

Certified True Copy
For Shoppers Stop Limited

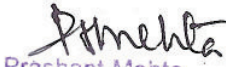
SHOPPERS STOP

Shoppers Stop Limited

Registered & Service Office: Eureka Towers, B Wing, 9th Floor, Mindspace, Link Road, Malad (West), Mumbai-400 064.

CIN No.: L51900MH1997PLC108798

Tel: 022- 42497000 Email: investor@shoppersstop.com website: www.shoppersstop.com



Prashant Mehta

Vice President - Legal

Company Secretary

POSTAL BALLOT NOTICE

(Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)

Notice is hereby given to the members of Shoppers Stop Ltd, pursuant to Section 110 of the Companies Act, 2013, (the "Act"), read together with Rule 22 of the Companies (Management and Administration) Rules, 2014, that the Resolution appended below is proposed to be passed as Special Resolution by way of Postal Ballot/e-Voting. The Explanatory Statement pertaining to said Resolution setting out the material facts concerning such item and the reasons thereof is annexed hereto alongwith a Postal Ballot form (the "Form") for your consideration.

The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") for providing e-voting facilities in a secure manner, and has appointed V Sundaram & Co., Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Scrutinizer will submit its report to the Chairman or the Managing Director or the Company Secretary of the Company and such person, as authorized, shall announce the result of the Postal Ballot at the Registered Office of the Company at 3:00 p.m. on Tuesday, March 31, 2015. The results of the Postal Ballot along with the Scrutinizer's report will be hosted on the website of the Company at www.shoppersstop.com and shall be intimated to Stock Exchanges where the shares of the Company are listed and will also be published in English and Marathi newspapers thereafter.

In the event Special Resolution, as set out hereinbelow, is assented to by the requisite majority of Members by means of Postal Ballot/e-voting, the date of announcement of the results of the Postal Ballot shall be considered to be the date of passing of the said Special Resolution.

To partially modify the existing special resolution passed by postal ballot on September 13, 2013 and as modified by postal ballot on September 11, 2014 relating to the payment of remuneration to Mr. Govind Shrikhande, Managing Director of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 197 and 198 of the Companies Act, 2013 read together with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Act, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in partial modification of the earlier special resolution passed by the members of the Company through Postal Ballot on September 13, 2013 read together with the special resolution passed by the members of the Company through Postal Ballot on September 11, 2014 ("Earlier Special Resolutions") for re-appointment & remuneration of Mr. Govind Shrikhande as a Managing Director of the Company for a period of three years w.e.f. July 29, 2013, the re-appointment of Mr. Govind Shrikhande as a Managing Director of the Company be and is hereby continued for the remainder period of his tenure pursuant to the Earlier Special Resolutions, i.e. until July 28, 2016 subject to the following partial modification:

- (i) the consent of the Company be and is hereby accorded for payment of the remuneration (i.e. by way of salary, performance-linked incentive, reward, bonus, benefits, perquisites, allowances, etc. or any combination thereof as permitted under law), not exceeding ten percent or such higher percentage of the net profits of the Company, as may be permitted under applicable law, from time to time, (Including in the situation where the remuneration payable to Mr. Govind Shrikhande was to be increased by the Board) which the members do hereby approve, as computed in the manner laid down in the Act and Rules framed thereunder for the remaining tenure of Mr. Govind Shrikhande as a Managing Director of the Company pursuant to the Earlier Special Resolutions.
- (ii) the consent of the Company be and is hereby accorded to the Board, where the remuneration to be provided to Mr. Govind Shrikhande exceeds the above mentioned ten percent (or such higher percentage as may be permitted under applicable law, from time to time) of the net profits of the Company, to negotiate and amend the terms of the remuneration in discussions with the said Mr. Govind Shrikhande, and limit the said remuneration to the said ten percent (or such higher percentage as may be permitted under applicable law, from time to time) of the net profits of the Company, as computed as laid down in the Act and the Rules framed thereunder for such period where the remuneration exceeds the said ten percent (or such higher percentage as may be permitted under applicable law, from time to time).

RESOLVED FURTHER THAT pursuant to the provisions of Sections 197 and 198 of the Act read together with Schedule V thereto and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Act, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to the approval of the Central

Government, if required, and subject to such conditions and modifications as may be prescribed or imposed by the Central Government while granting such approval, as applicable, in case of no profits or inadequacy of profits in any financial year(s), the consent of the Company be and is hereby accorded for payment of a sum not exceeding Rs. 4.51 Crores (rounded off) for the financial year 2014-15 and Rs. 4.94 Crores (rounded off) for the financial year 2015-16 and Rs. 1.75 Crores (rounded off) for the period between April 1, 2016 to July 28, 2016, as the Remuneration (excluding any perquisites on employee stock options, if any) payable to Mr. Govind Shrikhande, as a Managing Director of the Company under the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof is empowered to decide the remuneration within the ceiling mentioned hereinabove, to any amount & other retirement benefits, as may be recommended by the Nomination and Remuneration (Including Corporate Governance) Committee, based on merit, performance, appropriate factors and taking into account the Company's performance from time to time.

RESOLVED FURTHER THAT Mr. Govind Shrikhande be additionally entitled to employee stock options as may be granted under Employee Stock Option Scheme(s) of the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof or any of the officials authorised, be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution."

By Order of the Board of Directors

Prashant Mehta
Vice President-Legal & Company Secretary

Mumbai, January 30, 2015

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.
2. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as on February 20, 2015. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on February 20, 2015.
3. The Board of Directors has appointed V. Sundaram & Co., Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.
4. In compliance with provisions of Section 110 of the Act read with Rules of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility as an alternate mode to exercise their right to vote, for all the members of the Company. For this purpose, the Company has entered into an agreement with Karvy Computershare Private Ltd (Karvy) for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form.

A. In case a Member receives email copy of the Notice of Postal Ballot [for members whose email IDs are registered with the Company/ Depository Participant(s)]:

- i. Open your web browser during voting period and navigate to "https://evoting.karvy.com".
- ii. Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your user-ID

User - ID	For Members holding shares in Demat Form:- a) For NSDL:- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL:- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Event no. followed by Folio Number registered with the company
Password	Your Unique password is printed on the Postal Ballot Form / sent via email forwarded through the electronic notice.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii. After entering these details appropriately, click on "LOGIN".
- iv. System will prompt you to change your password and update any contact details like mobile, email ID etc. on 1st login. Members will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case

(A-Z), one lower case (a-z), one numeric value (0-9) and a special character(\$,@,#). Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy e-Voting platform. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
- vii. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any company, then your existing login id and password are to be used.
- viii. On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' 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. If the members do not want to cast, select 'ABSTAIN'.
- ix. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- x. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xi. Corporate / Institutional Members (Corporate / FIs / FII's / Trusts / Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board Resolution to the Scrutinizer through e-mail to vsundaramfcs1@hotmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
- xii. Members can cast their vote online from 9.00 a.m. on March 1, 2015 till 5.00 p.m. on March 30, 2015.
- xiii. Please contact Karvy's toll free No. 1800 345 4001 for any further clarifications.

B. In case a Member receives physical copy of the Notice of Postal Ballot [for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy

- i. Initial password is provided as below/at the bottom of Postal Ballot Form:

EVEN (E Voting Event Number)	USER ID	PASSWORD/ PIN

In case a Member is desirous of casting his/her vote online through the e-voting process, please follow all steps from Sl. No. i to xi of (A) above, to cast vote.

In case a Member does not wish to exercise his/her voting right through the e-voting process, please follow the instructions mentioned in the Postal Ballot Form enclosed with this notice.

- ii. In case of any queries or for any further clarifications, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of <https://evoting.karvy.com> or contact Karvy at the Telephone No.: (Toll Free No.: 1800 345 4001)
 - iii. If you are already registered with Karvy for e-voting, then you can use your existing user ID and password/PIN for casting your vote.
 - iv. 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).
 - v. Members can cast their vote online from 9.00 a.m. on March 1, 2015 till 5.00 p.m. on March 30, 2015.
5. As per the Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the Members through electronic transmission. Members who have registered their e-mail IDs with Depository Participant or with the Company are being sent Notice of Postal Ballot by e-mail and Members who have not registered their e-mail IDs will receive Notice of Postal Ballot alongwith Postal Ballot Form through permitted mode. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form can download Postal Ballot Form from the link www.evoting.karvy.com or obtain Postal Ballot Form from Karvy, Plot No. 17 -24,Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 or from the Company at its Registered Office, fill in the details and send the same to the Scrutinizer, at the address of Karvy as mentioned above, so as to reach on or before March 30, 2015.
 6. Kindly note that Members can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Member cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
 7. The voting period ends on 5.00 p.m. on Monday, March 30, 2015. The e-voting module shall also be disabled by Karvy for voting thereafter.

8. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed on the Postal Ballot Form enclosed with this Notice and return the form duly completed and signed in the enclosed self-addressed postage pre-paid business reply envelope, so as to reach the Scrutinizer not later than 5.00 p.m. on Monday, March 30, 2015. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post or delivered in person at the expense of the Member will also be accepted. The Postal Ballot Forms received after 5.00 p.m. on Monday, March 30, 2015 will be strictly treated as if reply from such member has not been received.
9. The necessary documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days of the Company except public holidays, Saturday and Sunday between 11.00 a.m. and 1.00 p.m. up to March 30, 2015.

EXPLANATORY STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

The members of the Company by passing a special resolution, through postal ballot on September 13, 2013 had approved re-appointment of Mr. Govind Shrikhande as a Managing Director of the Company for a period of 3 years w.e.f. July 29, 2013 and payment of remuneration by way of salary, performance-linked incentive/ reward or bonus, perquisites and other allowances or any combination thereof, as computed in the manner laid down in the Companies Act, 1956 during his tenure.

Thereafter the members of the Company by passing a special resolution, through postal ballot on September 11, 2014 had approved the remuneration payable to Mr. Shrikhande for the financial year 2014-15, 2015-16 and for the period beginning from April 1, 2016 to July 28, 2016. The other terms of re-appointment of Mr. Shrikhande shall be as per the special resolution passed by members on September 13, 2013.

The Company has made no change to the remuneration to be paid to Mr. Govind Shrikhande from what was approved on September 11, 2014. It is likely that the approved remuneration of Mr. Govind Shrikhande would exceed five percent of the net profit of the Company for the relevant years. Section 197 of the Act provides that the members may approve payment of remuneration in excess of the said five percent of the net profits for a Director (where there is a single executive Director) but within the overall limit of eleven percent of the net profits of the Company without any Central Government approval. Accordingly, it is proposed that the approval of the members be sought for making the payment of the remuneration to Mr. Govind Shrikhande within a limit of ten percent of the net profits of the Company.

Further, under the Act, the definition of remuneration includes all perquisites (including perquisites under the Income-tax Act, 1961) and would therefore include perquisites on employee stock options that are granted and exercised by Mr. Govind Shrikhande. Accordingly in case of inadequate profits, it is clarified that the previously approved amounts of remuneration payable would be exclusive of perquisites on employee stock options, and perquisites on employee stock options would be computed over and above the said approved amounts of remuneration.

The information as required in the terms of Schedule V of the Act is the same as provided under the explanatory statement to the notice for postal ballot in relation to the Earlier Special Resolutions.

The Nomination and Remuneration (Including Corporate Governance) Committee and Board of Directors of the Company recommend the passing of this Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives, except Mr. Govind Shrikhande, is in any way concerned or interested in the said Resolution.

By Order of the Board of Directors

Prashant Mehta
Vice President-Legal & Company Secretary

Mumbai, January 30, 2015