestyle Business
6	Mr. Amitabh Suri PGDGMT - NIFT	43	President - Private Brands	19/Nov/2018	3,984,640	20	Landmark retail - Chief Operating Officer
7	Mr. Neeraj Nagpal PGDM	45	President - Brands	21/Jan/2019	3,737,873	21	Aditya Birla Retail - Chief Merchandising and Sourcing Officer
8	Mr. Anupam Saxena MBA	51	President - Beauty	16/Jan/2019	2,280,577	28	True Lucent International - Managing Director

1. The Gross remuneration includes salary, bonus, various allowances, performance linked incentives, taxable value of perquisites including ESOP and gratuity paid but excluding gratuity provision.
2. None of the employees mentioned above are relative of any directors of the Company.
3. None of the employees mentioned herein above hold himself or along with spouse and dependent children, two percent or more of the equity shares of the Company.
4. The nature of employment in all cases are contractual. The other terms and conditions are as per Company's Rules.

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 The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19 :

Name of Directors	Designation	Ratio of Remuneration of each Director to median remuneration	Remuneration (₹ in lacs)
Mr. Chandru L. Raheja ³	Promoter Chairman & Non Executive Director	0.40:1	1.00
Mr. B. S. Nagesh ⁴	Non Executive Chairman	3.24:1	8.00
Mr. Ravi C. Raheja	Non-executive Director	4.65:1	11.50
Mr. Neel C. Raheja	Non-executive Director	3.64:1	9.00
Prof. Nitin Sanghavi	Independent Director	4.25:1	10.50
Mr. Deepak Ghaisas	Independent Director	5.46:1	13.50
Mr. Nirvik Singh	Independent Director	3.85:1	9.50
Ms. Abanti Sankaranarayanan ³	Independent Director	0.51:1	1.25
Mr. Manish Chokhani	Independent Director	3.85:1	9.50
Mr. Robert Bready ⁵	Independent Director	2.23:1	5.50
Ms. Ameera Shah ⁵	Independent Director	2.23:1	5.50
Mr. Govind Shrikhande ⁶	Managing Director	203.02:1	501.60
Mr. Rajiv Suri ⁷	Managing Director and CEO	214.79:1	530.67

Notes: 1. The remuneration of Non Executive Directors consists of Sitting Fees of ₹ 51.75 lacs and Commission of ₹ 33 lacs.
2. The median remuneration of the Company for all its employees is ₹ 2.47 lacs for the financial year 2018-19.

2 The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2018-19 as compared to financial year 2017-18:

Name of Directors and KMPs	% increase / decrease in Remuneration
Mr. Chandru L. Raheja ³	Please refer note : 9
Mr. B. S. Nagesh ⁴	23%
Mr. Ravi C. Raheja	150%
Mr. Neel C. Raheja	157%
Prof. Nitin Sanghavi	30%
Mr. Deepak Ghaisas	39%
Mr. Nirvik Singh	171%
Ms. Abanti Sankaranarayanan ³	Please refer note : 9
Mr. Manish Chokhani	42%
Mr. Robert Bready ⁵	Please refer note : 9
Ms. Ameera Shah ⁵	Please refer note : 9
Mr. Govind Shrikhande ⁶	Please refer note : 9
Mr. Rajiv Suri ⁷	Please refer note : 9
Mr. Karunakaran M (Chief Financial Officer - w.e.f 08.06.2018)	Please refer note : 9
Mr. Bharat Sanghavi (Company Secretary)	14%

Notes: 3. Mr. Chandru L. Raheja, Promoter Chairman & Non- Executive Director and Ms. Abanti Sankaranarayanan, Independent Director of the Company, stepped down from the Directorship of the Company w.e.f. June 8, 2018.

4. Mr. B S Nagesh was elevated from Vice Chairman to the Chairman of the Board of Directors & of the Company w.e.f. June 8, 2018.

5. Ms. Ameera Shah was appointed as an Independent & Non - Executive Director by the board of directors and members of the Company at their meetings held on June 8, 2018 and July 27, 2018 respectively. Mr. Robert Bready was appointed as an Additional Independent & Non-Executive Director, by the Board on July 27, 2018, subject to the approval of the members.

6. Mr. Govind Shrikhande, Managing Director of the Company stepped down from the Directorship of the Company w.e.f. June 30, 2018. The remuneration includes long term incentive of ₹ 187.73 lacs and gratuity of ₹ 125.64 lacs & ₹ 21.35 lacs of leave encashment paid at the end of his tenure.

7. Mr. Rajiv Suri, Chief Executive Officer was appointed as a Managing Director and Chief Executive Officer of the Company w.e.f. June 8, 2018. The remuneration includes provision of ₹214.32 lacs, made for a period commencing from January 9, 2018 to March 31, 2019, towards performance linked bonus.
 8. The variation in percentage of remuneration of non-executive directors is on account of (i) payment of sitting fees, during the year under review, vis a vis the preceding financial year, for the meetings attended by them; (ii) maiden payment of commission of ₹ 3 lacs each to Mr. Ravi Raheja and Mr. Neel Raheja; as being made to other non - executive directors and (iii) additional commission of ₹ 3 lacs to Mr. Nirvik Singh, being the Chairman of Nomination Remuneration & Corporate Governance Committee.
 9. The % increase in remuneration is not provided as the concerned Directors / KMPs were only for the part of the current or previous year, as the case may be.
- 3 The percentage increase in the median remuneration of employees in the financial year 2018-19 : 7 %.
 - 4 The number of permanent employees on the rolls of Company as on March 31, 2019 : 7,416 CCAs
 - 5 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 7 %. The average percentage increase in salaries for managerial personnel is as provided above. The bench mark for salary increase was done based on the compensation survey conducted by the Company.
 - 6 It is affirmed that the remuneration paid to the directors, key managerial personnel and members of senior management team is as per the Appointment and Remuneration of Directors and Senior Management Policy of the Company.

SHOPPERS STOP

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