

# SHOPPERS STOP

START SOMETHING NEW

## Shoppers Stop records double-digit like-to-like growth at 12.7%

### Highlights of Q1FY16

- Gross Retail Turnover touches Rs. 775.6 crore; a jump of 14.8% over Q1FY14
- Like-to-like growth at 12.7%
- PBT( Before exceptional Items) stood at Rs.4.0 crore, up 220 % over Q1FY14
- 105,671 members added to First Citizen Loyalty Programme
- Crossed 7 million fans on Facebook
- **Total stores added in the quarter:** 2 Shoppers Stop stores, and 1 Hypercity Store

Total Retail area – 41.9 lacs sq.ft

Total First Citizens members – 3,841,758 lacs

**Mumbai, July 31, 2015:** Shoppers Stop Ltd (SSL), India's prominent retail group (operator of large format department stores, home stores, specialty stores like Crossword, Mothercare, M.A.C, and hypermarkets) today reported a gross retail turnover of Rs. 775.6 crore for the quarter ended June 30<sup>th</sup>, 2015 as against Rs. 675.5 crore in the corresponding period last year. Profit Before tax and exceptional item for the quarter stood at Rs. 4.0 crore.

With 73 stores across 34 cities in India, Shoppers Stop continues to grow and expand its retail footprint. This quarter, SSL added 2 Shoppers Stop stores at Bengaluru and Mangalore, 1 Hypercity store in Pune.

Driving ahead its successful Loyalty programme, SSL continued to expand its membership base adding 105,671 new members to the First Citizen Loyalty Programme in Q1FY16. The programme now has a total First Citizen base of over 38 lac members.

Speaking on the performance, **Mr. Govind Shrikhande – Customer Care Associate & Managing Director, Shoppers Stop Ltd.** said, *"FY16 has begun on a positive note with a strong like-to-like growth of 12.7%. In this quarter, we have introduced exclusive brands such as Spanish fashion brand Desigual. Moreover, we plan to invest Rs. 60 crore over the next three years in our omni-channel initiative, supply chain & talent and target to achieve 10% revenue through digital-touch points over the next 10 years. On the back of such initiatives, we are positive that we will see a steady growth over the forthcoming quarters.*

*As a process, we constantly monitor the value of our investments in our joint venture and subsidiary companies, based on their future profitabilities and cash flows. In this quarter, we have taken a one time impairment in the value of investment in our duty free airport retailing joint venture company.*

During the quarter, SSL was awarded "Economic Times - Excellence In Supply Chain & Logistics Award" established by Economic Times.

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Shoppers Stop and its retail invested companies operate the following number of stores/doors as on June 30<sup>th</sup>, 2015:

**Mixed Retailing:**

**HyperCity** – Currently has **17 stores**, spread over an area of 12.22 lacs sq ft.

Key Highlights of performance: Sales up by 3%  
Like to like sales per sq.ft. growth 7.6%  
Margin growth 40 Basis Points  
Achieved positive EBIDTA for the 4<sup>th</sup> consecutive quarter

**Fashion & Home Retailing:**

- **Shoppers Stop** – Currently has **73 stores** in 34 cities
- **HomeStop (Home Décor)** – Currently has **19 stores** in 12 cities

**Specialty Retailing:**

- **Mothercare (Maternity, Infant Care)** – The exclusive franchise agreement for departmental stores with Mothercare Plc UK. Currently there are **39 stores** of Mothercare (including 2 standalone stores).
- **Crossword (Book stores)** – Currently has **95 stores**.
- **M.A.C (Cosmetics)** – The retail agreement with Estee Lauder to open M.A.C stores. Currently has **35 stores** with a presence in Mumbai, Bengaluru, Delhi, Amritsar, Chennai, Hyderabad, Pune, Gurgaon, Noida, Ludhiana, Chandigarh, Surat and Kolkata.
- **Clinique (Cosmetics)** – Currently has **25 stores** (including 13 standalone) in Mumbai, Bengaluru, Delhi, Kolkata, Hyderabad, Amritsar, Chandigarh, Surat, Kolkata and Pune.
- **Estee Lauder** - Currently has **9 stores** (including 2 shop-in-shops), one each in Bengaluru, Mumbai, Chennai, Delhi and Gurgaon.
- **Bobbi Brown** – Currently has **4 stores**, in Delhi & Gurgaon.

**Other Initiatives:**

- **Airport Retailing** – 2 duty free stores is run by the JV Company, one at international airport at Bengaluru and 2<sup>nd</sup> at International airport at Mumbai.
- **TimeZone Entertainment** – Currently has **25 doors**.

**About Shoppers Stop Ltd**

Shoppers Stop Ltd., a pioneer in modern retailing in India, has been promoted by K Raheja Corp. Group (Chandru L. Raheja Group), one of the leading groups in the business of real estate development and hotels in the country. Shoppers Stop Ltd along with its Subsidiaries Crossword Bookstores Ltd and Hypercity Retail (India) Ltd; and Joint Venture Companies Timezone Entertainment Pvt. Ltd and Nuance Group (India) Pvt. Ltd. operates more than 57.46 lacs sq ft in the country.

Shoppers Stop and its associate companies are involved in retailing through department stores, specialty stores, entertainment zones and large hypermarkets.

For more information, please contact:

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For Investor related queries on Shoppers Stop Limited write to: [investor@shoppersstop.com](mailto:investor@shoppersstop.com)

**Shoppers Stop Limited**

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Tel: (+91 22) 42497000 ; Fax: (+91 22) 28808877, Website : www.shoppersstop.com. E-mail : investor@shoppersstop.com. CIN: L51900MH1997PLC108798  
**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2015**

Rupees in Lacs ( Except per share data)

PART I Particulars	Standalone			
	Quarter Ended			Financial Year Ended
	30-Jun-15 (Unaudited)	31-Mar-15 (Unaudited)	30-Jun-14 (Unaudited)	31-Mar-15 (Audited)
<b>(Refer Notes Below)</b>				
<b>1) Turnover</b>				
<b>Retail Turnover</b>				
Own merchandise (including concession sales)	71,270.47	82,523.71	61,537.83	306,930.78
Consignment merchandise	6,283.10	8,193.49	6,011.03	30,088.43
	<b>77,553.57</b>	<b>90,717.20</b>	<b>67,548.86</b>	<b>337,019.21</b>
Less :- Value Added Tax / Sales Tax	3,640.04	4,385.68	3,310.55	16,095.48
Cost of consignment merchandise	4,130.45	5,532.77	4,030.50	20,162.71
<b>Income from Operations</b>	<b>69,783.08</b>	<b>80,818.75</b>	<b>60,207.81</b>	<b>300,761.02</b>
<b>2) Other operating Income</b>	<b>1,332.14</b>	<b>861.33</b>	<b>1,001.99</b>	<b>4,236.64</b>
<b>3) Total Income from operations (net) (1+2)</b>	<b>71,115.22</b>	<b>81,680.08</b>	<b>61,209.80</b>	<b>304,997.66</b>
<b>4) Expenses</b>				
a) Purchases of stock-in-trade	46,052.86	49,636.81	37,448.37	191,051.05
b) Changes in inventories of stock-in trade -(Increase)/Decrease	(2,783.85)	924.59	(1,409.25)	(3,407.76)
c) Employees benefits expense	5,746.59	5,879.96	5,279.50	22,703.29
d) Depreciation and amortisation expense	1,988.44	2,661.21	1,985.68	8,580.71
e) Lease Rent and Hire Charges	7,341.59	7,449.95	6,633.98	28,514.11
f) Electricity Charges	2,321.89	2,017.09	2,101.29	8,654.43
g) Other expenses	9,163.05	10,863.87	8,076.78	38,588.84
<b>Total expenses</b>	<b>69,830.57</b>	<b>79,433.48</b>	<b>60,116.35</b>	<b>294,684.67</b>
<b>5) Profit from operations before Other Income, finance costs and exceptional Items (3-4)</b>	<b>1,284.65</b>	<b>2,246.60</b>	<b>1,093.45</b>	<b>10,312.99</b>
<b>6) Other Income</b>	<b>511.92</b>	<b>613.32</b>	<b>338.27</b>	<b>1,765.49</b>
<b>7) Profit from ordinary activities before finance costs and exceptional Items (5+6)</b>	<b>1,796.57</b>	<b>2,859.92</b>	<b>1,431.72</b>	<b>12,078.48</b>
<b>8) Finance Costs</b>	<b>1,392.22</b>	<b>1,205.63</b>	<b>1,305.29</b>	<b>5,122.23</b>
<b>9) Profit from ordinary activities after finance costs but before exceptional Items (7-8)</b>	<b>404.35</b>	<b>1,654.29</b>	<b>126.43</b>	<b>6,956.25</b>
10) Exceptional Item : Provision for diminution in value of investment in a Joint Venture	2,381.00	-	-	-
<b>11) (Loss) / Profit from ordinary activities before tax (9-10)</b>	<b>(1,976.65)</b>	<b>1,654.29</b>	<b>126.43</b>	<b>6,956.25</b>
<b>12) Tax expense</b>	<b>167.02</b>	<b>624.33</b>	<b>51.33</b>	<b>2,882.72</b>
<b>13) Net (Loss) / Profit after tax (11-12)</b>	<b>(2,143.67)</b>	<b>1,029.96</b>	<b>75.10</b>	<b>4,073.53</b>
<b>14) Paid-up equity share capital (Face value of Rs.5/- Per Share)</b>	<b>4,169.33</b>	<b>4,168.39</b>	<b>4,163.49</b>	<b>4,168.39</b>
<b>15) Reserves(Excluding Revaluation Reserve)</b>				<b>72,360.41</b>
<b>16) Earnings per share (In Rs.) (not to be annualised - Refer Note 2)</b>				
- Basic	(2.57)	1.24	0.09	4.89
- Diluted	(2.57)	1.23	0.09	4.88

**PART II**

**SELECT INFORMATION FOR THE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2015**

<b>A) PARTICULARS OF SHAREHOLDING</b>				
1) Public Shareholding				
- Number of Shares	27,356,848	27,338,131	27,240,183	27,338,131
- Percentage of shareholding	32.81	32.79	32.71	32.79
2) Promoters and promoter group Shareholding				
a) Pledged / Encumbered				
- Number of shares	7,077,204	7,077,204	7,077,204	7,077,204
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	12.63	12.63	12.63	12.63
- Percentage of shares (as a % of the total share capital of the company)	8.49	8.49	8.50	8.49
b) Non-encumbered				
- Number of Shares	48,952,470	48,952,470	48,952,470	48,952,470
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	87.37	87.37	87.37	87.37
- Percentage of shares (as a % of the total share capital of the company)	58.70	58.72	58.79	58.72

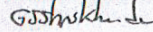
Particulars	Quarter Ended
	30-Jun-15
<b>B) INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter (as on 01-Apr-2015)	NIL
Received during the quarter ended 30-June-2015	Three
Disposed of during the quarter ended 30-June-2015	Three
Remaining unresolved at the end of the quarter (as on 30-June-2015)	NIL

**Notes to results :**

- 1 The Company is primarily engaged in the business of retail trade through retail and departmental store facilities, which constitute a single reportable segment.
- 2 During the quarter, 18,717 equity shares were issued and allotted under the Company's Employee Stock Option Scheme.
- 3 Pursuant to levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from 1 June 2007 by the Finance Act, 2010, the Company has, based on a legal advice, challenged the said levy and, inter-alia, its retrospective application. Consistent with the treatment in earlier periods, pending the final disposal of the matter, the Company continues not to provide for the retrospective levy aggregating Rs.1,659.56 Lacs (paid under protest) for the period 1st June, 2007 to 31st March, 2010.
- 4 The Company has a financial involvement aggregating Rs.43,270.37 Lacs in Hypercity Retail (India) Limited ("Hypercity"), a subsidiary company. Consistent with the earlier periods, in view of Hypercity's business plans with strategic growth projections, the Company considers that there is no loss for which a provision is currently necessary.
- 5 Figures of the previous period / year have been regrouped / reclassified wherever necessary.
- 6 The Standalone financial results have been reviewed by the Audit Committee on 30 July 2015 and approved by the Board of Directors at their meeting held on 31 July 2015. The statutory auditors of the Company has carried out a limited review of the Company's financial results for the quarter ended 30 June 2015.

Place: Mumbai  
Date: 31 July,2015

For Shoppers Stop Limited



Govind S Shrikhande  
Customer Care Associate & Managing Director



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## INDEPENDENT AUDITORS' REVIEW REPORT

### TO THE BOARD OF DIRECTORS OF SHOPPERS STOP LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Shoppers Stop Limited** ("the Company") for the Quarter ended 30 June 2015 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to:
  - a. Note 3 to the Statement regarding non-provision of service tax for the period 1 June, 2007 to 31 March, 2010 on renting of immovable properties given for commercial use, aggregating Rs.1,659.56 lacs, pending final disposal of the appeal filed before the Hon'ble Supreme Court, inter-alia, challenging the retrospective levy of the service tax. The matter is contingent upon the final outcome of the litigation.
  - b. Note 4 to the Statement regarding the Company's financial involvement aggregating Rs. 43,270.37 lacs in Hypercity Retail (India) Limited, a subsidiary company. The Company considers no provision for any loss is currently necessary for the reasons stated in the note.

Our opinion is not modified in respect of these matters.

DHSLLP

**Deloitte  
Haskins & Sells LLP**

5. Further, we also report that we have traced the number of shares as well as the percentages of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - - Select Information for the Quarter Ended 30 June 2015 of the Statement, from the details furnished by the Registrars.



For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

*P.B. Pardiwalla*

**P.B. Pardiwalla**  
Partner  
(Membership No. 40005)

Mumbai, July 31, 2015