

SEC/074/2016-17

November 3, 2016

BSE Limited Mumbai Samachar Marg, Fort, Mumbai - 400 001.  <b>Stock Code : 532638</b>	National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex. Bandra. (East) Mumbai-400 051. <b>SHOPERSTOP</b>
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Dear Sirs,

**Sub : Submission of un-audited financial results for the second quarter and half year ended on September 30, 2016.**

Pursuant to the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find herewith un-audited financial results for the second quarter and half year ended on September 30, 2016, duly approved by the Board of Directors of the Company at its meeting held on today i.e. November 3, 2016.

We also enclose herewith the following :


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

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

Kindly take the same on records.

Thanking you,

Yours faithfully,  
For Shoppers Stop Limited

  
Bharat Sanghavi  
Company Secretary



Encl : aa

Rupees in Lacs (Except per share data)

Particulars	Standalone				
	Quarter Ended		Half Year Ended		
(Refer Notes Below)	30-Sep-16 (Unaudited)	30-Jun-16 (Unaudited)	30-Sep-15 (Unaudited)	30-Sep-16 (Unaudited)	30-Sep-15 (Unaudited)
1) Retail Turnover	104,721.60	84,536.02	97,426.22	189,257.62	174,956.89
Less :- Cost of consignment / concessionaire merchandise Value Added Tax / Sales Tax	5,889.47 4,879.57	4,885.44 4,062.13	5,011.61 4,725.20	10,774.91 8,941.70	11,161.97 9,142.06
<b>Net Sales from operations</b>	<b>93,952.56</b>	<b>75,588.45</b>	<b>87,689.41</b>	<b>169,541.01</b>	<b>154,652.86</b>
2) Other operating income	1,488.09	1,630.16	1,656.71	3,118.25	2,988.85
<b>3) Total Income from operations (net) (1+2)</b>	<b>95,440.65</b>	<b>77,218.61</b>	<b>89,346.12</b>	<b>172,659.26</b>	<b>157,641.71</b>
4) Expenses					
a) Purchases of stock-in-trade	57,037.07	46,421.53	56,417.73	103,458.60	99,673.86
b) Changes in inventories of stock-in-trade - Decrease / (Increase)	3,119.50	922.97	(273.23)	4,042.47	(3,057.08)
c) Employees benefits expense	6,804.97	6,439.88	5,946.42	13,244.85	11,638.37
d) Depreciation and amortisation expense (see note 6)	2,425.99	3,724.56	3,087.98	6,150.55	5,076.42
e) Lease Rent and Hire Charges	8,828.06	8,034.38	7,778.11	16,862.44	15,391.43
f) Other expenses	14,858.88	13,033.39	13,724.69	27,892.27	25,222.71
<b>Total expenses</b>	<b>93,074.47</b>	<b>78,576.71</b>	<b>86,681.70</b>	<b>171,651.18</b>	<b>153,945.71</b>
<b>5) Profit / (Loss) from operations before Other Income finance costs and exceptional items (3-4)</b>	<b>2,366.18</b>	<b>(1,358.10)</b>	<b>2,664.42</b>	<b>1,008.08</b>	<b>3,696.00</b>
6) Other Income	760.97	742.09	758.62	1,503.06	1,493.29
<b>7) Profit / (Loss) from ordinary activities before finance costs and exceptional items (5+6)</b>	<b>3,127.15</b>	<b>(616.01)</b>	<b>3,423.04</b>	<b>2,511.14</b>	<b>5,189.29</b>
8) Finance Costs	1,428.91	1,588.14	1,352.91	3,017.05	2,746.86
<b>9) Profit / (Loss) from ordinary activities after finance costs but before exceptional items (7-8)</b>	<b>1,698.24</b>	<b>(2,204.15)</b>	<b>2,070.13</b>	<b>(505.91)</b>	<b>2,442.43</b>
10) Exceptional Items (Provision for diminution in value of investment in a Joint Venture)	-	-	-	-	2,381.00
<b>11) Profit / (Loss) from ordinary activities before tax (9-10)</b>	<b>1,698.24</b>	<b>(2,204.15)</b>	<b>2,070.13</b>	<b>(505.91)</b>	<b>61.43</b>
12) Tax expense	629.38	(847.78)	868.59	(218.40)	1,024.50
<b>13) Net Profit / (Loss) from ordinary activities after tax (11-12) (see note 2)</b>	<b>1,068.86</b>	<b>(1,356.37)</b>	<b>1,201.54</b>	<b>(287.51)</b>	<b>(963.07)</b>
14) Other Comprehensive Income (net of tax)	(15.45)	15.00	(11.38)	(0.45)	(60.49)
<b>15) Total Comprehensive Income (13+14)</b>	<b>1,053.41</b>	<b>(1,341.37)</b>	<b>1,190.16</b>	<b>(287.96)</b>	<b>(1,023.56)</b>
16) Paid-up equity share capital (Face value of Rs.5/- Per Share)	4,175.24	4,175.24	4,171.98	4,175.24	4,171.98
17) Earnings per share (In Rs.) (not to be annualised)					
- Basic	1.29	(1.63)	1.44	(0.34)	(1.15)
- Diluted	1.29	(1.63)	1.44	(0.34)	(1.15)

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Notes to results :

**1 STATEMENT OF ASSETS & LIABILITIES**

Particulars	(Rs.in Lacs)	
	Standalone As at 30.09.2016 (Unaudited)	
<b>A) ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, Plant and Equipment	58,413.87	
Capital work in progress	1,954.43	
Other Intangible Assets	4,575.45	
Financial Assets		
i) <u>Investments</u>		
Investments in Subsidiaries	38,731.87	
Investments in Joint Ventures	4,204.62	
Other Investments	1.65	
ii) Loans	15,928.21	
iii) Other Financial Assets	12,966.64	
Other non-current assets	10,664.33	
<b>TOTAL NON-CURRENT ASSETS</b>	<b>147,441.07</b>	
<b>CURRENT ASSETS</b>		
Inventories	34,544.64	
Financial assets		
i) Trade Receivables	3,482.49	
ii) Cash and cash equivalents	621.01	
iii) Other financial assets	3,910.84	
Other current assets	3,130.21	
<b>TOTAL CURRENT ASSETS</b>	<b>45,689.19</b>	
<b>TOTAL ASSETS</b>	<b>193,130.26</b>	
<b>B) EQUITY AND LIABILITIES</b>		
Equity share capital	4,175.24	
Other equity	73,545.22	
<b>TOTAL EQUITY</b>	<b>77,720.46</b>	
<b>NON-CURRENT LIABILITIES</b>		
Financial liabilities		
Borrowings	29,762.34	
Deferred tax liabilities (Net)	219.37	
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>107,702.17</b>	
<b>CURRENT LIABILITIES</b>		
Financial liabilities		
i) Borrowings	19,155.40	
ii) Trade payables	35,867.04	
iii) Other financial liabilities	12,830.72	
Provisions	5,108.29	
Other current liabilities	12,466.64	
<b>Total CURRENT LIABILITIES</b>	<b>85,428.09</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>193,130.26</b>	

2 The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016, and accordingly the financial results for the quarter and half year ended September 30, 2016 have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Ind AS compliant financial results for the corresponding quarter and half year ended September 30, 2015 have been presented in terms of SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016.

Reconciliation of net profit/ (Loss) for the corresponding quarter and half year ended September 30, 2015 between previous Indian GAAP (IGAAP) and Ind AS is as under:

Particulars	(Rs.in Lacs)	
	Quarter ended 30 Sep'2015	Half year ended 30 Sep'2015
Net Profit / (Loss) as per previous GAAP (IGAAP)	1,284.24	(859.43)
<b>Adjustment to restate to Ind AS:</b>		
- Award credits (customer loyalty programme) remeasured at fair value	(88.56)	(111.46)
- Refundable deposit considered in measurement of minimum lease payments	(274.71)	(546.44)
- Interest (time value) recognized on interest free lease deposit	225.20	447.95
- ESOP compensation expense measured at fair value	(20.65)	(41.13)
- Actuarial loss on employee defined benefit obligations reclassified to OCI	17.40	92.51
- Others	14.85	0.04
- Tax effect on above adjustments	43.77	54.89
<b>Net Profit / (Loss) as per Ind AS</b>	<b>1,201.54</b>	<b>(963.07)</b>

3 The Company is primarily engaged in the business of retail trade through retail and departmental store facilities, which constitute a single reportable segment.

4 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 to Rs. 1,659.56 Lacs for the period 1st June, 2007 to 31st March, 2010 (fully paid under protest).

5 The Company has a financial involvement aggregating Rs.50,159.69 Lacs in Hypercity Retail (India) Limited ('Hypercity'), a subsidiary company. In view of the significant steps being taken by Hypercity to revamp its operations and to infuse funds into the business, its future business plans with strategic growth projections and considering the business valuation by an independent valuer as at March 31, 2016 the Company has determined that no provision is required against the aforesaid amount at this stage.

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6 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)

Quarter Ended		Half Year Ended	
30-Sep-16	30-Jun-16	30-Sep-15	30-Sep-15
82	1,466	876	1,548
			876

7 These Standalone financial results have been reviewed by the Audit Committee on 2 November 2016 and approved by the Board of Directors at their meeting held on 3 November 2016. The statutory auditors of the Company has carried out a limited review of the standalone financial results.



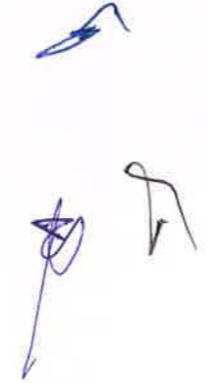
For Shoppers Stop Limited



Govind S Shrikhande  
Customer Care Associate & Managing Director

Place: Mumbai  
Date: 3 November, 2016







START SOMETHING NEW

## Shoppers Stop

### Q2FY17 Gross Retail Turnover up 7.5%

#### Highlights of Q2FY17

- Gross Retail Turnover touches Rs. 1047.2 crores; a jump of 7.5% over Q2FY16
- 1,38,482 members added to First Citizen Loyalty Programme
- Crossed 8.8 million fans on Facebook
- **Total stores added in the quarter:** 1 Shoppers Stop store, 1 HyperCITY store, 1 Mothercare store, 1 Bobbi Brown store & 2 Crossword stores

Total Retail area – 44.57 lacs sq.ft

Total First Citizens members – 44.38 lacs

**Mumbai, November 3<sup>rd</sup>, 2016:** 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.1047.2 crores for the quarter ended September 30th, 2016 as against Rs.974.3 crores in the corresponding period last year.

This quarter SSL added 1 Shoppers Stop store, 1 Mothercare store and 1 HyperCITY store each at Orion Mall in Bengaluru, 1 Bobbi Brown store at Noida and 2 Crossword stores at Thrissur and Thane.

Driving ahead its successful Loyalty program, SSL continued to expand its membership base adding 1,38,482 new members to the First Citizen Loyalty Programme in Q2FY17. The program now has a total First Citizen base of over 44.38 lacs members.

Speaking on the performance, **Mr. Govind Shrikhande – Customer Care Associate & Managing Director, Shoppers Stop Ltd;** said, *“We have seen a 2.2% like-to-like growth in the quarter. In the second half, with the festive season coming in, we expect to clock a higher growth rate.”*

**Shoppers Stop and its retail invested companies operate the following number of stores/doors as on September 30th, 2016:**

#### Mixed Retailing:

**HyperCity** – Currently has 20 stores, spread over an area of 13.8 lacs sq. ft.

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**Key Highlights of performance:** Sales up by 15.4%  
Like to like sales growth 3.4%  
Net Margin growth 100 Basis Points  
Fashion Share at 16.1 %  
Store EBIDTA for the quarter: Rs. 1.85 crores

**Fashion & Home Retailing:**

- **Shoppers Stop** – Currently has **82** stores in 37 cities
- **HomeStop** – Currently has **16** stores in 11 cities

**Specialty Retailing:**

- **Mothercare (Maternity, Infant Care)** – The exclusive franchise agreement for departmental stores with Mothercare Plc UK. Currently there are **41** stores of Mothercare (including 2 standalone stores).
- **M.A.C (Cosmetics)** – The retail agreement with Estee Lauder to open M.A.C stores. Currently has **39** stores with a presence in Mumbai, Bengaluru, Delhi, Amritsar, Chennai, Hyderabad, Pune, Gurgaon, Noida, Ludhiana, Chandigarh, Surat and Kolkata.
- **Clinique (Cosmetics)** – Currently has **26** stores (including 14 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, Kolkata and Gurgaon.
- **Bobbi Brown** – Currently has 5 stores in Delhi, Gurgaon, Noida and Mumbai.
- **Crossword (Book stores)** – Currently has **89** stores.

**Other Initiatives:**

- **Airport Retailing –1 duty free store** run by the JV Company, at international airport, Bengaluru.
- **TimeZone Entertainment** – Currently has **26** 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 61.67 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)



**INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL RESULTS**

**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 and six months ended September 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

 **DHSLLP**

4. We draw attention to :

- a. Note 4 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 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 5 to the Statement regarding the Company's financial involvement aggregating Rs. 50,159.69 lacs in Hypercity Retail (India) Limited, a subsidiary company. The Company considers that no provision against the aforesaid amount is required at this stage for the reasons stated in the note.

Our report is not qualified in respect of these matters.



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

*P. B. Pardiwalla*

Porus B Pardiwalla  
Partner  
(Membership No.40005)

MUMBAI, 3 November, 2016