

SEC/045/2019-20

August 1, 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

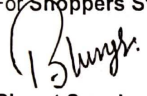
Dear Sirs,

Sub: Disclosure under applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Regulations")

Pursuant to Regulation 30 read with Regulation 47 of the SEBI Regulations, please find enclosed herewith extract of the un-audited financial results of the Company for the first quarter ended June 30, 2019, duly approved by the Board of Directors of the Company on July 30, 2019 and published in Financial Express and Loksatta today i.e. on August 1, 2019.

We request you to take the same on records.

Yours truly,
For Shoppers Stop Limited


Bharat Sanghavi
Company Secretary



Encl: A/a



Like to Like sales growth of **5.2%**
FY20 EBITDA (Non-GAAP) up by **15.4%**

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)

₹ 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	31 March 2019	30 June 2018	31 March 2019	30 June 2019	31 March 2019	30 June 2018	31 March 2019
	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
Total Income from operations	83,482.50	79,637.45	83,372.52	349,919.46	85,632.00	81,876.92	85,810.63	359,658.41
Net Profit / (Loss) for the period before tax and Exceptional Items	380.56	1,640.41	1,522.02	12,368.61	124.44	1,137.00	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 ₹) (not annualised for quarter)								
Face value of ₹ 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 ₹ 1,16,330.68 Lacs in consolidated results (Standalone ₹ 1,14,575.65 Lacs) and Lease Liability of ₹ 1,96,419.87 Lacs in consolidated results (Standalone ₹ 1,94,072.93 Lacs) as on 1 April 2019 and difference between Right of Use Assets and Lease Liability, net of deferred tax asset ₹ 52,309.69 Lacs (Deferred tax of ₹ 27,779.50 Lacs) in consolidated results (Standalone ₹ 51,717.76 Lacs net of deferred tax asset; deferred tax of ₹ 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 ₹ 154.59 Lacs (net of deferred tax assets amount to ₹ 88.86 Lacs) has been adjusted against 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.

For Shoppers Stop Limited

Rajiv Suri

Customer Care Associate & Managing Director
& Chief Executive Officer

Place : Mumbai
Date : 30 July, 2019

FINANCIAL OVERVIEW : SHOPPERS STOP LIMITED : Q1FY20 (Standalone)

₹ in Lacs

	Non-GAAP Financials			GAAP Financials		
	Q1-20	Q1-19	Gr%	Q1-20	Q1-19	Gr%
Revenue	109,949.38	104,817.25	4.9%	83,241.78	82,657.06	0.7%
Other Income	1,547.31	1,387.38	11.5%	240.72	715.46	-66.4%
Total Revenue	111,496.69	106,204.63	5.0%	83,482.50	83,372.52	0.1%
Margin	36,807.92	34,252.54	7.5%	35,592.93	33,887.39	5.0%
Margin%	33.5%	32.7%	80 bps	42.8%	41.0%	180 bps
Operating Exp.	33,340.83	31,296.65	6.5%	21,774.35	29,739.36	-26.8%
EBIDTA	5,014.40	4,343.27	15.4%	14,059.30	4,863.49	189.1%
EBIDTA %	4.6%	4.1%	50 bps	16.9%	5.9%	1100 bps
Depreciation	3,210.38	3,059.17	4.9%	8,842.91	3,059.83	189.0%
Finance Cost	166.42	-135.39		4,835.83	281.64	
PBT	1,637.60	1,419.49	15.4%	380.56	1,522.02	-75.0%
PBT%	1.5%	1.4%	10 bps	0.5%	1.8%	(130 bps)
Exceptional Item/OCI	-1,479.37	-1,102.41		-1,428.59	-999.88	
PBT(Aft. Excp & OCI)	3,116.97	2,521.90	23.6%	1,809.15	2,521.90	-28.3%
Tax	118.37	624.41		118.37	624.41	
PAT	2,998.60	1,897.49	58.0%	1,690.78	1,897.49	-10.9%
PAT%	2.7%	1.8%	90 bps	2.0%	2.3%	(30 bps)

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 (₹ 12,950.55 Lacs) 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 (₹ 1,417.27 Lacs). Thus there is no impact in EBITDA under both the 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 (₹ 1,092.97 Lacs) 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 ₹ 8,906.53 Lacs, Depreciation by ₹ 5,452.61 Lacs (including ₹ 1,092.97 Lacs as stated above) and Interest by ₹ 4,632.63 Lacs.

IND AS 109

Interest income accounted on Present value of deposits (₹ 161.57 Lacs) and rent amortized (now depreciation) on prepaid rentals (₹ 231.76 Lacs) has been negated in Non Gap financials, as they are non-cash items.

Other than these changes, the GAAP and Non-GAAP are comparable.

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SHOPPERS STOP

START SOMETHING NEW

WE THANK ALL OUR CUSTOMERS, ASSOCIATES & PARTNERS FOR THEIR CONSTANT SUPPORT