

SEC/044/2017-18

August 24, 2017

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

We are in receipt of your e-mail dated August 24, 2017, seeking clarification in respect of a news article appeared in Economic Times and DNA - Money on August 23, 2017 and August 24, 2017, respectively.

In this connection, please take note of the following:

1. Nuance Group (India) Pvt. Ltd; (NGIPL) was formed as 50 : 50 JV Company in the year 2006 between The Nuance Group AG and Shoppers Stop Ltd. (the Company). This JV operates duty free store at Bengaluru International Airport.
2. The Company had invested Rs. 41.41 Crore in the equity share capital of NGIPL. It is the Company's policy and practice to constantly monitor its investments, and keeping with accounting prudence and conservativeness, the Company had made a provision of Rs. 23.81 crore in 2015-16 and Rs. 11.80 crore in 2016-17, aggregating to Rs. 35.61 crore towards diminution in the value of its investment in NGIPL.
3. The Company's shareholding in NGIPL in terms of percentage was reduced from 50% to 40% in April 2017. The disclosure in this regard was simultaneously made to the Stock Exchanges.
4. Since, then the Company was in a process of undertaking the feasibility of continuing to be invested in this JV business and the possibilities of its potential turnaround. Also take note that the significant quantum of its investments in NGIPL is already provided for, which is in public domain.
5. The Company is at preliminary stage to dispose off its 40% shareholding in NGIPL and at an appropriate time on accomplishment of this transaction, the adequate disclosure shall be made to the Stock Exchanges in terms of provisions of the SEBI (LODR) Regulations, 2015.

We request you to kindly take the same on record.

Yours truly,
For Shoppers Stop Limited.

Bharat Sanghavi
Bharat Sanghavi
Company Secretary

