

SEC/041/2019-20

July 30, 2019

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

Dear Sirs,

Sub: Submission of Un-audited Standalone and Consolidated Financial Results for the first quarter ended June 30, 2019

Pursuant to the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find herewith Un-audited Standalone and Consolidated Financial Results for the first quarter ended June 30, 2019, duly approved by the Board of Directors of the Company at its meeting held today i.e. July 30, 2019.

We also enclose herewith the following:

1. Press release and investor presentation issued by the Company; and
2. Limited Review Report issued by the Statutory Auditors of the Company.

The above information is also being made available on the website of the Company.

The aforesaid Board Meeting commenced at 12.00 Noon and concluded at 3:25 p.m.

Kindly take the same on records.

Thanking you,

Yours truly,
For Shoppers Stop Limited.

Bharat Sanghavi
Bharat Sanghavi
Company Secretary



Encl : aa

PART I : STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

Rupees in Lacs

Particulars	Standalone				Consolidated			
	For the Quarter Ended			For the Financial Year Ended	For the Quarter Ended			For the Financial Year Ended
	30 June 2019 Unaudited	31 March 2019 (Refer note 8)	30 June 2018 Unaudited	31 March 2019 Audited	30 June 2019 Unaudited	31 March 2019 (Refer note 8)	30 June 2018 Unaudited	31 March 2019 Audited
(Refer Notes Below)								
Continuing operations								
Income								
Revenue from Operations	83,241.78	79,105.96	82,657.06	3,48,130.81	85,402.22	81,264.44	85,070.96	3,57,793.15
Other Income	240.72	531.49	715.46	1,788.65	229.78	612.48	739.67	1,865.26
Total Income	83,482.50	79,637.45	83,372.52	3,49,919.46	85,632.00	81,876.92	85,810.63	3,59,658.41
Expenses								
Purchases of stock-in-trade (see note 7)	46,830.16	33,403.70	1,15,485.58	2,75,229.56	47,808.05	34,161.57	1,16,653.56	2,79,386.83
Changes in inventories of stock-in trade - Decrease / (Increase)	818.69	10,824.73	(66,715.91)	(72,512.53)	912.91	11,060.47	(66,337.17)	(71,561.75)
Employee benefits expense	8,264.23	8,332.54	7,513.14	31,447.60	8,570.97	8,674.92	7,947.90	32,959.89
Finance Costs (see note 7)	4,835.83	246.85	281.64	1,244.80	4,918.26	278.25	322.18	1,378.76
Depreciation and amortisation expense (see note 5 & note 7)	8,842.91	4,553.49	3,059.83	13,506.90	9,037.57	4,914.30	3,125.41	14,060.19
Lease rent and hire charges (see note 7)	848.77	9,746.85	9,481.52	38,634.03	1,143.91	10,242.46	9,910.58	40,450.53
Other expenses (see note 7)	12,661.35	10,888.88	12,744.70	50,000.49	13,115.89	11,407.95	13,169.83	51,992.30
Total expenses	83,101.94	77,997.04	81,850.50	3,37,550.85	85,507.56	80,739.92	84,792.29	3,48,666.75
Profit / (loss) before tax	380.56	1,640.41	1,522.02	12,368.61	124.44	1,137.00	1,018.34	10,991.66
Tax expenses								
Current tax	184.40	1,081.63	594.85	5,715.29	184.40	1,081.63	594.85	5,715.29
Deferred tax	(48.29)	(586.52)	(50.14)	(1,221.94)	(48.29)	(586.52)	(50.14)	(1,221.94)
Profit / (loss) for the period from continuing operations	244.45	1,145.30	977.31	7,875.26	(11.67)	641.89	473.63	6,498.31
Discontinuing operations								
Loss from discontinuing operations	-	-	-	-	1.50	(1.10)	(0.07)	(1.25)
Net Profit / (loss) for the period	244.45	1,145.30	977.31	7,875.26	(10.17)	640.79	473.56	6,497.06
Other Comprehensive Income / (loss)								
Items that will not be reclassified to profit or loss :								
Remeasurement of employee defined benefit obligation	(50.78)	1.71	(98.95)	(193.45)	(54.61)	(17.60)	(72.61)	(217.35)
Changes in fair value of equity instruments	1,479.37	(2,392.68)	1,098.83	(4,652.17)	1,479.37	(2,392.68)	1,098.83	(4,652.17)
Income tax relating to above	17.74	(0.60)	(79.70)	67.60	17.74	(0.60)	(79.70)	67.60
Total other comprehensive income / (loss)	1,446.33	(2,391.57)	920.18	(4,778.02)	1,442.50	(2,410.88)	946.52	(4,801.92)
Total Comprehensive Income / (loss) for the period	1,690.78	(1,246.27)	1,897.49	3,097.24	1,432.33	(1,770.09)	1,420.08	1,695.14
Profit / (loss) for the period attributable to:								
- Owners of the Company	244.45	1,145.30	977.31	7,875.26	(10.17)	640.79	473.56	6,497.06
- Non-controlling interests	-	-	-	-	-	-	-	-
Other comprehensive income for the period attributable to :								
- Owners of the Company	1,446.33	(2,391.57)	920.18	(4,778.02)	1,442.50	(2,410.88)	946.52	(4,801.92)
- Non-controlling interests	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the period attributable to :								
- Owners of the Company	1,690.78	(1,246.27)	1,897.49	3,097.24	1,432.33	(1,770.09)	1,420.08	1,695.14
- Non-controlling interests	-	-	-	-	-	-	-	-
Paid-up equity share capital (Face value of Rs.5/- Per Share)	4,399.50	4,399.50	4,399.50	4,399.50	4,399.50	4,399.50	4,399.50	4,399.50
Other equity				93,365.22				87,070.50
Earnings per share (In Rs.) (not annualised for quarters)								
Continued Operations								
- Basic	0.28	1.30	1.11	8.95	0.05	0.73	0.57	7.38
- Diluted	0.28	1.30	1.11	8.95	0.05	0.73	0.57	7.38
Discontinued Operations								
- Basic	-	-	-	-	0.00	(0.00)	(0.00)	(0.00)
- Diluted	-	-	-	-	0.00	(0.00)	(0.00)	(0.00)
Continuing and Discontinued Operations								
- Basic	0.28	1.30	1.11	8.95	0.05	0.73	0.57	7.38
- Diluted	0.28	1.30	1.11	8.95	0.05	0.73	0.57	7.38

**SIGNED FOR IDENTIFICATION
BY**

**S R B O & CO LLP
MUMBAI**



PART II :**Notes to Results:**

- The above financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.
- The Company is primarily engaged in the business of retail trade through retail and departmental store facilities, which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.
- The Consolidated Financial results of Shoppers Stop Limited and its subsidiaries namely, Crossword Bookstores Limited, Upasna Trading Limited, Shopper's Stop. Com (India) Limited, Shopper's Stop Services (India) Limited and Gateway Multichannel Retail (India) Limited are consolidated in accordance with Ind AS 110 on Consolidation of Financial Statements.
- 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 Rs.2,010.96 in consolidated results (Standalone Rs.1,659.56 Lacs) for the period 1 June 2007 to 31 March 2010, fully paid under protest.
- Depreciation includes accelerated amounts on account of change in estimate of useful lives of property plant and equipment resulting from store closures / shifting premises as under:

(Rs.in Lacs)

Standalone				Consolidated			
For the Quarter Ended			For the Financial Year Ended	For the Quarter Ended			For the Financial Year Ended
30 June 2019	31 March 2019	30 June 2018	31 March 2019	30 June 2019	31 March 2019	30 June 2018	31 March 2019
563.27	1,869.37	520.00	3,253.09	563.27	2,174.30	520.62	3,559.04

The life of immovable fixed assets have been aligned with the lease term considered for Ind As 116 and accordingly the assets have been depreciated considering the revised lease term or useful life whichever is lower. A charge of Rs.1,092.97 Lacs on account of accelerated depreciation has been taken in books on account of this alignment.

- The Company has made two grants aggregating to 10,684 and 24,197 Employee stock options to eligible employees during the quarter ended 30 June'2019. No options have been exercised as at 30 June 2019. During the year ended 31 March'2019, 29,239 equity shares were issued and allotted under the Company's Employee Stock Option Scheme. Further, the Company has made grants aggregating to 14,444 and 17,210 Employee Stock Options to eligible employees during the quarter ended 30 June 2018 and 31 March 2019 respectively.
- The Company has adopted modified retrospective approach as per para C8 (C) (i) of IND-AS 116, Leases to its leases effective from accounting period beginning from 1 April 2019. This has resulted in recognizing a Right of Use assets of Rs.1,16,330.68 Lacs in consolidated results (Standalone Rs.1,14,575.65 Lacs) and Lease Liability of Rs.1,96,419.87 Lacs in consolidated results (Standalone Rs.1,94,072.93 Lacs) as on 1 April 2019 and difference between Right of Use Assets and Lease Liability, net of deferred tax Rs.52,309.69 Lacs (Deferred tax of Rs.27,779.50 Lacs) in consolidated results (Standalone Rs.51,717.76 Lacs net of deferred tax assets; deferred tax of Rs.27,779.50 Lacs) has been adjusted in retained earnings. Further, in Standalone financial results, a provision towards straight lining of lease rentals amounting to Rs154.59 Lacs (net of deferred tax assets amt.to Rs.88.86 Lacs) has been adjusted against in retained earnings. In the result for the current period, operating lease expenses has changed from rent to depreciation cost for the Right of Use assets and finance cost for interest accrued on lease liability.

To this extent, performance for the current period 30 June 2019 is not comparable with previous period results.

Reconciliation for the above effect on statement of profit and loss for the current period 30 June 2019 as follows :

(Rs.in Lacs)

Adjustment to increase / (decrease) in net profit	Standalone			Consolidated		
	Quarter ended 30 June 2019 comparable basis	Change due to IND AS 116 increase / (decrease)	Quarter ended 30 June 2019 as reported	Quarter ended 30 June 2019 comparable basis	Change due to IND AS 116 increase /	Quarter ended 30 June 2019 as reported
Purchase of stock-in-trade	47,015.18	(185.02)	46,830.16	47,993.07	(185.02)	47,808.05
Lease rent and hire charges	9,254.28	(8,405.51)	848.77	9,702.20	(8,558.29)	1,143.91
Other expenses	12,977.35	(316.00)	12,661.35	13,431.89	(316.00)	13,115.89
Finance costs	203.20	4,632.63	4,835.83	230.86	4,687.40	4,918.26
Depreciation and amortisation expenses	4,483.27	4,359.64	8,842.91	4,574.83	4,462.74	9,037.57
Profit before tax	466.30	(85.74)	380.56	215.26	(90.83)	124.43

- The figures for the standalone quarter ended 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year 2018-19 and the published year to date figures upto the third quarter of the financial year 2018-19. The consolidated figures for the last quarter are balancing figure between the audited figures in respect of the full financial year upto 31 March 2019 and the unaudited year to date figures upto 31 December 2018. The consolidated figures for the year corresponding quarter ended 30 June 2018, year to date figures upto 31 December 2018 and for the quarter ended 31 March 2019 are approved by the Board of Directors and have not been subjected to Limited review by the auditors.
- This financial results have been reviewed and recommended by the Audit Committee and have been approved and taken on records by the Board of Directors at its meetings held on 30 July 2019.
- The limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the statutory auditors of the Company and unmodified report has been issued.
- The previous period's figures have been regrouped / rearranged wherever necessary.



Place: Mumbai
Date : 30 July 2019

For Shoppers Stop Limited

Rajiv Suri

Customer Care Associate & Managing Director & Chief Executive Officer

SHOPPERS STOP

START SOMETHING NEW

Shoppers Stop Limited

Registered Office: Umang Tower, 5th Floor, Mindspace, Off.Link Road, Malad (West), Mumbai 400 064.
Tel: (+91 22) 42497000, Website : www.shoppersstop.com.
E-mail : investor@shoppersstop.com. CIN : L51900MH1997PLC108798

STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30,2019 (Regulation 47(1)(b) of the SEBI (LODR) Regulations,2015)

(Rupees in Lacs except per share data)

Particulars	Standalone				Consolidated			
	Quarter Ended			For the Financial Year Ended	Quarter Ended			For the Financial Year Ended
	30 June 2019 Unaudited	31 March 2019 Unaudited	30 June 2018 Unaudited	31 March 2019 (Audited)	30 June 2019 Unaudited	31 March 2019 Unaudited	30 June 2018 Unaudited	31 March 2019 (Audited)
Total Income from operations	83,482.50	79,637.45	83,372.52	3,49,919.46	85,632.00	81,876.92	85,810.63	3,59,658.41
Net Profit / (Loss) for the period before tax and Exceptional Items	380.56	1,640.41	1,522.02	12,368.61	124.43	1,137.01	1,018.34	10,991.66
Net Profit / (Loss) for the period before tax after Exceptional Items	380.56	1,640.41	1,522.02	12,368.61	124.44	1,137.00	1,018.34	10,991.66
Net Profit / (Loss) for the period after tax and Exceptional Items	244.45	1,145.30	977.31	7,875.26	(11.67)	641.89	473.63	6,498.31
Total Comprehensive Income / (Loss) for the period	1,690.78	(1,246.27)	1,897.49	3,097.24	1,432.33	(1,770.09)	1,420.08	1,695.14
Equity Share Capital	4,399.50	4,399.50	4,399.50	4,399.50	4,399.50	4,399.50	4,399.50	4,399.50
Other equity				93,365.22				87,070.50
Earnings per share (In Rs.) (not annualised for quarter)								
Face value of Rs. 5/- Per Share								
- Basic	0.28	1.30	1.11	8.95	0.05	0.73	0.57	7.38
- Diluted	0.28	1.30	1.11	8.95	0.05	0.73	0.57	7.38

- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015. The full format of these Financial Results are available on the Stock Exchange,websites,www.nseindia.com and www.bseindia.com and on the Company's website, www.corporate.shoppersstop.com
- The Company has adopted modified retrospective approach as per para C8 (C) (i) of IND-AS 116, Leases to its leases effective from accounting period beginning from 1 April 2019. This has resulted in recognizing a Right of Use assets of Rs.1,16,330.68 Lacs in consolidated results (Standalone Rs.1,14,575.65 Lacs) and Lease Liability of Rs.1,96,419.87 Lacs in consolidated results (Standalone Rs.1,94,072.93 Lacs) as on 1 April 2019 and difference between Right of Use Assets and Lease Liability, net of deferred tax Rs.52,309.69 Lacs (Deferred tax of Rs.27,779.50 Lacs) in consolidated results (Standalone Rs.51,717.76 Lacs net of deferred tax assets; deferred tax of Rs.27,779.50 Lacs) has been adjusted in retained earnings.
Further, in Standalone financial results, a provision towards straight lining of lease rentals amounting to Rs154.59 Lacs (net of deferred tax assets amt.to Rs.88.86 Lacs) has been adjusted againsted in retained earnings.
In the result for the current period, operating lease expenses has changed from rent to depreciation cost for the Right of Use assets and finance cost for interest accrued on lease liability.
To this extent,performance for the current period 30 June 2019 is not comparable with previous period results.
- This unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 30 July 2019. The statutory auditors have carried out the limited review of these results and unmodified report has been issued.

Place: Mumbai
Date : 30 July,2019

For Shoppers Stop Limited

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

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Shoppers Stop Limited

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of Shoppers Stop Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Regulation"), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended June 30, 2018 and quarter ended March 31, 2019, as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Parent Company

- i Shoppers Stop Limited

Subsidiaries

- i Crossword Bookstores Limited
- ii Gateway Multichannel Retail (India) Limited
- iii Shopper's Stop Services (India) Limited
- iv Shopper's Stop.com (India) Limited
- v Upasna Trading Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 4 to the financial results regarding non provision of retrospective levy of service tax for the period from June 01, 2007 to March 31, 2010 on renting of immovable properties given for commercial use, aggregating to Rs. 2,010.90 lacs pending final disposal of the appeal filed before the



Supreme Court. Our opinion is not modified in the respect of this matter. Our conclusion is not modified in respect of this matter.

7. The accompanying unaudited consolidated financial results includes unaudited interim financial results and other unaudited financial information in respect of four subsidiaries, which have not been reviewed by their auditors, whose interim financial results excluding consolidation eliminations reflect total revenues of Rs 9.29 lacs and total net loss after tax of Rs. 11.89 lacs, for the quarter ended June 30, 2019 as considered in the unaudited consolidated financial results. These unaudited financial results and other unaudited financial information have been approved and furnished to us by the management. Our conclusion, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003


per Vijay Maniar
Partner

Membership No.: 36738
UDIN: 19036738AAAABT8775
Mumbai, July 30, 2019.




Independent Auditor's Review Report on the Quarterly Unaudited Standalone Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Shoppers Stop Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Shoppers Stop Limited (the "Company") for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation") as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 4 to the unaudited standalone financial results regarding non-provision of retrospective levy of service tax for the period from June 01, 2007 to March 31, 2010 on renting of immovable properties given for commercial use, aggregating to Rs 1,659.56 lacs, pending final disposal of the appeal filed before the Supreme Court. Our opinion is not modified in respect of this matter. Our conclusion is not modified in respect of this matter.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003


per Vijay Maniar
Partner

Membership No.: 36738
UDIN: 19036738AAAABS5580
Mumbai, July 30, 2019



Shoppers Stop posts like-to-like sales growth of 5.2% and increased EBITDA of 15.4% (Non-GAAP) in Q1FY20

Mumbai, July 30, 2019: Shoppers Stop Ltd. (NSE: SHOPERSTOP | BSE: 532638) reported like-to-like growth in sales at 5.2% Y-o-Y. The company posted an EBITDA of INR 50.1 Cr in the quarter, up by 15.4% owing to significant operational efficiencies.

Overall Performance

Commenting on the financial performance of the company, **Mr. Rajiv Suri, Customer Care Associate, Managing Director & Chief Executive Officer, Shoppers Stop Ltd.** said “Whilst the country’s economic growth has slowed down in overall consumption, impacting primarily agriculture, retail and manufacturing, Shoppers Stop achieved a mid-single digit 5.2% like-to-like sales growth, in line with our expectations.

Our Personal Shopper service, the first-of-its-kind in India is gaining rapid momentum as customers embrace the delightful shopping experiences. This differentiated service has propelled a record number of new First Citizen member enrollments 2.64L (up 47% vs LY Q1) which further establishes customers’ affinity to Shoppers Stop. We continue to build on our strong platform of celebrating Women with our exciting campaigns, product assortment and constantly innovating on our beauty offerings including launching India’s first truly luxury Beauty concept store, Arcelia. We continue to invest in our Private Brands, design studio, sampling units and testing labs that are now operational. We expect to see a positive impact in our collection range from the coming seasons.”

The company accelerated its journey towards digital transformation for speed and higher agility and partnered with TCS to implement SAP which is expected to be fully operational by beginning of next year. The company is focused on investing in digitization, innovating with new retail formats, renovating existing stores and expanding footprint to enrich the shopping experience for customers.

During this quarter, the company added 1 department store at Guwahati, 4 MAC stores and launched a new luxury multi-brand beauty store concept “Arcelia” at the GVK Mall, Hyderabad. Arcelia aims to redefine beauty shopping by enhancing the ‘experiential quotient’ in-store for luxury brands in skincare, colour cosmetics, fragrances and accessories. The total footprint stands at 83 department stores across 40 cities and 120 beauty doors in India.

Shoppers Stop strategy and strengths are accentuated by one of the country's longest running and most coveted loyalty program “First Citizen”. This program was launched in 1994 and today boasts of 6.3M members, contributing 82% of the sales revenue in Q1 FY20.

Financial: Note on IND AS 116

The Ministry of Corporate Affairs (MCA) has mandated a new Accounting Standard AS 116 for accounting the Lease Contracts. A detailed working has been included in our Quarterly Performance presentation uploaded in our corporate website.

Rs. In Crs.	Non-GAAP		GAAP	
Revenue from Operations	1099.5	+4.9% YOY	832.4	+0.7% YOY
LTL	5.2%			
EBITDA	50.1	+15.4% YOY	140.6	+189.1% YOY
First Citizens	6.32M 264K members added in the quarter			
Stores added	Shoppers Stop 1, MAC 4 and 1 Arcelia			
Total Retail Area	4.24M Sq. ft.			

We have published a detailed Non-GAAP and GAAP Income Statement. Our non-GAAP measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures, and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP.

About Shoppers Stop Limited:

Shoppers Stop Ltd., is the nation’s leading premier retailer of fashion and beauty brands. Established in 1991, Shoppers Stop has introduced several successful modern retail formats in India. Spread across 83 department stores in over 40 cities, the company also operates premium home concept stores - 12 HomeStop, luxury beauty stores- 120 specialty beauty doors of M.A.C, Estée Lauder, Bobbi Brown, Clinique, Smashbox and Arcelia occupying 4.24 million sq. ft.

Shoppers Stop is home to one of the country's longest running and most coveted loyalty program 'First Citizen'. The company’s one-of-a-kind shopping assistance service, 'Personal Shopper' is revolutionising the way Indians shop; bringing more value, comfort and convenience to customer experiences. The brands 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.

For more information, contact:

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For Investor related queries on Shoppers Stop Limited write to: investor@shoppersstop.com



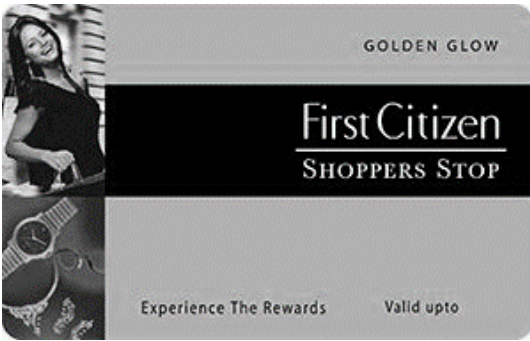



SHOPPERS STOP

START SOMETHING NEW

Quarterly Performance : Q1 FY20

VISION



“To be an inspirational and trusted brand, transforming customer’s lives through fashion and a delightful shopping experience every time.”



Great moments for everyone, everyday

PERSONAL  SHOPPER

OUR CUSTOMER



Our Core customer is a young family where the woman is the primary influence. These upwardly mobile, middle to high income family shops across our stores for the widest selection of brands.

We have a fast growing base of young consumers of 18-25 years of age. These customers are shopping for premium products with us as they build their future dreams and careers.

ALL EYES ON

NEW



SHOPPERS STOP AT A GLANCE

- 83 Department Stores across 40 cities
- 120 Beauty Doors
- 12 HomeStop Stores
- 400+ Fashion Brands
- 32 Fashion Categories
- 4.2M sq.ft retail space
- 41M customers served annually

First Citizen Program



Personal Shopper Program



Strategic Pillars

Private Brands



Beauty



FIRST CITIZEN LOYALTY PROGRAM



6.32M

FIRST CITIZEN LOYALTY
PROGRAM MEMBERS

82%

CONTRIBUTION TO
COMPANY SALES

- Key Growth Engine for Business
- Record enrollment in Q1: 0.26M with 47% growth YoY, exhibiting strong affinity towards our brand.
- Increased contribution 82% Vs 78% LY (Q1-19)
- 15% of our base in now 18-25 age group and is a funnel for future growth

GETTING TO KNOW OUR CUSTOMERS BETTER

PERSONAL SHOPPER



17%+

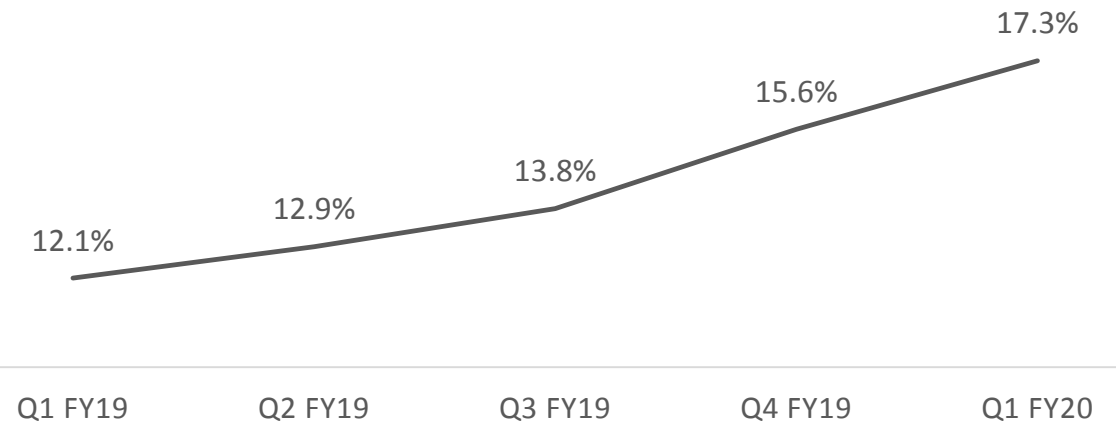
**PERSONAL SHOPPER
CONTRIBUTUON TO SALES**

2.5 times

**AVERAGE PERSONAL
SHOPPER TICKET SIZE**

Providing a delightful shopping experience with our Personal Shopper Service.

% Personal Shopper Contribution



PRIVATE BRANDS



12%+

CONTRIBUTION TO TOTAL SALES

- Design Studio, sampling unit and testing labs are now operational. The first collection by our new Chief Creative Officer to be launched in AW19.
- Launching 4 new brands in AW19
 - Jones New York
 - French Connection, exclusive for Department Stores
 - Back to Earth
 - Celebrity Brand (Details in due course)
- Re-launch of Rheson



BEAUTY



150+

BEAUTY BRANDS

15%+

CONTRIBUTION TO TOTAL
SALES

- Continue dominance in Beauty segment across all channels.
- India's first true Luxury multi-brand Beauty concept viz, **Arcelia** launched at GVK Shopping Mall Hyderabad and performing to plan with exciting niche brands
- MAC stores launched in Khan Market Delhi, Guwahati, WTP Jaipur and Acropolis Kolkatta.
- Men's grooming category had significant increase (6X jump) with expanded network and larger instore presence in Beauty and/or Men's clothing section

DIGITAL FOOTPRINT

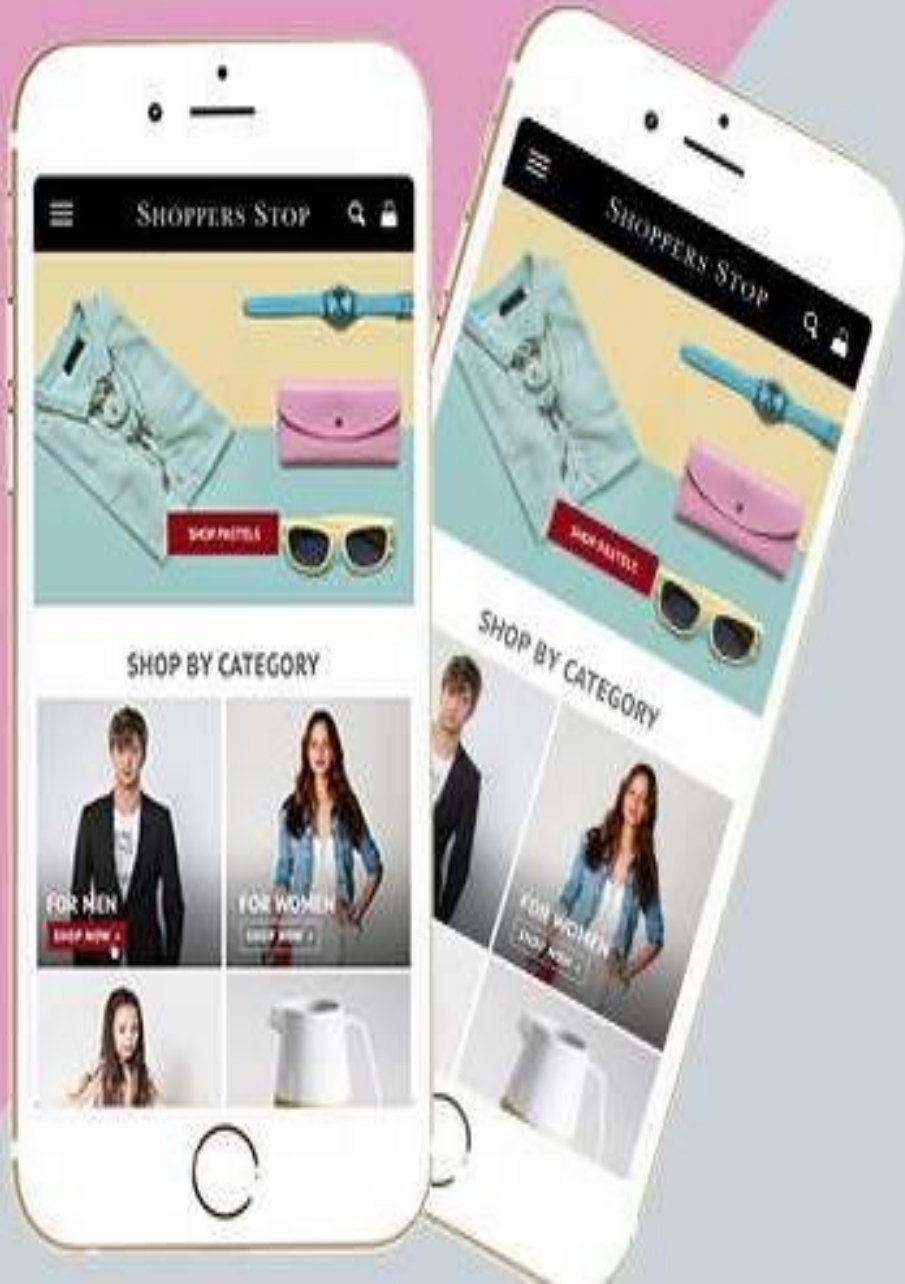
Omni Channel Symbiotic Relationship of Clicks & Bricks

+14.6M
VISITS

+25,000
PIN CODE COVERAGE

+6M
MOBILE APP
DOWNLOAD

- Platform frequently used by Millennials and Young Professionals to converse with us
- Buy Online and Collect from the Store (50 stores)
- Ship from Store for fulfillment of Online Orders (51 stores)
- Buy Online and Return at the Store
- Irresistible Style Hub disseminating Latest Fashion Tips
- Cardless First Citizen Program



OUR TEAM



RAJIV SURI

Customer Care Associate,
Managing Director & CEO

Continuing our journey to
strengthen the Leadership Team
with 200+ years of global retail
experience



Amin Kassam

Customer Care Associate &
Chief Retail Operations



Amitabh Suri

Customer Care Associate &
President Private Brands



Anil Shankar

Customer Care Associate &
Chief Technology Officer



Anupam Saxena

Customer Care Associate &
President Beauty



BVM Rao

Customer Care Associate &
Chief Human Resources



Deepak Vadav

Customer Care Associate &
VP Business Development



Devadas Nair

Customer Care Associate &
Chief Supply Chain Officer



Karunakaran Mohanasundaram

Customer Care Associate &
Chief Finance Officer



Maneesh Mittal

Customer Care Associate &
Chief of Omnichannel



Neeraj Nagpal

Customer Care Associate &
President Brands



Uma Talreja

Customer Care Associate &
Chief Marketing &
Customer Officer



Shilpee Sharma

Customer Care Associate &
Chief Creative Officer

NEW IN-STORE EXPERIENCE - Q1 FY20: VASANT KUNJ, PERFORMING TO DOUBLE DIGIT GROWTH



Designed by : Schwitzke Group, Dusseldorf, Germany

NEW STORE ADDITIONS- Q1 FY20: GUWAHATI, PROFITABLE FROM 1st MONTH OF OPERATIONS



NEW STORE ADDITIONS DURING Q1-19-20: ARCELIA-GVK HYDERABAD



- Area : 3500+ sq.ft
- Key Brands : MAC, Clinique, Bobbi Brown, Estee Lauder, Dior, Guerlain, Givenchy, Tom Ford Fragrances

NEW STORE ADDITIONS DURING Q1-19-20 - MAC



GUWAHATI



KHAN MARKET - DELHI

NEW ADDITIONS DURING Q1-19-20 : DESIGN STUDIO OPENED ON 7TH MAY



BRAND CAMPAIGNS



- #SharemyNew Year video had 8M views
- 60% Full views on Youtube
- Won Masters of Modern Marketing Award - Best Multi Channel Campaign by a Retail enterprise - Share My New Year by Shoppers Stop
- Was covered in 11 publications including Economic Times -Brand Equity

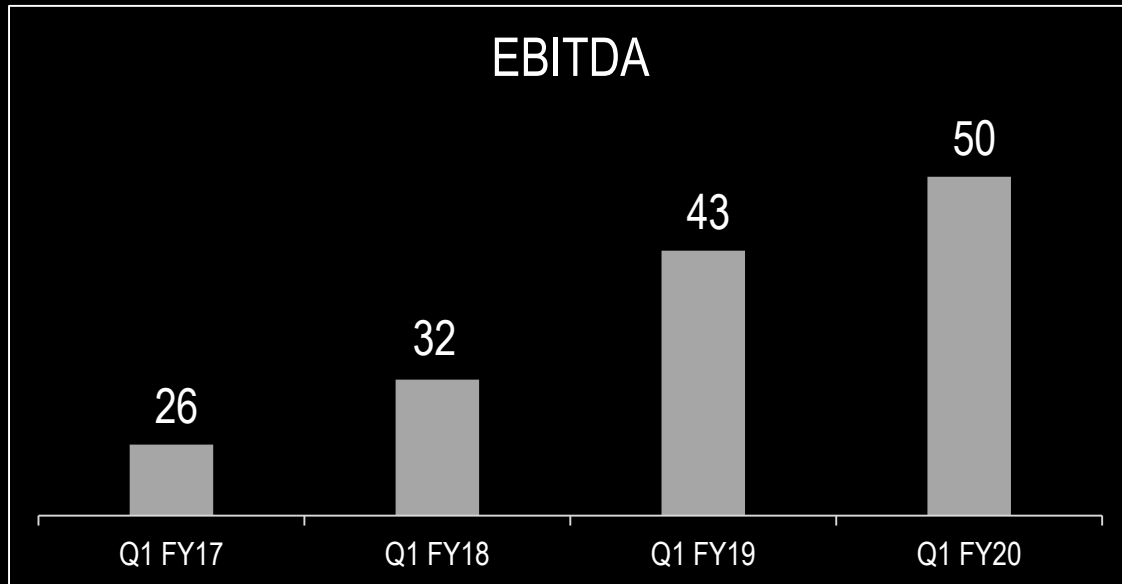
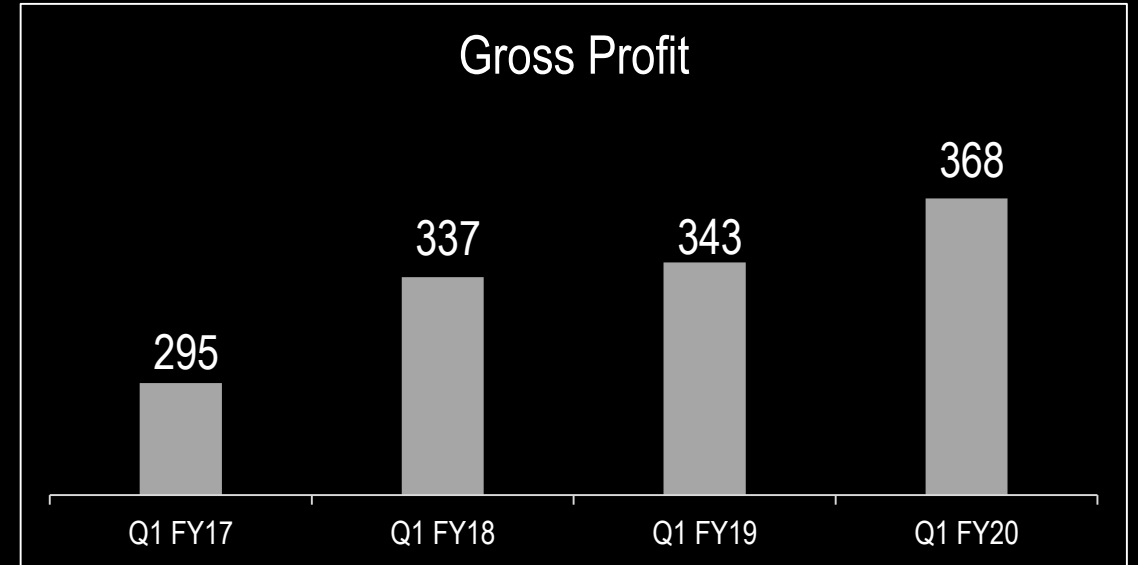
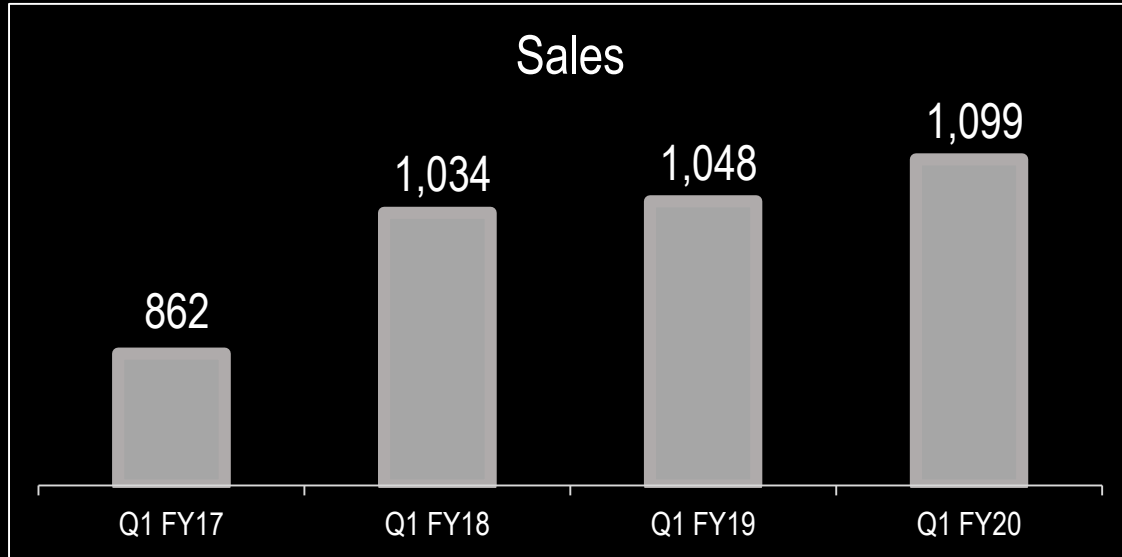
BRAND CAMPAIGNS



Women's Day Campaign – Its Our Time

- Promoted on 18 HD television channels for 2 weeks
- Campaign delivered ca. 5.1M views
- Covered in Impact and Outlook Business

FINANCIAL HIGHLIGHTS (NON GAAP)



YoY productivity improvement

- Sales 5%+
- Gross Profit 8%+
- EBITDA 15%+

FINANCIAL HIGHLIGHTS

Non GAAP	Revenue	Gross Profit	EBITDA Margin	PBT
Q1-19-20	1099 Cr	368 Cr	4.6%	16 Cr
Q1-18-19	1048 Cr	343 Cr	4.1%	14 Cr

GAAP	Revenue	Gross Profit	EBITDA Margin	PBT
Q1-19-20	848 Cr	356 Cr	16.9%	4 Cr
Q1-18-19	827 Cr	339 Cr	5.9%	15 Cr

AS – 116 Accounting of Lease Rentals – using Modified Retro Approach

❖ International Accounting Standards Board issued IFRS 16 which replaces the existing IAS 17 for financial periods beginning on or after 1 January 2019. Proposed Ind AS 116 is akin to IFRS 16.	<u>Impact on Balance Sheet</u> <u>as of 1 April 2019</u>		<u>IND-AS 116 Impact on Income Statement</u> <u>for FY20</u>	
	Restricted Lease Term	Mod Retro 2A	Restricted Lease Term	Mod Retro 2A
❖ Requires Lessees to recognise a liability to make lease payments over the lease term and an asset representing the right to use the underlying asset.	ROU Assets	1146	Revenue	
❖ Lease term is estimated based on the primary lease term. For leases expiring this fiscal, further extension by the agreed time period is considered.	ROU Liability	(1941)	Other Expenses	(361)
❖ <u>There are 3 approaches 1) Retrospective 2) Modified Retrospective 3) New</u>	Deferred Tax Asset	(278)	EBITDA	+361
❖ We applied Modified Retro Approach. For some of the assets, the life has been reduced to the Lease Period and due to this there is an additional impact on depreciation of Rs. 41 Crs in FY19-20.	Net difference to be adj in Opening Reserves as at April 1 2019	(517)	Depreciation	+172
	Net worth as at Mar 31 2019	978	Addl Depreciation	+41
	Balance Net worth post IND AS 116 adjustment	461	EBIT	+148
			Interest	+175
			PBT	(27)

Q1:FY20 FINANCIAL RESULTS EXPLANATION OF NON-GAAP MEASURES

To supplement our financial results presented on a GAAP basis, we presented a table without reference to IND AS 109 (Interest Income on present value of Security Deposits), IND AS 115 Revenue Recognition (effective from April 1 2018) and IND AS 116, Accounting of Lease Rentals (effective from April 1 2019). We believe this “Non-GAAP” Financials will reflect the comparable complete and full picture of our Financials.

Our Non-GAAP in addition to Revenue on outright basis, considers Revenue of certain segment such as sales made on purchases from outright vendors on sale or return basis, consignment and concessionaire basis (though in GAAP we consider the net margin) and Lease Rent expenses as it was originally stated until March 31 2019.

Our Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial results prepared in accordance with GAAP.

Our management regularly uses our supplemental non-GAAP financial measures internally to understand, manage, evaluate our business, make operating decisions and uses in planning for and forecasting future periods. Compensation of our executives is based in part on the performance of our business based on these non-GAAP measures.

IND AS 115 – Revenue Recognition

Under IND AS 115, the following sales are excluded and the net margin is considered as Revenue from Operations:

Sales made under the arrangement with our vendor on Sale or Return basis

Sales made under the arrangement of Consignment and Concessionaries

As in the past, in our Non-GAAP Statement we have considered the aggregate sales made through these operations (Rs.129.5 Crs) and Cost of Goods Sold as COGS.

In addition to this, Loyalty points expense on our Membership Card are netted out against sales in GAAP financials but grossed up in sales and shown separately as expense in Non GAAP (Rs.14.17 Crs). Thus there is no impact in EBITDA under both the measures.

Q1 :FY20 FINANCIAL RESULTS EXPLANATION OF NON-GAAP MEASURES

IND AS 116 –Lease Rentals

The Ministry of Corporate Affairs (MCA) has mandated a new Accounting Standard AS 116 for accounting the Lease Contracts. The new standard will require Lessees to recognize leases on their balance sheets, instead of “off Balance Sheet”. In summary all leases to be recognized in the balance sheet as an Asset and Liability and as follows:

The lease liability is measured at present value of minimum lease payments to be made over the lease term.

The right to use asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, if any

Right to use is depreciated over a lease term on a straight-line basis. Interest is added on lease liabilities and actual payments are reduced from the liabilities balance.

Operating lease expenses will be replaced by Depreciation and interest expenses.

This is not comparable to the actual lease rentals paid during the Quarter and we have excluded the effect of AS 116 from our non-GAAP operating expenses. We believe that payment of Lease Rentals Accounted as under AS 17 is more appropriate to evaluate our business performance.

While adhering to the standard, we had to accelerate the depreciation (Rs.10.92 Crs) on some of the assets in line with the primarily lease period, even though the life of the asset is higher than the primary lease period.

Consequently, our EBITDA in GAAP is higher by Rs.89.06 Crs, Depreciation by Rs.54.51 Crs (including Rs.10.92 Crs as stated above) and Interest by Rs.46.32 Crs.

IND AS 109

Interest income accounted on Present value of deposits (Rs 1.62 Crs) and rent amortized (now depreciation) on prepaid rentals (Rs 2.32 Crs.) has been negated in Non Gap financials, as they are non-cash items.

Other than these changes, the GAAP and Non-GAAP are comparable. We have also attached reconciliation statement for the investors to understand the difference between these two statements.

FINANCIAL OVERVIEW : SHOPPERS STOP LIMITED : Q1 FY20

	Non - GAAP Financials			GAAP Financials		
	Q1-20	Q1-19	Gr%	Q1-20	Q1-19	Gr%
Revenue	1,099.5	1,048.2	4.9%	832.4	826.6	0.7%
Other Income	15.5	13.9	11.5%	2.4	7.2	-66.4%
Total Revenue	1,115.0	1,062.0	5.0%	834.8	833.7	0.1%
Margin	368.1	342.5	7.5%	355.9	338.9	5.0%
Margin%	33.5%	32.7%	80 bps	42.8%	41.0%	180 bps
Operating Exp.	333.4	313.0	6.5%	217.7	297.4	-26.8%
EBIDTA	50.1	43.4	15.4%	140.6	48.6	189.1%
EBIDTA %	4.6%	4.1%	50 bps	16.9%	5.9%	1100 bps
Depreciation	32.1	30.6	4.9%	88.4	30.6	
Finance Cost	1.7	-1.4		48.4	2.8	
PBT	16.4	14.2	15.4%	3.8	15.2	-75.0%
PBT %	1.5%	1.4%	10 bps	0.5%	1.8%	(130 bps)
Exceptional Item/OCI	-14.8	-11.1	33.7%	-14.3	-10.0	42.9%
PBT (Aft. Excp & OCI)	31.2	25.2	23.6%	18.1	25.2	-28.3%
Tax	1.0	6.2	-84.0%	1.0	6.2	
PAT	30.2	19.0	59.0%	17.1	19.0	-9.9%
PAT %	2.7%	1.8%	90 bps	2.1%	2.3%	(20 bps)

Adjustment to increase / (decrease) in net profit	Quarter ended 30 June 2019 comparable basis	Change due to IND AS 116 increase / (decrease)	Quarter ended 30 June 2019 as reported
Lease Rent	99.4	(89.1)	10.3
Finance costs	2.0	46.3	48.3
Depreciation	32.1	43.6	75.7
Acc Depn owing to Lease period		10.6	10.6
Purchase of Stock in Trade		1.6	1.6
Other Comprehensive Inc.		(0.5)	(0.5)
Profit before tax	16.4	12.6	3.8

FINANCIAL OVERVIEW : BALANCE SHEET

Particular	Jun-19	Mar-19
Networth	997.5	977.6
Loan Fund	30.0	40.0
Total Liabilities	1,027.5	1,017.6
Fixed Assets & Lease Deposit	816.0	808.3
Investment	284.7	266.7
Investment in Mutual Fund	30.0	42.5
Inventory	387.2	367.5
ROR Inventory	702.0	686.0
Debtors , loans and Advances	357.1	304.3
Total Current Assets	1,446.3	1,357.9
Trade Creditors	625.2	568.2
ROR Creditors	702.0	686.0
Other liabilities and provisions	222.4	203.5
Total Current Liability	1,549.6	1,457.7
Net Current Assets	(103.3)	(99.8)
Total Assets	1,027.5	1,017.6

Investment Includes :

Rs 53.9 Crs. : Crossword Book Store Limited
 Rs 255.44 Crs. : Future Retail Limited (MTM
 provision Rs.24.7 Crs.)

FINANCIAL OVERVIEW : CASH FLOW

Particulars	Rs in Crs.
Cash Profit from Operations (after tax)	50.1
Increase in Creditors for Goods	74.1
Increase in Other Creditors and Liabilities	9.2
Increase in Inventories	(35.6)
Increase in Loans & Advances & Sundry Debtors	(47.2)
Cash generated from Operations	50.5

Investments during the quarter	Rs in Crs.
Fixed Assets(including CWIP) & Deposit.	(53.0)
Reduction in Creditors for Capex	8.6
Net Cash inflow	6.2

Investments in fixed assets including new stores are funded through internal accruals

FINANCIAL OVERVIEW : KEY FINANCIAL RATIO

Profitability and Efficiency Ratios

Year To March	Q1-FY20	FY19	FY18	FY17	FY16
Inventory Days	103	142	120	116	138
Debtors Days	5	4	4	3	2
Payable Days	47	44	50	45	51
Cash Conversion Ratio	55	98	70	71	87
Current Ratio	0.9	0.9	1.0	1.0	1.0
Gross Debt/Equity	0.0	0.0	0.1	0.8	0.8

Valuation Parameters

Year To March	FY19	FY18	FY17	FY16
Adj. Diluted EPS	9.0	1.4	-2.4	3.0
Adjusted Cash EPS	24.3	15.5	11.5	14.6
Diluted P / E (x)	52.7	390.1	365.0	120.3
P / B (x)	4.2	4.7	4.0	3.9
EV / Sales (x)	0.9	1.1	0.8	0.8
EV / EBIDTA (x)	16	20	15	14
Dividend Yield (%)	0.16	0.14	0.21	0.21

Operating Ratios

Year To March	Q1-FY20**	FY19	FY18	FY17	FY16
Total Asset Turnover Ratio	4.3	4.3	3.5	3.0	2.8
Fixed Asset Turnover Ratio	7.0	6.8	6.3	6.2	5.9
Equity Turnover Ratio	4.5	4.6	4.9	5.3	4.9

- **Significant improvement in profitability and efficiency ratios in last 2 years**
- **Company continues to be debt free**
- **Enhanced Enterprise Value owing to higher EBITDA**
- **Optimal utilization of assets, resulting to improved turnover ratio**

**Q1-FY20 : Annualized

AWARDS



- Shoppers Stop awarded by Titan for Outstanding Performance in FY19
- Shoppers Stop awarded for Best Omnichannel Customer Experience and Best Digital Customer Experience Strategy
- Shoppers Stop Bangalore Airport Store wins :
 - Best Customer Choice in Retail
 - Best Performing Commercial for Mithas concept
- Shoppers Stop wins most admired store in the Visual Merchandise Category at Viviana Mall Retail Excellence Awards

DISCLAIMER

Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations, and which involve a number of risks and uncertainties, beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry.

Shopper's Stop Ltd. may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company. The Company also expects the media to have access to all or parts of this release and the management's commentaries and opinions thereon, based on which the media may wish to comment and/or report on the same. Such comments and/or reporting maybe made only after taking due clearance and approval from the Company's authorized personnel. The Company does not take any responsibility for any interpretations/ views/commentaries/reports which may be published or expressed by any media agency, without the prior authorization of the Company's authorized personnel.

In case of any clarifications please contact on
investor@shoppersstop.com