

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

Sub: Intimation under Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) - Update on Acquisition

Ref: Approval of investment in Pahadi Goodness Private Limited by Material Subsidiary of the Company i.e Global SS Beauty Brands Limited.

We refer to our communications dated July 31, 2023 and August 10, 2023, wherein we had intimated that the Company had inter alia approved an investment in Pahadi Goodness Private Limited (“Pahadi Local”) of upto Rs. 4 Crores (Rupees Four Crores), by way of subscription to 40,000 Optionally Convertible Debentures at face value of Rs. 1000 (Rupees one thousand) each (convertible at the option of the Company into equity shares representing 33.33% of the paid up equity share capital of Pahadi Local), with the option to acquire an additional 17.67% of the Equity Capital of Pahadi Local in June, 2025.

Further to the above communication, we would like to inform that the Company has at its Board Meeting held today, i.e. on October 18, 2023, in partial modification of its decision taken earlier, now approved the investment in Pahadi Goodness Private Limited (“Pahadi Local”), by its Material Subsidiary i.e. Global SS Beauty Brands Limited (“Global SS”). The terms of investment remain materially unchanged.

Global SS is an exclusive SPV of the Company, wherein all cosmetics distribution business is being carried out.

Details in respect of the proposed investment, as required under Regulation 30(6) read with Schedule III Part A Para A (1) of the Listing Regulations and read with SEBI Circular SEBI/HO/CFD/CFD-PoD1/P/CIR/2023/123 dated July 13, 2023 are enclosed as Annexure.

We request you to take the above information on record.

Thank you.
Yours faithfully,

For **Shoppers Stop Limited**

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

Shoppers Stop Limited

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

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Annexure

Acquisition (including agreement to acquire):

Sr. No.	Particulars	Details
1	Name of the target entity, details in brief such as size, turnover etc.;	<ul style="list-style-type: none"> Pahadi Goodness Private Limited (“Pahadi Local”) During FY 22-23, turnover is Rs. 1,83,98,156(unaudited)
2	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arms length”	<ul style="list-style-type: none"> No, the transaction is not related to the promoter / promoter group / group companies of the Company. Arm’s Length – Not applicable
3	Industry to which the entity being acquired belongs;	Manufacturing, distributing, marketing and selling of skincare and wellness products under the brand name “PAHADI LOCAL”
4	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	<ul style="list-style-type: none"> Through this investment, Global SS Beauty Brands Limited (“Global SS”), wholly owned subsidiary of the Company proposes to make a strategic investment in a start-up in the wellness and skin care segment, which is its stated long-term strategy. The strategic investment would enable distribution of Pahadi Local products by Global SS, which are sourced from Himalayas and are natural. The object is in-line with the beauty products business of the Company and Global SS. To contribute to the beauty distribution business and enhance growth and portfolio of the Company and Global SS.
5	Brief details of any governmental or regulatory approvals required for the acquisition;	Approval from Bankers of Global SS (i.e. HDFC Bank Ltd.)
6	Indicative time period for completion of the acquisition;	<ul style="list-style-type: none"> The acquisition of Optionally Convertible Debentures (OCDs) (as defined hereinbelow) will be completed by Q4 2023. The conversion into equity or redemption of OCD is expected to be completed by June, 2025.

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		<ul style="list-style-type: none"> The additional investment (if any) for acquiring additional 17.67% equity stake shall be completed by June, 2025.
7	Nature of consideration - whether cash consideration or share swap and details of the same;	Cash consideration
8	Cost of acquisition or the price at which the shares are acquired;	<ul style="list-style-type: none"> Rs. 4 Crores, for 40,000 0.2% Optionally Convertible Debentures (OCDs) of the face value of Rs.1000, to be subscribed at par and secured by hypothecation of current assets and plant & machinery of Pahadi Local. The additional investment for acquiring 17.67% of the Equity Capital of Pahadi Local, shall be by way of fresh issue and purchase from existing shareholders at an aggregate consideration of Rs.3.53 Crores.
9	Percentage of shareholding / control acquired and / or number of shares acquired;	<ul style="list-style-type: none"> Upon conversion of OCD's (subject to achievement of performance KPI's by Pahadi Local) into Equity on or before June 2025, Company shall hold 33.33% of equity capital of Pahadi Local. On failure to achieve performance KPI's, the OCD's shall be redeemed at face value in December, 2025. Further on exercise of addition option to purchase additional 17.67% of Pahadi Local in June, 2025, the Company shall hold 51% of equity capital of Pahadi Local
10	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<ul style="list-style-type: none"> Pahadi Goodness Private Limited ("Pahadi Local"), was incorporated on April 03, 2017 Pahadi Local is a start-up engaged in the business of manufacturing, importing, distributing, marketing and selling of skincare, wellness and other similar items under the brand name "PAHADI LOCAL". It sources its skincare products from the Himalayas and operates in the "Clean Beauty" space, with products consisting of a range of Oil, Powder, Paste and Mist SKU's. It has its plant in Parwanoo, Himachal Pradesh with an in-house R&D. Turnover of last 3 years: FY 2022-23 – Rs. 1,80,40,500 FY 2021-22 – Rs. 2,48,42,135 FY 2020-21 – Rs. 2,13,41,278

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