

SEC/12/2020-21

June 15, 2020

|   |  |
|---|--|
| BSE Limited<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Fort,<br>Mumbai 400 001.<br><br><b>Stock Code : 532638</b> | National Stock Exchange of India Limited<br>Exchange Plaza,<br>Bandra-Kurla Complex, Bandra (East),<br>Mumbai 400 051.<br><br><b>Stock Symbol : SHOPERSTOP</b> |
|---|--|

Dear Sirs,

**Sub.: Outcome of the Board meeting - Announcement of Standalone and Consolidated Audited Financial Results for the quarter and financial year ended March 31, 2020**

Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR") enclosed please find herewith the Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended March 31, 2020 ("the Financial Results") duly approved the Board of Directors of the Company at its meeting held today i.e. on June 15, 2020.

We also enclose herewith the following:

- Auditor's Report issued by the Statutory Auditors of the Company on the Financial Results; and
- Press release and investors' presentation issued by the Company.

In terms of Regulation 33(3)(d) of the SEBI LODR, we hereby declare that the Statutory Auditors have not expressed any modified opinion(s) in their Audit Report on the Financial Results.

We further enclose herewith (GAAP & Non-GAAP) Income Statement – Standalone for the quarter and financial year ended March 31, 2020.

Further, In terms of relaxation granted by the SEBI vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the Financial Results is not being published by the Company in the newspapers, as required under Regulation 47 of the SEBI LODR.

This information is also being made available on the corporate website of the Company.

The aforesaid Board Meeting commenced at 2:00 p.m. and concluded at 7:00 p.m.

Kindly take the above on record.

Thank you.

Yours truly,

For **Shoppers Stop Limited**

**BHARAT**

**KANAKLAL**

**SANGHAVI**

**Bharat Sanghavi**

**Company Secretary & Compliance Officer**

Digitally signed by BHARAT KANAKLAL SANGHAVI  
DN: cn=BH, o=Personal, postalCode=400067,  
st=Maharashtra,  
2.5.4.20=cc989696a72488021c8820493cd  
a945c1212a8f50811b5f2378b2759f107c,  
serialNumber=7028184601c274230d8131  
c529c9394731cc249350749f5844c5e  
5b86, ou=BHARAT KANAKLAL SANGHAVI  
Date: 2020.06.15 19:33:44 +05'30'

Encl: A/a

Shoppers Stop Ltd.

Registered & Service Office : Umang Tower, 5<sup>th</sup> Floor, Mindspace, Off. Link Road, Malad (W), Mumbai 400 064.

T 022- 42497000 CIN : L51900MH1997PLC108798. Email : customercare@shoppersstop.com Website www.shoppersstop.com



Shoppers Stop Limited  
Registered Office: Umang Tower, 5th Floor, Mindspace, Off.Link Road, Malad (West), Mumbai 400 064.  
Tel: (+91 22) 42497000 ; Website : www.shoppersstop.com. E-mail : investor@shoppersstop.com. CIN: L51900MH1997PLC108798

PART I : STATEMENT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS

| Particulars   | Standalone  |                               |   |                              |                          | Consolidated                                      |                               |   |                              |                          |
|---|---|-------------------------------|---|------------------------------|--------------------------|---|-------------------------------|---|------------------------------|--------------------------|
|   | For the Quarter Ended                             |                               |   | For the Financial Year Ended |                          | For the Quarter Ended                             |                               |   | For the Financial Year Ended |                          |
|   | 31 March 2020<br>(Refer Note 14 below)<br>Audited | 31 December 2019<br>Unaudited | 31 March 2019<br>(Refer Note 14 below)<br>Audited | 31 March 2020<br>Audited     | 31 March 2019<br>Audited | 31 March 2020<br>(Refer Note 15 below)<br>Audited | 31 December 2019<br>Unaudited | 31 March 2019<br>(Refer Note 15 below)<br>Unaudited | 31 March 2020<br>Audited     | 31 March 2019<br>Audited |
| Rupees in Crs except per share data)  |   |                               |   |                              |                          |   |                               |   |                              |                          |
| <b>Continuing operations</b>  |   |                               |   |                              |                          |   |                               |   |                              |                          |
| <b>Income</b>   |   |                               |   |                              |                          |   |                               |   |                              |                          |
| Revenue from Operations   | 709.17  | 994.06                        | 791.06  | 3,380.98                     | 3,481.31                 | 724.38  | 1,018.99                      | 812.65  | 3,463.88                     | 3,577.93                 |
| Other Income  | 6.35  | 6.60                          | 5.31  | 33.49                        | 17.89                    | 7.38  | 6.54                          | 6.12  | 34.23                        | 18.65                    |
| <b>Total Income</b>   | <b>715.52</b>                                     | <b>1,000.66</b>               | <b>796.37</b>                                     | <b>3,414.47</b>              | <b>3,499.20</b>          | <b>731.76</b>                                     | <b>1,025.53</b>               | <b>818.77</b>                                       | <b>3,498.11</b>              | <b>3,596.58</b>          |
| <b>Expenses</b>   |   |                               |   |                              |                          |   |                               |   |                              |                          |
| Purchases of stock-in-trade ( Refer note 9)                                 | 429.36  | 653.32                        | 334.04  | 2,137.98                     | 2,752.30                 | 434.31  | 665.79                        | 341.62  | 2,173.80                     | 2,793.87                 |
| Changes in inventories of stock-in trade - Decrease / (Increase)            | (3.81)  | (82.90)                       | 108.25  | (170.37)                     | (725.13)                 | (1.80)  | (84.50)                       | 110.60  | (167.27)                     | (715.62)                 |
| Employee benefits expense   | 71.80   | 84.44                         | 83.33   | 321.92                       | 314.48                   | 74.74   | 87.87                         | 86.70   | 334.63                       | 329.60                   |
| Finance Costs ( Refer note 9)   | 50.82   | 47.77                         | 2.47  | 194.38                       | 12.45                    | 51.61   | 48.62                         | 2.78  | 197.32                       | 13.79                    |
| Depreciation and amortisation expense (Refer note 7 & note 9)               | 169.59  | 93.39                         | 45.53   | 439.21                       | 135.07                   | 173.39  | 96.15                         | 49.14   | 450.38                       | 140.60                   |
| Lease rent and hire charges (Refer note 9)                                  | 18.48   | 15.54                         | 97.47   | 56.02                        | 386.34                   | 20.37   | 17.95                         | 102.42  | 65.99                        | 404.51                   |
| Other expenses  | 116.75  | 126.18                        | 108.89  | 485.99                       | 500.00                   | 121.29  | 132.02                        | 114.08  | 505.25                       | 519.92                   |
| <b>Total expenses</b>   | <b>852.99</b>                                     | <b>937.74</b>                 | <b>779.98</b>                                     | <b>3,465.13</b>              | <b>3,375.51</b>          | <b>873.91</b>                                     | <b>963.90</b>                 | <b>807.34</b>                                       | <b>3,560.10</b>              | <b>3,486.67</b>          |
| <b>Profit / (Loss) before exceptional items and tax</b>                     | <b>(137.47)</b>                                   | <b>62.92</b>                  | <b>16.39</b>                                      | <b>(50.66)</b>               | <b>123.69</b>            | <b>(142.15)</b>                                   | <b>61.63</b>                  | <b>11.43</b>  | <b>(61.99)</b>               | <b>109.91</b>            |
| Exceptional Items - Impairment in the value of investments (Refer note 11)  | 20.00   | -                             | -   | 20.00                        | -                        | 9.65  | -                             | -   | 9.65                         | -                        |
| <b>Profit / (loss) before tax</b>   | <b>(157.47)</b>                                   | <b>62.92</b>                  | <b>16.39</b>                                      | <b>(70.66)</b>               | <b>123.69</b>            | <b>(151.80)</b>                                   | <b>61.63</b>                  | <b>11.43</b>  | <b>(71.64)</b>               | <b>109.91</b>            |
| Tax expenses ( Refer note 12)   |   |                               |   |                              |                          |   |                               |   |                              |                          |
| Current tax   | (10.80)   | 25.10                         | 10.82   | 25.14                        | 57.15                    | (10.69)   | 25.10                         | 10.82   | 25.25                        | 57.15                    |
| Deferred tax  | (13.89)   | 43.04                         | (5.87)  | 45.14                        | (12.21)                  | (13.89)   | 43.04                         | (5.87)  | 45.14                        | (12.22)                  |
| <b>Profit / (loss) for the period from continuing operations</b>            | <b>(132.78)</b>                                   | <b>(5.22)</b>                 | <b>11.44</b>                                      | <b>(140.94)</b>              | <b>78.75</b>             | <b>(127.22)</b>                                   | <b>(6.51)</b>                 | <b>6.48</b>   | <b>(142.03)</b>              | <b>64.98</b>             |
| <b>Discontinuing operations</b>   |   |                               |   |                              |                          |   |                               |   |                              |                          |
| Profit / (Loss) from discontinuing operations                               | -   | -                             | -   | -                            | -                        | (0.00)  | (0.00)                        | (0.01)  | 0.01                         | (0.01)                   |
| <b>Profit / (loss) for the period from discontinued operations</b>          | <b>-</b>  | <b>-</b>                      | <b>-</b>  | <b>-</b>                     | <b>-</b>                 | <b>-</b>  | <b>(0.00)</b>                 | <b>(0.01)</b>                                       | <b>0.01</b>                  | <b>(0.01)</b>            |
| <b>Net Profit / (loss) for the period</b>                                   | <b>(132.78)</b>                                   | <b>(5.22)</b>                 | <b>11.44</b>                                      | <b>(140.94)</b>              | <b>78.75</b>             | <b>(127.22)</b>                                   | <b>(6.51)</b>                 | <b>6.47</b>   | <b>(142.02)</b>              | <b>64.97</b>             |
| <b>Other Comprehensive Income / (loss)</b>                                  |   |                               |   |                              |                          |   |                               |   |                              |                          |
| Items that will not be reclassified to profit or loss :                     |   |                               |   |                              |                          |   |                               |   |                              |                          |
| Remeasurement of employee defined benefit obligation                        | (1.32)  | (0.53)                        | 0.02  | (2.91)                       | (1.94)                   | (1.24)  | (0.57)                        | (0.22)  | (2.95)                       | (2.18)                   |
| Changes in fair value of equity instruments                                 | (121.89)  | (18.65)                       | (23.93)   | (174.85)                     | (46.52)                  | (121.89)  | (18.65)                       | (23.93)   | (174.85)                     | (46.52)                  |
| Income tax relating to above  | 0.33  | 0.13                          | (0.01)  | 0.73                         | 0.68                     | 0.33  | 0.13                          | (0.01)  | 0.73                         | 0.68                     |
| <b>Total other comprehensive income / (loss)</b>                            | <b>(122.88)</b>                                   | <b>(19.05)</b>                | <b>(23.92)</b>                                    | <b>(177.03)</b>              | <b>(47.78)</b>           | <b>(122.80)</b>                                   | <b>(19.09)</b>                | <b>(24.16)</b>                                      | <b>(177.07)</b>              | <b>(48.02)</b>           |
| <b>Total Comprehensive Income / (loss) for the period</b>                   | <b>(255.66)</b>                                   | <b>(24.27)</b>                | <b>(12.48)</b>                                    | <b>(317.97)</b>              | <b>30.97</b>             | <b>(250.02)</b>                                   | <b>(25.60)</b>                | <b>(17.69)</b>                                      | <b>(319.09)</b>              | <b>16.95</b>             |
| <b>Profit / (loss) for the period attributable to:</b>                      |   |                               |   |                              |                          |   |                               |   |                              |                          |
| - Owners of the Company   | (132.78)  | (5.22)                        | 11.44   | (140.94)                     | 78.75                    | (127.22)  | (6.51)                        | 6.47  | (142.02)                     | 64.97                    |
| - Non-controlling interests   | -   | -                             | -   | -                            | -                        | -   | -                             | -   | -                            | -                        |
| <b>Other comprehensive income for the period attributable to :</b>          |   |                               |   |                              |                          |   |                               |   |                              |                          |
| - Owners of the Company   | (122.88)  | (19.05)                       | (23.92)   | (177.03)                     | (47.78)                  | (122.80)  | (19.09)                       | (24.16)   | (177.07)                     | (48.02)                  |
| - Non-controlling interests   | -   | -                             | -   | -                            | -                        | -   | -                             | -   | -                            | -                        |
| <b>Total comprehensive income / (loss) for the period attributable to :</b> |   |                               |   |                              |                          |   |                               |   |                              |                          |
| - Owners of the Company   | (255.66)  | (24.27)                       | (12.48)   | (317.97)                     | 30.97                    | (250.02)  | (25.60)                       | (17.69)   | (319.09)                     | 16.95                    |
| - Non-controlling interests   | -   | -                             | -   | -                            | -                        | -   | -                             | -   | -                            | -                        |
| Paid-up equity share capital (Face value of Rs.5/- Per Share)               | 44.00   | 44.00                         | 44.00   | 44.00                        | 44.00                    | 44.00   | 44.00                         | 44.00   | 44.00                        | 44.00                    |
| Other equity  |   |                               |   | 92.64                        | 933.65                   |   |                               |   | 22.64                        | 870.70                   |
| <b>Earnings per share (In Rs.) (not annualised for quarters)</b>            |   |                               |   |                              |                          |   |                               |   |                              |                          |
| <b>Continued Operations</b>   |   |                               |   |                              |                          |   |                               |   |                              |                          |
| - Basic   | (15.09)   | (0.59)                        | 1.30  | (16.02)                      | 8.95                     | (14.46)   | (0.74)                        | 0.73  | (16.14)                      | 7.38                     |
| - Diluted   | (15.09)   | (0.59)                        | 1.30  | (16.02)                      | 8.95                     | (14.46)   | (0.74)                        | 0.73  | (16.14)                      | 7.38                     |
| <b>Discontinued Operations</b>  |   |                               |   |                              |                          |   |                               |   |                              |                          |
| - Basic   | -   | -                             | -   | -                            | -                        | -   | 0.00                          | -   | (0.00)                       | (0.00)                   |
| - Diluted   | -   | -                             | -   | -                            | -                        | -   | 0.00                          | -   | (0.00)                       | (0.00)                   |
| <b>Continuing and Discontinued Operations</b>                               |   |                               |   |                              |                          |   |                               |   |                              |                          |
| - Basic   | (15.09)   | (0.59)                        | 1.30  | (16.02)                      | 8.95                     | (14.46)   | (0.74)                        | 0.73  | (16.14)                      | 7.38                     |
| - Diluted   | (15.09)   | (0.59)                        | 1.30  | (16.02)                      | 8.95                     | (14.46)   | (0.74)                        | 0.73  | (16.14)                      | 7.38                     |

Notes to results :

1 STATEMENT OF ASSETS & LIABILITIES

(Rs.in Crs)

| Particulars   | Standalone                          |                                     | Consolidated                        |                                     |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
|   | As at<br>31 March 2020<br>(Audited) | As at<br>31 March 2019<br>(Audited) | As at<br>31 March 2020<br>(Audited) | As at<br>31 March 2019<br>(Audited) |
| <b>A) ASSETS</b>  |                                     |                                     |                                     |                                     |
| <b>NON-CURRENT ASSETS</b>   |                                     |                                     |                                     |                                     |
| Property, Plant and Equipement  | 501.71                              | 535.51                              | 506.44                              | 544.53                              |
| Capital work in progress  | 10.03                               | 30.54                               | 10.19                               | 30.56                               |
| Goodwill on consolidation   | -                                   | -                                   | -                                   | 9.65                                |
| Other Intangible Assets   | 50.97                               | 59.33                               | 52.06                               | 60.52                               |
| Intangible assets under development   | 34.23                               | 4.53                                | 34.23                               | 4.53                                |
| Right of Use Assets   | 1,325.68                            | -                                   | 1,342.22                            | -                                   |
| <b>Financial Assets</b>   |                                     |                                     |                                     |                                     |
| i) Investments  | 51.63                               | 251.05                              | 36.47                               | 215.90                              |
| ii) Loans   | 18.88                               | 15.67                               | -                                   | -                                   |
| iii) Other Financial Assets   | 78.28                               | 68.63                               | 79.66                               | 71.42                               |
| Deferred tax assets (net)   | 264.08                              | 32.00                               | 264.08                              | 32.00                               |
| Other non-current assets  | 79.34                               | 95.51                               | 81.10                               | 97.80                               |
| <b>TOTAL NON-CURRENT ASSETS</b>   | <b>2,414.83</b>                     | <b>1,092.77</b>                     | <b>2,406.45</b>                     | <b>1,066.91</b>                     |
| <b>CURRENT ASSETS</b>   |                                     |                                     |                                     |                                     |
| Inventories   | 1,223.92                            | 1,053.55                            | 1,239.20                            | 1,071.93                            |
| <b>Financial assets</b>   |                                     |                                     |                                     |                                     |
| i) Investments  | 154.04                              | 42.45                               | 154.04                              | 42.45                               |
| ii) Trade Receivables   | 35.08                               | 44.42                               | 34.07                               | 47.24                               |
| iii) Cash and cash equivalents  | 0.97                                | 16.46                               | 4.03                                | 17.14                               |
| iv) Bank Balances other than (iii) above  | 0.28                                | 0.27                                | 0.32                                | 0.31                                |
| v) Other financial assets   | 69.87                               | 62.09                               | 73.98                               | 64.24                               |
| Other current assets  | 166.11                              | 163.33                              | 168.76                              | 165.37                              |
| <b>TOTAL CURRENT ASSETS</b>   | <b>1,650.27</b>                     | <b>1,382.57</b>                     | <b>1,674.40</b>                     | <b>1,408.68</b>                     |
| <b>TOTAL ASSETS</b>   | <b>4,065.10</b>                     | <b>2,475.34</b>                     | <b>4,080.85</b>                     | <b>2,475.59</b>                     |
| <b>B) EQUITY AND LIABILITIES</b>  |                                     |                                     |                                     |                                     |
| Equity share capital  | 44.00                               | 44.00                               | 44.00                               | 44.00                               |
| Other equity  | 92.64                               | 933.65                              | 22.64                               | 870.70                              |
| <b>Total Equity</b>   | <b>136.64</b>                       | <b>977.65</b>                       | <b>66.64</b>                        | <b>914.70</b>                       |
| <b>NON-CURRENT LIABILITIES</b>  |                                     |                                     |                                     |                                     |
| <b>Financial liabilities</b>  |                                     |                                     |                                     |                                     |
| i) Borrowings   | -                                   | -                                   | 0.22                                | 2.02                                |
| ii) Lease liability   | 2,055.54                            | -                                   | 2,077.17                            | -                                   |
| iii) Other non-current financial liabilities  | -                                   | -                                   | 0.64                                | 0.61                                |
| iv) Provisions  | -                                   | -                                   | -                                   | 0.10                                |
| <b>TOTAL NON-CURRENT LIABILITIES</b>  | <b>2,055.54</b>                     | <b>-</b>                            | <b>2,078.03</b>                     | <b>2.73</b>                         |
| <b>CURRENT LIABILITIES</b>  |                                     |                                     |                                     |                                     |
| <b>Financial liabilities</b>  |                                     |                                     |                                     |                                     |
| i) Borrowings   | 123.70                              | -                                   | 155.26                              | 30.23                               |
| ii) Lease liability   | 12.21                               | -                                   | 12.21                               | -                                   |
| iii) <b>Trade payables due to :</b>   |                                     |                                     |                                     |                                     |
| a) Total outstanding dues of mirco enterprises and small enterprises                      | 3.59                                | 5.91                                | 3.59                                | 5.91                                |
| b) Total outstanding dues of creditors other than mirco enterprises and small enterprises | 1,493.11                            | 1,248.33                            | 1,518.28                            | 1,271.19                            |
| iv) Other financial liabilities   | 69.71                               | 78.47                               | 70.64                               | 80.37                               |
| Provisions  | 10.77                               | 9.34                                | 11.08                               | 9.65                                |
| Other current liabilities   | 159.83                              | 155.64                              | 165.12                              | 160.81                              |
| <b>TOTAL CURRENT LIABILITIES</b>  | <b>1,872.92</b>                     | <b>1,497.69</b>                     | <b>1,936.18</b>                     | <b>1,558.16</b>                     |
| <b>TOTAL LIABILITIES</b>  | <b>3,928.46</b>                     | <b>1,497.69</b>                     | <b>4,014.21</b>                     | <b>1,560.89</b>                     |
| <b>TOTAL EQUITY AND LIABILITIES</b>   | <b>4,065.10</b>                     | <b>2,475.34</b>                     | <b>4,080.85</b>                     | <b>2,475.59</b>                     |

2 STATEMENTS OF CASH FLOWS

(All amounts in Rs. Crs)

| Particulars   | Standalone                                 |  | Consolidated                               |  |
|---|--|--|--|--|
|   | For the year ended 31 March 2020 (Audited) | For the year ended 31 March 2019 (Audited) | For the year ended 31 March 2020 (Audited) | For the year ended 31 March 2019 (Audited) |
| <b>Cash flows from operating activities</b>   |  |  |  |  |
| Net profit before tax   | (70.66)                                    | 123.69                                     | (71.64)                                    | 109.91                                     |
| (Loss) / Profit before tax from discontinued operations                                   | -  | -  | 0.01                                       | (0.01)                                     |
| <b>Net profit before tax</b>  | <b>(70.66)</b>                             | <b>123.69</b>                              | <b>(71.63)</b>                             | <b>109.90</b>                              |
| <b>Adjustments to reconcile profit before tax to net cash flow :</b>                      |  |  |  |  |
| Depreciation and amortisation   | 439.21                                     | 135.07                                     | 450.38                                     | 140.60                                     |
| Allowance for doubtful debts / advances   | 1.51                                       | 0.86                                       | 1.66                                       | 1.48                                       |
| Impairment of investment in Crossword Bookstores Ltd.                                     | 20.00                                      | -  | 9.65                                       | -  |
| Share-based payment expense   | 0.55                                       | 0.21                                       | 0.55                                       | 0.21                                       |
| Finance costs   | 194.38                                     | 12.45                                      | 197.32                                     | 13.79                                      |
| Loss on sale of property, plant and equipment   | 0.55                                       | 0.22                                       | 0.55                                       | 0.20                                       |
| Loss on sale of investments   | 0.01                                       | -  | 0.01                                       | -  |
| Gain on account of remeasurement in lease term  | (15.25)                                    | -  | (15.25)                                    | -  |
| Refundable deposit considered in measurement of minimum lease payments                    | -  | 7.45                                       | -  | 8.02                                       |
| Profit from sale of mutual fund investments   | (3.78)                                     | (6.73)                                     | (3.78)                                     | (6.73)                                     |
| Interest(time value) recognised on interest free lease deposit                            | (12.04)                                    | (6.37)                                     | (12.49)                                    | (6.90)                                     |
| Interest income   | (1.66)                                     | (4.75)                                     | (0.03)                                     | (3.66)                                     |
| <b>Operating profit before working capital changes</b>                                    | <b>552.82</b>                              | <b>262.10</b>                              | <b>556.94</b>                              | <b>256.91</b>                              |
| <b>Working capital adjustment :</b>   |  |  |  |  |
| (Increase) / Decrease in inventories  | (170.37)                                   | (725.13)                                   | (167.27)                                   | (715.62)                                   |
| Decrease / (Increase) in trade receivables  | 8.92                                       | (0.69)                                     | 12.61                                      | 0.47                                       |
| Increase) / (Decrease) in Financial assets and non-current assets                         | (11.47)                                    | (1.58)                                     | (11.95)                                    | (1.71)                                     |
| (Increase) in Lease deposits-net  | (33.12)                                    | (15.89)                                    | (33.77)                                    | (14.83)                                    |
| (Decrease) / Increase in provisions   | (1.48)                                     | (0.53)                                     | (1.53)                                     | (0.74)                                     |
| Increase in Trade payables, other financial liabilities and other current liabilities     | 261.31                                     | 741.46                                     | 263.50                                     | 734.11                                     |
| <b>Cash generated from operations</b>   | <b>606.61</b>                              | <b>259.74</b>                              | <b>618.53</b>                              | <b>258.59</b>                              |
| Income taxes paid (net of refunds)  | (42.22)                                    | (56.48)                                    | (42.41)                                    | (56.48)                                    |
| <b>Net cash from operating activities (A)</b>   | <b>564.39</b>                              | <b>203.26</b>                              | <b>576.12</b>                              | <b>202.11</b>                              |
| <b>Cash flow from investing activities</b>  |  |  |  |  |
| Purchase of property, plant and equipment   | (179.53)                                   | (112.61)                                   | (181.90)                                   | (113.68)                                   |
| Proceeds from disposal of property, plant and equipment                                   | 0.90                                       | 0.32                                       | 0.95                                       | 0.39                                       |
| Loan given to subsidiaries companies  | (3.21)                                     | (8.00)                                     | 4.56                                       | -  |
| Net proceeds from sale of investment in FRL   | 4.56                                       | -  | -  | -  |
| Purchase of investments in mutual funds   | (1,366.57)                                 | (1,119.91)                                 | (1,366.57)                                 | (1,119.91)                                 |
| Proceeds from sale of investments in mutual funds   | 1,258.76                                   | 1,104.22                                   | 1,258.76                                   | 1,104.22                                   |
| Finance Income (Interest Received)  | 1.64                                       | 4.75                                       | 0.03                                       | 3.66                                       |
| <b>Net cash used in investing activities (B)</b>  | <b>(283.45)</b>                            | <b>(131.23)</b>                            | <b>(284.17)</b>                            | <b>(125.32)</b>                            |
| <b>Cash flow from financing activities</b>  |  |  |  |  |
| Proceeds from issue of equity shares  | 0.01                                       | 0.01                                       | -  | 0.01                                       |
| Securities premium on issue of share capital  | (0.00)                                     | 1.04                                       | -  | 1.04                                       |
| Dividend and dividend tax paid  | (7.96)                                     | (7.96)                                     | (7.96)                                     | (7.96)                                     |
| Repayment of lease liability  | (180.91)                                   | -  | (185.72)                                   | -  |
| Repayment of long term borrowings   | (40.00)                                    | (39.77)                                    | (42.21)                                    | (42.76)                                    |
| Finance costs paid  | (194.38)                                   | (12.40)                                    | (197.32)                                   | (13.75)                                    |
| <b>Net cash from / (used in) financing activities (C)</b>                                 | <b>(423.24)</b>                            | <b>(59.08)</b>                             | <b>(433.21)</b>                            | <b>(63.42)</b>                             |
| <b>Net (Decrease) / Increase in cash and cash equivalents (A) + (B) + (C)</b>             | <b>(142.30)</b>                            | <b>12.95</b>                               | <b>(141.26)</b>                            | <b>13.37</b>                               |
| Cash and cash equivalents as at beginning of the year (including bank overdraft balances) | 9.92                                       | (3.03)                                     | (19.62)                                    | (33.00)                                    |
| Cash and cash equivalents as at the end of the period                                     | (132.38)                                   | 9.92                                       | (160.88)                                   | (19.62)                                    |
|   | <b>(142.30)</b>                            | <b>12.95</b>                               | <b>(141.26)</b>                            | <b>13.37</b>                               |
| <b>Components of cash and cash equivalents</b>  |  |  |  |  |
| Cash and Cash Equivalents as at the end of the period                                     | 0.97                                       | 16.46                                      | 4.03                                       | 17.14                                      |
| Add: Bank overdraft / Cash credit   | (133.35)                                   | (6.54)                                     | (164.91)                                   | (36.76)                                    |
| <b>Total cash and cash equivalents as at the end of the period</b>                        | <b>(132.38)</b>                            | <b>9.92</b>                                | <b>(160.88)</b>                            | <b>(19.62)</b>                             |

**Notes :**

- 3 The above financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 4 The Company is primarily engaged in the business of retail trade through retail and departmental store facilities, which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.
- 5 The Consolidated Financial results of Shoppers Stop Limited and its subsidiaries namely, Crossword Bookstores Limited, Upasna Trading Limited, Shopper's Stop. Com (India) Limited, Shopper's Stop Services (India) Limited and Gateway Multichannel Retail (India) Limited are consolidated in accordance with Ind AS 110 on Consolidation of Financial Statements.
- 6 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 Rs.20.11 Crores in consolidated results (Standalone Rs.16.60 Crores ) for the period 1 June 2007 to 31 March 2010, fully paid under protest.
- 7 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:

| Standalone            |             |             |                              |             | Consolidated          |             |             |                              |             |
|-----------------------|-------------|-------------|------------------------------|-------------|-----------------------|-------------|-------------|------------------------------|-------------|
| For the Quarter Ended |             |             | For the Financial Year Ended |             | For the Quarter Ended |             |             | For the Financial Year Ended |             |
| 31 Mar 2020           | 31 Dec 2019 | 31 Mar 2019 | 31 Mar 2020                  | 31 Mar 2019 | 31 Mar 2020           | 31 Dec 2019 | 31 Mar 2019 | 31 Mar 2020                  | 31 Mar 2019 |
| 39.38                 | 3.40        | 18.69       | 52.46                        | 32.53       | 40.95                 | 3.40        | 21.74       | 54.63                        | 35.59       |

(Rs.in Crores)

Effective 1st Jan 2020, the company has reviewed and changed the estimated economic useful lives of all components within the assets block of Leasehold Improvements and Electrical Equipments of its property, plant and equipment, based on the combination of evaluation conducted by an independent consultant and management estimate. As a result, the Depreciation charge for the current quarter ended 31 March 2020 is higher by Rs.30.60 Crores.

- 8 During the year under review, the Company has granted 82,915 (Previous Year 60,374) Employee Stock Options to eligible employees, under ESOP 2008 Scheme. No options have been exercised during the year ended 31 March 2020.

- 9 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 Rs.1,163.31 Crores in consolidated results (Standalone Rs.1,145.76 Crores) and Lease Liability of Rs.1,964.20 Crores in consolidated results (Standalone Rs.1,940.73 Crores) as on 1 April 2019 and difference between Right of Use Assets and Lease Liability, net of deferred tax Rs.523.09 Crores (Deferred tax of Rs.277.80 Crores) in consolidated results (Standalone Rs.517.17 Crores net of deferred tax assets; deferred tax of Rs.277.80 Crores) has been adjusted in retained earnings.

To this extent, performance for the quarter and year ended 31 March, 2020 is not comparable with previous period results.

Reconciliation for the above effect on statement of profit and loss for the quarter and year ended 31 March, 2020 as follows :

| Adjustment to increase / (decrease) in net profit | Standalone                                   |  |   |   |  |                                      | Consolidated                                 |  |   |   |  |                                      |
|---|--|--|---|---|--|--------------------------------------|--|--|---|---|--|--------------------------------------|
|   | Quarter ended 31 March 2020 comparable basis | Change due to IND AS 116 increase / (decrease) | Quarter ended 31 March 2020 as reported | Year ended 31 March 2020 comparable basis | Change due to IND AS 116 increase / (decrease) | Year ended 31 March 2020 as reported | Quarter ended 31 March 2020 comparable basis | Change due to IND AS 116 increase / (decrease) | Quarter ended 31 March 2020 as reported | Year ended 31 March 2020 comparable basis | Change due to IND AS 116 increase / (decrease) | Year ended 31 March 2020 as reported |
| Purchase of stock-in-trade                        | 431.29                                       | (1.93)   | 429.36                                  | 2,145.63                                  | (7.65)   | 2,137.98                             | 436.24                                       | (1.93)   | 434.31                                  | 2,181.45                                  | (7.65)   | 2,173.80                             |
| Lease rent and hire charges                       | 107.02                                       | (88.54)  | 18.48                                   | 404.46                                    | (348.44)                                       | 56.02                                | 110.74                                       | (90.37)  | 20.37                                   | 421.12                                    | (355.13)                                       | 65.99                                |
| Other expenses                                    | 119.91                                       | (3.16)   | 116.75                                  | 498.63                                    | (12.64)  | 485.99                               | 124.45                                       | (3.16)   | 121.29                                  | 517.89                                    | (12.64)  | 505.25                               |
| Finance costs                                     | 1.35   | 49.47  | 50.82                                   | 6.54                                      | 187.84   | 194.38                               | 1.62   | 49.99  | 51.61                                   | 7.63                                      | 189.69   | 197.32                               |
| Depreciation and amortisation expenses            | 113.96                                       | 55.63  | 169.59                                  | 247.25                                    | 191.96   | 439.21                               | 116.52                                       | 56.87  | 173.39                                  | 253.42                                    | 196.96   | 450.38                               |
| Profit before tax                                 | (146.00)                                     | (11.47)  | (157.47)                                | (59.59)                                   | (11.07)  | (70.66)                              | (140.40)                                     | (11.40)  | (151.80)                                | (60.40)                                   | (11.24)  | (71.64)                              |

(Rs.in Crores)

- 10 The Company has initiated discussion for lease rent waiver on account of pandemic and have received confirmations from some of the landlord. The company has accounted for revised rentals on account of modification only where it has received signed confirmation from landlord.

- 11 The accumulated losses of Crossword Bookstores Limited, a wholly owned subsidiary company, amounting to Rs.46.78 crores at 31 March, 2020 (31 March 2019 : Rs.28.37 Crores) have eroded its net worth. Crossword Bookstores Limited continues to take steps to revamp its operations, (such as store right sizing, brand positioning, closing of loss making stores, etc), the gestation period to achieve the turnaround may be longer owing to the present Covid situation. Based on the business valuation obtained, the company has recorded an impairment loss of Rs 20 Crs against the equity investment of Rs 35.06 Crs. In respect of consolidated financial results, the impairment Rs.9.65 cr represents impairment of goodwill on Crossword Bookstores Limited.

- 12 The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income Tax and re-measured its Deferred Tax Assets basis the rate prescribed in the said section. The impact of this change has been recognised proportionately in the statement of Profit & Loss for quarter ended 31 March 2020 and in earlier quarters ended 31 December 2019 and 30 September 2019 respectively.

- 13 The retail industry as a whole has been adversely impacted by the spread of COVID-19. The Company faces significant headwinds due to COVID-19 which have impacted the operations of the Company adversely starting from the month of March 2020 onwards particularly by way of store closures due to complete lockdown. This unprecedented disruption has had an adverse impact on the quarterly performance and continue to impact the business and our financial results. In this crisis, our priorities are to protect the employees and their families from COVID-19, besides our customers visiting our stores and the society associated with it.

The Company has begun restoration of store operations from first week of June and has been opening the stores, as permitted by the Government and Local/Regulatory authorities, with controlled movement, maintaining social distancing, taking appropriate hygiene measures and following the directions of regulatory authorities.

The Company believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets. The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Results.

- 14 The standalone figures of the last quarter are the balancing figure between the audited figures in respect of the full financial year upto 31st March, 2020 and 31st March, 2019 and the unaudited year-to-date figures upto 31st December, 2019 and 31 December, 2018 being the date of the end of the third quarter of the financial year which were subjected to limited review by the auditor.

- 15 The consolidated figures of the last quarter are the balancing figure between the audited figures in respect of the full financial year upto 31st March, 2020 and 31st March, 2019 and the unaudited year-to-date figures upto 31st December, 2019 being the date of the end of the third quarter of the financial year which were subjected to limited review and unaudited year-to-date figures upto 31st December, 2018 are approved by the Board of Directors and have not been subjected to Limited review by the auditor.

- 16 The above financial results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on 15 June, 2020.

- 17 The previous period's figures have been regrouped / rearranged wherever necessary, to conform to current period presentation.

**For Shoppers Stop Limited**

**RAJIV SURI**

**Rajiv Suri**  
Customer Care Associate & Managing Director  
& Chief Executive Officer

Place: Mumbai  
Date : 15 June 2020

Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To  
The Board of Directors of  
Shoppers Stop Limited,

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Shoppers Stop Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended March 31, 2019, as reported in these consolidated financial results have been approved by the Holding Company's Board of Directors but have not been subjected to audit/review.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements /financial information of the subsidiaries, the Statement:

- i. includes the results of the following entities;  
Parent Company  
i. Shoppers Stop Limited

Subsidiaries

- i. Crossword Bookstores Limited
  - ii. Gateway Multichannel Retail (India) Limited
  - iii. Shopper's Stop Services (India) Limited
  - iv. Shopper's Stop.com (India) Limited
  - v. Upasna Trading Limited
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
  - iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive loss and other financial information of the Group for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical

responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion

#### Emphasis of Matter paragraph

1. We draw attention to Note 13 of the Statement which describes management's assessment of the impact of the COVID 19 pandemic on the operations and financial results of the Company.
2. We draw attention to Note 6 of the Statement regarding non-provision of retrospective levy of service tax for the period from June 01, 2007 to March 31, 2010 on renting of immovable properties given for commercial use, aggregating to Rs. 20.11 crores pending final disposal of the appeal filed before the Supreme Court.

Our opinion is not modified in respect of these matters.

#### Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net loss and other comprehensive loss and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it

exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other



matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

#### Other Matter

The accompanying Statement includes the audited financial statements and other financial information, in respect of 3 subsidiaries, whose financial results/statements include total assets of Rs 2.11 crores as at March 31, 2020, total revenues of Rs Nil, total net loss after tax of Rs. \* crores and Rs. \* crores, total comprehensive loss of Rs. \* crores and Rs. \* crores, for the quarter and the year ended on that date respectively, and net cash outflows of Rs. \* crores for the year ended March 31, 2020, as considered in the Statement which have been audited by their respective independent auditors.

(\*loss below Rs 1lakh)

The independent auditor's report on the financial statements/financial results/financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**Vijay Maniar**  
Digitally signed by Vijay Maniar  
DN: cn=Vijay Maniar,  
email=Vijay.Maniar@srb.in  
Date: 2020.06.15 14:52:01  
+05'30'

per Vijay Maniar  
Partner  
Membership No.: 36738

UDIN:20036738AAAACX1103  
Mumbai; June 15,2020

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To  
The Board of Directors of  
Shoppers Stop Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Shoppers Stop Limited (the "Company") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

1. We draw attention to Note 13 of the Statement which describes management's assessment of the impact of the COVID 19 pandemic on the operations and financial results of the Company.
2. We draw attention to Note 6 of the Statement regarding non-provision of retrospective levy of service tax for the period from June 01, 2007 to March 31, 2010 on renting of immovable properties given for commercial use, aggregating to Rs 16.60 crores, pending final disposal of the appeal filed before the Supreme Court.

Our opinion is not modified in respect of these matters.

## Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.


- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**Vijay Maniar**  Digitally signed by Vijay Maniar  
DN: cn=Vijay Maniar,  
email=Vijay.Maniar@srb.in  
Date: 2020.06.15 14:52:32  
+05'30'

per Vijay Maniar  
Partner  
Membership No.: 36738  
UDIN: 20036738AAAACW6352

Mumbai; June 15, 2020

**INCOME STATEMENT - STANDALONE FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020.**

(Rs.in Crores)

| Particulars                | Non - GAAP Financials |         |           | GAAP Financials |       |           |
|----------------------------|-----------------------|---------|-----------|-----------------|-------|-----------|
|                            | Q4-20                 | Q4-19   | Gr%       | Q4-20           | Q4-19 | Gr%       |
| Revenue                    | 915.5                 | 1,044.3 | -12.3%    | 709.2           | 791.1 | -10.4%    |
| Other Income               | 14.5                  | 15.7    | -7.1%     | 6.4             | 5.3   | 19.5%     |
| Total Revenue              | 930.1                 | 1,060.0 | -12.3%    | 715.6           | 796.4 | -10.1%    |
| Margin                     | 282.5                 | 349.9   | -19.3%    | 283.6           | 348.8 | -18.7%    |
| Margin%                    | 30.9%                 | 33.5%   | (260)Bps  | 40.0%           | 44.1% | (410)Bps  |
| Operating Exp.             | 313.7                 | 301.4   | 4.1%      | 207.1           | 289.7 | -28.5%    |
| EBITDA                     | -16.7                 | 64.1    | -126.0%   | 82.9            | 64.4  | 28.7%     |
| EBITDA %                   | -1.8%                 | 6.1%    | (800)Bps  | 11.7%           | 8.1%  | 350Bps    |
| Depreciation               | 97.5                  | 45.5    | 114.1%    | 169.6           | 45.5  | 272.4%    |
| Finance Cost               | 0.9                   | 2.2     | -58.1%    | 50.8            | 2.5   | 1958.6%   |
| PBT                        | -115.1                | 16.4    | -802.4%   | -137.5          | 16.4  | -938.4%   |
| PBT %                      | -12.6%                | 1.6%    | (1410)Bps | -19.4%          | 2.1%  | (2150)Bps |
| Impairmt of CWD investment | 20.0                  | -       |           | 20.0            |       |           |
| PBT                        | -135.1                | 16.4    |           | -157.5          | 16.4  |           |
| PBT %                      | -14.8%                | 1.6%    |           | -22.2%          | 2.1%  |           |
| OCI                        | 122.8                 | 23.9    |           | 123.2           | 23.9  |           |
| PBT (Aft. Excp & OCI)      | -257.9                | -7.5    |           | -280.7          | -7.5  |           |
| Tax                        | -38.1                 | 5.0     |           | -25.0           | 5.0   |           |
| PAT                        | -219.8                | -12.5   |           | -255.7          | -12.5 |           |
| PAT %                      | -24.0%                | -1.2%   |           | -36.1%          | -1.6% |           |

| Particulars                | Non - GAAP Financials |         |          | GAAP Financials |         |          |
|----------------------------|-----------------------|---------|----------|-----------------|---------|----------|
|                            | 2019-20               | 2018-19 | Gr%      | 2019-20         | 2018-19 | Gr%      |
| Revenue                    | 4,384.8               | 4,428.1 | -1.0%    | 3,381.0         | 3,481.3 | -2.9%    |
| Other Income               | 62.8                  | 61.7    | 1.8%     | 33.5            | 17.9    | 87.2%    |
| Total Revenue              | 4,447.7               | 4,489.8 | -0.9%    | 3,414.5         | 3,499.2 | -2.4%    |
| Margin                     | 1,432.0               | 1,469.9 | -2.6%    | 1,413.4         | 1,454.1 | -2.8%    |
| Margin%                    | 32.7%                 | 33.2%   | (50)Bps  | 41.8%           | 41.8%   |          |
| Operating Exp.             | 1,311.8               | 1,267.1 | 3.5%     | 863.9           | 1,200.8 | -28.1%   |
| EBITDA                     | 182.9                 | 264.5   | -30.8%   | 582.9           | 271.2   | 114.9%   |
| EBITDA %                   | 4.2%                  | 6.0%    | (180)Bps | 17.2%           | 7.8%    | 950Bps   |
| Depreciation               | 187.2                 | 135.1   | 38.6%    | 439.2           | 135.1   | 225.2%   |
| Finance Cost               | 4.9                   | 5.7     | -15.0%   | 194.4           | 12.4    | 1461.5%  |
| PBT                        | -9.1                  | 123.7   | -107.4%  | -50.7           | 123.7   | -141.0%  |
| PBT %                      | -0.2%                 | 2.8%    | (300)Bps | -1.5%           | 3.6%    | (510)Bps |
| Impairmt of CWD investment | 20.0                  | -       |          | 20.0            |         |          |
| PBT                        | -29.1                 | 123.7   |          | -70.7           | 123.7   |          |
| PBT %                      | -2.0%                 | 8.4%    |          | -5.0%           | 8.5%    |          |
| OCI                        | 174.9                 | 48.5    |          | 177.8           | 48.5    |          |
| PBT (Aft. Excp & OCI)      | -204.0                | 75.2    |          | -248.5          | 75.2    |          |
| Tax                        | -7.9                  | 44.3    |          | 69.6            | 44.3    |          |
| PAT                        | -196.1                | 31.0    |          | -318.0          | 31.0    |          |
| PAT %                      | -4.5%                 | 0.7%    |          | -9.4%           | 0.9%    |          |

**EXPLANATION OF NON-GAAP MEASURES**

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 (Rs.129.73 Crores for Q4 and Rs.548.55 Crores for YTD Mar'20) and Cost of Goods Sold as COGS.

In addition to this, Loyalty point's 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 (Rs.7.03 Crores for Q4 and Rs.49.21 Crores for YTD Mar'20). 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 Rs.11.17 Crores for Q4 & Rs.44.44 Crores for YTD Mar'20 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 Rs.99.62 Crores for Q4 (YTD Mar'20:Rs.399.98 Crores), Depreciation by Rs.66.80 Crores and for YTD Mar'20 Rs.236.40 Crores (including accelerated depreciation as stated above) and Interest by Rs.49.47 Crores for Q4 (YTD Mar'20: Rs.187.84 Crores)

With respect to the stores planned for foreclosure / closed store an amount of Rs.1.00 crores for Q4 (YTD Mar'20 Rs.15.25 Crores), being excess of Right to use liability over Right to use asset has been accounted in the Profit & Loss account.

The Company has exercised the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Deferred Tax Asset created on account of difference in Right To Use Asset and Right To Use liability have to be reduced to align with the lower tax rate. An amount of Rs 13.13 Crores for Q4 ( YTD Mar'20 Rs.77.45 Crores) has been proportionately charged to tax in this quarter in GAAP financials on this account.

**IND AS 109**

Interest income accounted on Present value of deposits (Q4: Rs 2.77 Crores and YTD Mar'20: Rs.12.04 Crores) and rent amortized (now depreciation) on prepaid rentals (Q4: Rs 4.74 Crores and YTD Mar'20: Rs.15.01 Crores) has been negated in Non-Gap financials, as they are non-cash items.

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

We have also attached reconciliation statement for the investors to understand the difference between these two statements.

Place : Mumbai  
Date : 15th June, 2020.  
Regd. Off: Umang Towers, 5<sup>th</sup> Floor, Mindspace,  
Off, Link Road, Malad (West), Mumbai 400 064  
Tel: (+91 22) 42497000, Website: [www.shoppersstop.com](http://www.shoppersstop.com)  
E-mail : [investor@shoppersstop.com](mailto:investor@shoppersstop.com)  
CIN: L51900MH1997PLC108798

For Shoppers Stop Limited

**RAJIV  
SURI**

**Rajiv Suri**  
Customer Care Associate & Managing Director  
& Chief Executive Officer.



## Shoppers Stop Reported Revenue of Rs. 916 Crs And EBITDA Loss of Rs.17 Crs in Q4FY20

**Mumbai, June 15, 2020:** Shoppers Stop Ltd. (NSE: SHOPERSTOP | BSE: 532638) reported Sales of Rs.916 Crs and EBITDA Loss of Rs.17 Crs in the quarter (Non-GAAP). GAAP adjusted; the turnover is Rs. 709 Crs and EBITDA (before exceptional item) of Rs.83 Crs.

The retail industry as a whole has been adversely impacted by the spread of COVID-19. The Company faces significant challenges due to COVID-19, which has impacted the operations of the Company adversely starting from the month of March 2020 onwards, particularly by way of store closures due to complete lockdown. The near-term impact is contingent on various external factors such as lifting the lock down, opening of Malls and customer confidence on discretionary spending.

### Overall Performance

Commenting on the quarterly performance of the company, Mr. Rajiv Suri, Customer Care Associate, Managing Director & Chief Executive Officer, Shoppers Stop Ltd. said, "This year and particularly this quarter have been unprecedented due to the impact of COVID-19. The year started with an exceptional pace of expansion and growth but closed on a sombre note as the world faced a one-of-its-kind crisis in the outbreak of COVID-19. The complete lockdown in March impacted the quarter performance as the full chain of 252 stores were shut down whilst all fixed costs remained in the books. We added 11 department stores 22 beauty stores and 5 Airport doors during this year, investing Rs.212 Crs. from our internal accruals to set us up for exponential growth in the coming years.

During the lockdown, we continued to engage with our First Citizen Customers, Employees and surrounding communities using our Personal Shoppers and social media platforms, which ensured a healthy exchange of ideas, knowledge and information.

Virtual sessions on DIY (Do It Yourself) in beauty, edutainment and fitness kept our audience engaged. As the brick and mortar stores shut down, we strengthened our e-commerce portal. We are following the guidelines of the Government and WHO, putting in place all the required safety measures while waiting to open all our stores soon"

The Company retains its purpose to be the most loved Shopping destination for the young Indian family and in turn helping communities to live and feel better. The Company has re-opened 50+ stores post lockdown and is actively engaged with our First Citizen customers both online and offline. The engagement across social media, e-commerce portal, website and App and Personal Shoppers has ensured a high brand recall. Investments are being made to sharpen our analytic capabilities, which will improve overall customer experience and personalization besides supporting our growth.

## For the Quarter

Against a challenging Lockdown period, temporary store closures, strong base of Q4 FY19, and a subdued retail landscape, the Revenue growth was muted LTL (16%), though in January and February LTL growth was 2.4%. The company proactively increased its productivity and efficiencies by keeping the costs in control (LTL costs declined by Rs 16 Crs over last year).

The company has added 3 department stores and 6 beauty doors during the quarter taking the total footprint to 89 Department stores (net of 5 closures during the year) and 132 Beauty doors across 44 cities in India as at March 31, 2020. Our First Citizen Loyalty program contributed 79% (+5% Y-o-Y basis) of Revenue. The Beauty segment mix increased to 18% (+1% YoY). We launched Arcelia – the Premium Beauty Format store at Hyderabad Airport and have upgraded the beauty experience in existing two stores.

## Covid 19 Update:

The Company has undertaken the following steps:

1. Manage liquidity and conserving cash – The Company has undertaken various cost savings initiatives including headcount optimization and other steps to maximize the cash flow such as, optimize inventory levels, reduce the capital expenditure, discretionary investments and transform the cost structure.
2. As per the financial estimates, the company has sufficient financial arrangements to fulfill its working capital requirements.
3. As on date, 53 Department stores, 7 Home Stores, 61 Beauty Stores and 2 Arcelia Stores are operational. With gradual releasing of the lockdown in the country, we expect the footfall and sales to increase in the coming quarters.

## Financial Performance

\*Non-GAAP Press Release for Immediate Distribution Financials:

| Rs. In Crs.             | Non-GAAP  |              | GAAP  |             |
|-------------------------|---|--------------|-------|-------------|
| Revenue from Operations | 915.5   | (12.3%) YOY  | 709.2 | (10.4%) YOY |
| EBITDA                  | (16.7)  | (126.0%) YOY | 82.9  | +28.8% YOY  |
| First Citizens          | As at 31.03.2020 <b>7 Million</b> +140K added in the quarter. |              |       |             |
| Stores added            | Shoppers Stop 3, Beauty and Others 6                          |              |       |             |
| Total Retail Area       | 4.5M Sq. ft.  |              |       |             |

The Ministry of Corporate Affairs (MCA) has mandated Accounting Standard AS 116 for accounting the Lease Contracts. A detailed working has been included in our Quarterly Performance presentation uploaded in our corporate website. We have published a detailed Non-GAAP and GAAP Income Statement. Our non-GAAP 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 statements prepared in accordance with GAAP.

--END--

**About Shoppers Stop Limited:** Shoppers Stop Ltd. is the nation's leading premier retailer of fashion and beauty brands established in 1991. Spread across 89 department stores in 44 Cities, the company also operates premium home concept stores (11 Stores), 132 Specialty Beauty stores of M.A.C, Estée Lauder, Bobbi Brown, Clinique, Smash box, Jo Malone and Arcelia, occupying an area of 4.5M sq. ft.

Shoppers Stop is home to one of the country's longest running and most coveted loyalty program 'First Citizen'. The company's one-of-a-kind shopping assistance service, 'Personal Shopper' is revolutionising the way Indians shop; bringing more value, comfort and convenience to customer experiences. The brands diversified Omni channel offering spans over 600+ recognised and trusted brands across an incomparable range of products that together serve our overarching objective of delivering customer delight.

For more information, contact:

**Shoppers Stop:**

Asawari Sathaye

(P) +91-9870095404

(E) [asawari.sathaye@shoppersstop.com](mailto:asawari.sathaye@shoppersstop.com)

**Perfect Relations:**

Tejaswi Sachdeva / Malihah Faizi

(P) +91 9167460644 / +91 9930091594

(E) [Tejasvi.Sachdeva@perfectrelations.com](mailto:Tejasvi.Sachdeva@perfectrelations.com) / [Malihah.Faizi@perfectrelations.com](mailto:Malihah.Faizi@perfectrelations.com)





# SHOPPERS STOP

**Q4 | FY20**  
QUARTERLY PERFORMANCE

# Table of Contents

**01.  
ABOUT US**

**02.  
OUR COVID  
RESPONSE**

**03.  
OUR STRATEGIC  
PILLARS**

**04.  
NEW STORE  
ADDITIONS**

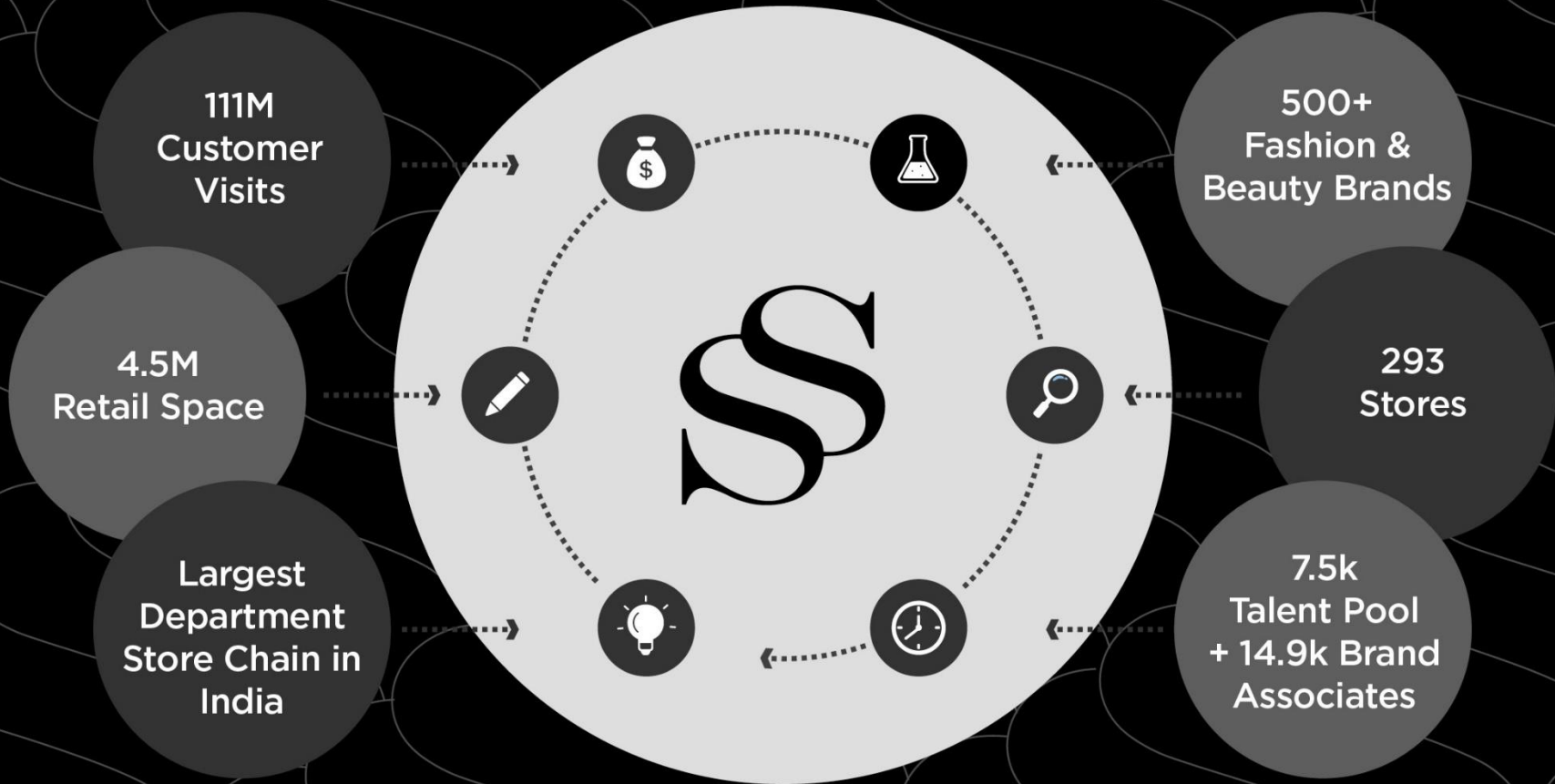
**05.  
Q4 HIGHLIGHTS  
& COMPANY  
FINANCIALS**

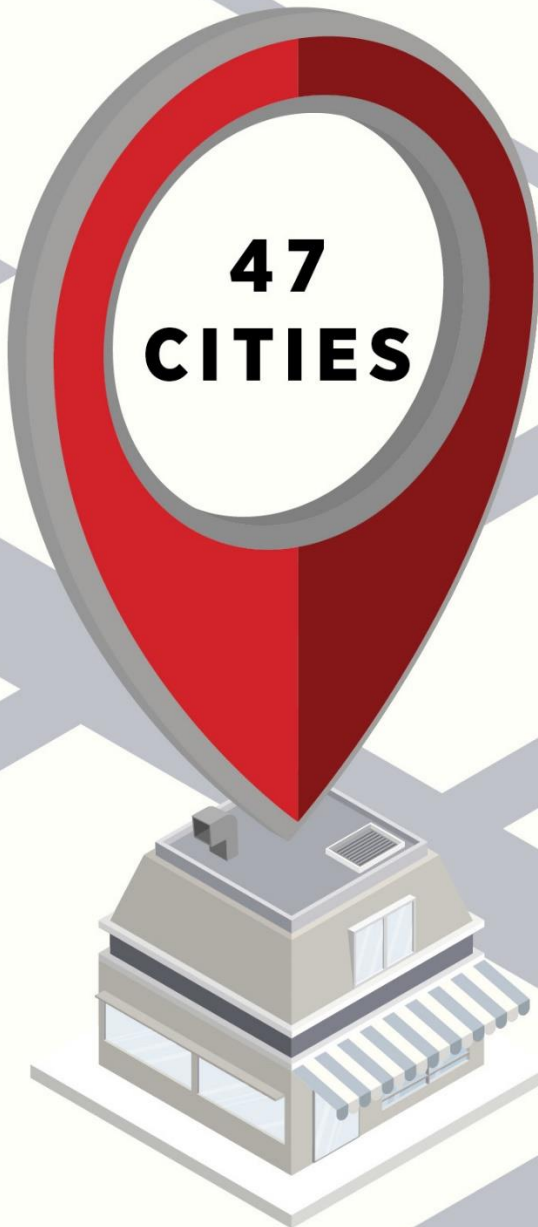


**01.**  
**ABOUT US**

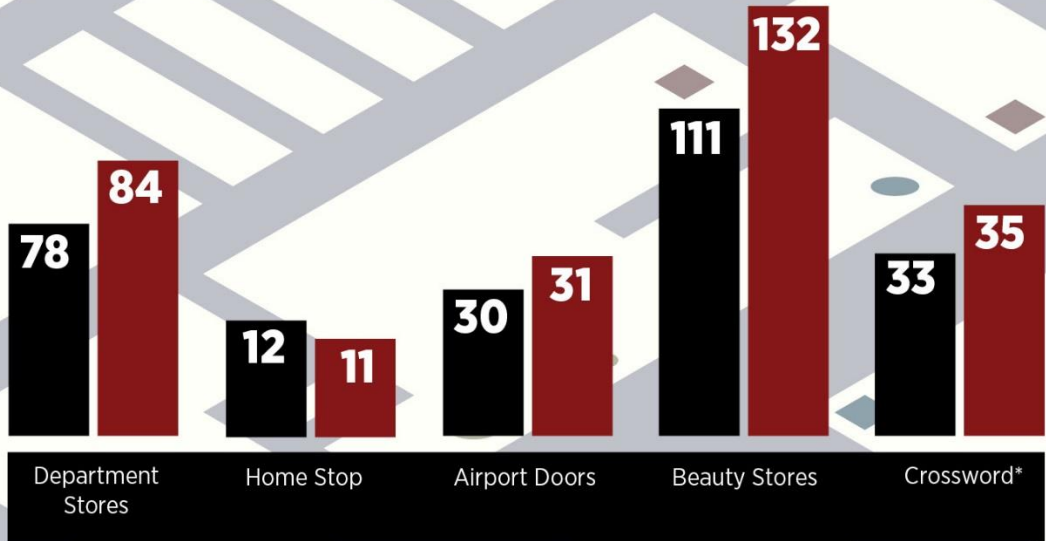
---

Company  
at a Glance





FootPrint in India  
**264 Stores** (March 19) ; **4.3M sq.ft**  
**293 Stores** (March 20) ; **4.5M sq.ft**



\*CROSSWORD - Additional 38 Franchisee Stores

**Our Core customer is a young family where the woman is the primary influencer.**

These upwardly mobile, middle to high income families, shop across our stores for the widest selection of brands.

**We have a fast growing young customer base of 18-25 years age.**

These customers are shopping premium products with us, as they build their future dreams and careers.





# Digital Footprint

**67M**

VISITS ONLINE

**9.7M+**

MOBILE APP  
DOWNLOADS

**25,000+**

PIN CODE  
COVERAGE

**68 STORES**

MOBILE ENABLED  
BILLING

**18%**

OMNI CHANNEL  
FIRST CITIZEN MIX

# ENVIRONMENTAL SOCIAL & GOVERNANCE



### ENVIRONMENT

Sustainable Brands  
Sustainable Organisation

### REDUCED PLASTIC CONSUMPTION BY 40 TONS

Paper Bags instead of Plastic

### SAVED 2000 TONS OF PAPER

Re-using 1M Carton Boxes

### REDUCTION IN CARBON EMISSION BY 5000 TONS

Through VFD & LED Installations

### SAVED 0.15M SQ.FT WOODWORK (EQUIVALENT TO 600 TREES)

Eco friendly recyclable fit-out materials

### RECYCLED 12.5 TONS OF CLOTHES

Distributed to 3500 families



### PROMOTED GENDER EQUALITY, DIVERSITY & INCLUSIVENESS

40% Female Staff  
Structured Policies for Working Mothers

### SOCIAL (CSR) Community Employment







**02.  
OUR  
RESPONSE  
TO COVID 19**

---



# Our Covid Response



## **BUSINESS CONTINUITY**

1. Customer Engagement during Lockdown
2. Introduction of PPE Kits

## **MANAGING COSTS AND CASH FLOW**

1. Re-negotiated Contracts including Leases
2. Liquidity Management - Revamp Costs, Optimize Inventory & Manage Payables

## **OMNI CHANNEL ECOMMERCE & AMAZON**

1. Renewed Focus on E-Commerce
2. 84 Stores enabled with Ship from Stores

## **ACCELERATING TECHNOLOGY**

1. Implementation of SAP & Gravy (Loyalty Engine)
2. Digitization of Store Operation Processes

## **TRANSFORMING WORKPLACE AND TALENT**

1. Agile, Resilient & Digital Organization for the New Normal
2. Adherence to Health and Safety Protocols

Aarogya Setu Mandatory  
for Employees and Customers



Contactless Billing



Health Check Up  
for all Staff members



Merchandise is Displayed  
and Delivered under  
High Hygiene Standards



Face Masks and Gloves  
Compulsory



Floor Markers for  
Social Distancing

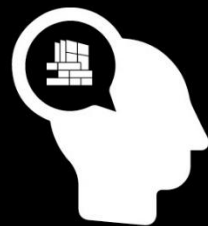


Deep Cleaning of Stores,  
Warehouses and Office  
at Regular Intervals



# **03. OUR STRATEGIC PILLARS**

---





First  
Citizen

**7M  
PROGRAM  
MEMBERS**

**KEY GROWTH ENGINE**

- Revenue contribution : 79%, 5+% YoY
- Repeat purchases : 69%, 4+% YoY
- New enrollment in Q4 : 0.1M+
- New enrollment in FY20 : 0.9M+

**79%+  
CONTRIBUTION  
TO COMPANY  
SALES**

**2.7X AVERAGE  
TICKET SIZE**

**13% +  
CONTRIBUTION  
TO TOTAL  
SALES**

**PROVIDING A DELIGHTFUL SHOPPING EXPERIENCE  
THROUGH PERSONAL SHOPPERS**

- Consistent Customer Satisfaction (CSAT) score average 92+%
- Exclusive PS Lounge, Trial Rooms and No-Queue Billings
- Personal Shopper @ Home
- 10,000+ hours of training every year

Private & Exclusive  
Brands

12%

CONTRIBUTION  
TO BUSINESS



STOP  
AT NOTHING

Life

KASHISH

karot

HAUTEcurry

Nayomi

FEMINA FLAUNT

FRATINI



# Beauty

CONTINUED DOMINANCE IN BEAUTY SEGMENT ACROSS ALL CHANNELS.

## **6 NEW STORES IN Q4:**

- 1 Standalone MAC store at Ranchi
- 4 Shop-in-Shops : 3 MAC stores at Varanasi, Kozhikode and Hyderabad, 1 Clinique store at Hyderabad
- 1 Multi-Brand Beauty store Arcelia at Hyderabad Airport

**150+**  
**BEAUTY BRANDS**

**18%**  
**CONTRIBUTION**  
**TO TOTAL**  
**SALES**





**04.**  
**NEW STORE**  
**ADDITIONS**

---





**FY20 STORE OPENINGS**

**11  
DEPARTMENT  
STORES**

**22  
BEAUTY  
STORES**

**05  
AIRPORT  
DOORS**

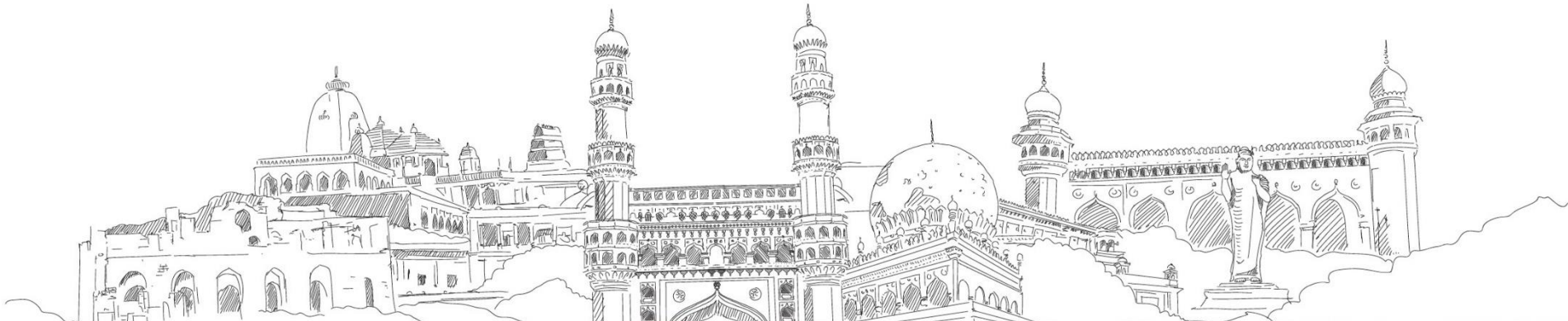
**CAPEX SPEND OF Rs.200+ Crs. THROUGH OUR INTERNAL ACCRUALS**

During the quarter, we opened 3 department stores, 6 beauty stores and 5 airport doors



**Q4 OPENINGS**

**03  
DEPARTMENT  
STORES**

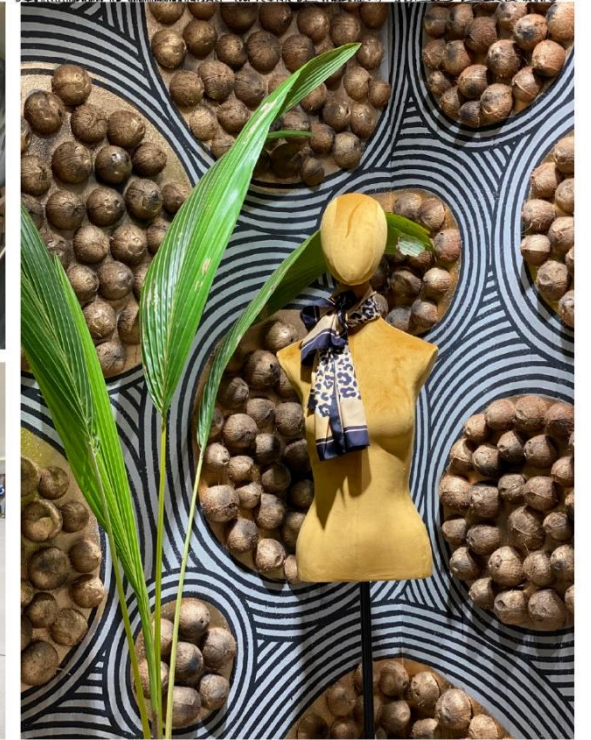


# Sarath City, Hyderabad



**Sigra Mall, Varanasi**





# HiLite Mall, Kozhikode

**Q4  
OPENINGS**

**06  
BEAUTY  
STORES**

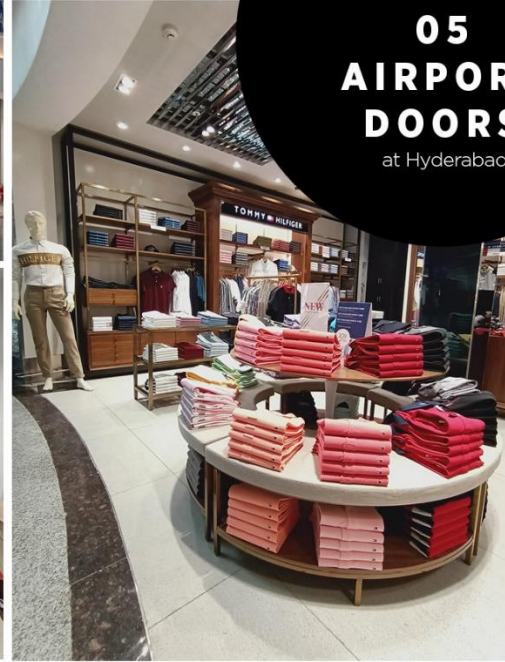


**1 Multi-Brand Beauty Store Arcelia at Hyderabad Airport**  
**1 Standalone MAC, Ranchi**  
**4 Shop in Shops - MAC at Varanasi, Kozhikode and Hyderabad**  
**and Clinique at Hyderabad**



# Q4 OPENINGS

05  
AIRPORT  
DOORS  
at Hyderabad



**SS Studio**  
**SS Black**  
**Mithaas - Domestic & International Terminal**  
**Department Store - International Terminal**





# 05. FINANCIAL OVERVIEW

---



## NORMALIZED RESULTS

We are presenting both Actual and Normalized (For Covid-19 Impact) Income Statements for your reference.

Normalized Financial Statements are based on our best estimates, which is based on immediate past trends and actual Operational Data for January, February and large part of March 2020.

We have provided this for better disclosure and understanding of Sales, EBITDA, Cash and other Important KPI's for FY20.

## FINANCIAL OVERVIEW – FINANCIALS Q4-20

Rs.in Crs

| PARTICULARS   | ACTUAL     | %            | NORMALIZED | %           | LY        | %           | ACTUAL GR%     | NORMAL GR%   |
|---------------|------------|--------------|------------|-------------|-----------|-------------|----------------|--------------|
| Revenue       | 916        |              | 1,132      |             | 1,044     |             | -12.3%         | 8.4%         |
| Other Income  | 15         | 1.6%         | 16         | 1.4%        | 16        | 1.5%        | -7.1%          | 4.3%         |
| Total Revenue | 931        |              | 1,148      |             | 1,060     |             | -12.3%         | 8.3%         |
| Margin        | 283        | 30.9%        | 370        | 32.7%       | 350       | 33.5%       | -19.3%         | 5.8%         |
| Total Cost    | 314        | 34.3%        | 326        | 28.8%       | 301       | 28.9%       | 4.1%           | 8.3%         |
| <b>EBITDA</b> | <b>-17</b> | <b>-1.8%</b> | <b>60</b>  | <b>5.3%</b> | <b>64</b> | <b>6.1%</b> | <b>-126.0%</b> | <b>-6.4%</b> |

LTL costs declined by Rs.16 Crs. Overall cost increase is largely due to New stores and one-off's

## FINANCIAL OVERVIEW – FINANCIALS FY-20

Rs.in Crs

| PARTICULAR    | ACTUAL     | %           | NORMALISED | %           | LY         | %           | ACTUAL GR%    | NORMAL GR%   |
|---------------|------------|-------------|------------|-------------|------------|-------------|---------------|--------------|
| Revenue       | 4,385      |             | 4,601      |             | 4,428      |             | -1.0%         | 3.9%         |
| Other Income  | 62         | 1.4%        | 65         | 1.4%        | 62         | 1.4%        | 1.8%          | 4.8%         |
| Total Revenue | 4,448      |             | 4,666      |             | 4,490      |             | -0.9%         | 3.9%         |
| Margin        | 1,432      | 32.7%       | 1,520      | 33.0%       | 1,470      | 33.2%       | -2.6%         | 3.4%         |
| Total Cost    | 1,312      | 29.9%       | 1,325      | 28.8%       | 1,267      | 28.6%       | 3.5%          | 4.5%         |
| <b>EBITDA</b> | <b>183</b> | <b>4.2%</b> | <b>260</b> | <b>5.6%</b> | <b>265</b> | <b>6.0%</b> | <b>-30.9%</b> | <b>-1.8%</b> |

**ACTUAL**

**GAAP VS NON GAAP RESULTS**

# FINANCIAL OVERVIEW – FINANCIALS Q4-20

| Particulars                 | Non GAAP Financials |                        |               | GAAP Financials |              |               |
|-----------------------------|---------------------|------------------------|---------------|-----------------|--------------|---------------|
|                             | Q4-20               | Q4-19                  | Gr%           | Q4-20           | Q4-19        | Gr%           |
| Revenue                     | 916                 | 1,044                  | -12.3%        | 709             | 791          | -10.4%        |
| Other Income                | 15                  | 16                     | -7.1%         | 6               | 5            | 6.8%          |
| <b>TOTAL REVENUE</b>        | <b>931</b>          | <b>1,060</b>           | <b>-12.3%</b> | <b>715</b>      | <b>796</b>   | <b>-10.2%</b> |
| <b>MARGIN</b>               | <b>283</b>          | <b>350</b>             | <b>-19.3%</b> | <b>284</b>      | <b>349</b>   | <b>-18.7%</b> |
| Margin%                     | 30.9%               | 33.5%                  | (260 bps)     | 40.0%           | 44.1%        | (410 bps)     |
| Operating Exp.              | 314                 | 301                    | 4.1%          | 203             | 290          | -29.8%        |
| EBITDA                      | -17                 | 64                     | -126.0%       | 86              | 64           | 33.5%         |
| EBITDA %                    | -1.8%               | 6.1%                   | (790 bps)     | 12.1%           | 8.1%         | 400 bps       |
| Depreciation <sup>(1)</sup> | 98                  | 46                     | 114.1%        | 170             | 45           | 272.4%        |
| Finance Cost                | 1                   | 2                      | -58.1%        | 51              | 3            |               |
| <b>PBT</b>                  | <b>-115</b>         | <b>16</b>              |               | <b>-138</b>     | <b>16</b>    |               |
| PBT%                        | -12.4%              | 1.6%                   |               | -19.2%          | 2.1%         |               |
| Impairment                  | 20                  | Crossword Investments. |               | 20              |              |               |
| <b>PBT</b>                  | <b>-135</b>         | <b>16</b>              |               | <b>-158</b>     | <b>16</b>    |               |
| PBT%                        | -14.8%              | 1.6%                   |               | -22.2%          | 2.1%         |               |
| OCI <sup>(2)</sup>          | 123                 | 24                     |               | 123             | 24           |               |
| <b>PBT(Aft. OCI)</b>        | <b>-258</b>         | <b>-8</b>              |               | <b>-281</b>     | <b>-8</b>    |               |
| Tax <sup>(3)</sup>          | -38                 | 5                      |               | -25             | 5            |               |
| <b>PAT</b>                  | <b>-220</b>         | <b>-13</b>             |               | <b>-256</b>     | <b>-13</b>   |               |
| <b>PAT%</b>                 | <b>-24.0%</b>       | <b>-1.2%</b>           |               | <b>-36.1%</b>   | <b>-1.6%</b> |               |

| Adjustment in Net Profit.                 | GAAP changes |
|---|--------------|
| PBT (as per Non – GAAP )- (A)             | -135         |
| Lease Rent ( AS 116 )                     | -94          |
| Finance costs ( AS 116)                   | 49           |
| Depreciation on ROU Assets (AS 116)       | 56           |
| Acc Depn owing to Lease period ( AS 109)  | 11           |
| Remeasurement of leases life              | -1           |
| Depreciation on ROU deposit less interest | 2            |
| OCI Impact - Gratuity & others            | 1            |
| <b>PBT ( as per GAAP)- (B)</b>            | <b>-158</b>  |

(1)

Depreciation includes the following:  
 Accelerated depn due to possible closure of loss making stores. Rs.20 Crs  
 Change in life of Assets – Rs.31 Crs

(2)

OCI include  
 Mark to market FRL :CY Rs 121.9 Crs (LY(25.6) Crs)  
 Re-measurement of Employee Benefit CY Rs 1.3 Crs ( LY Rs (1.7) Crs )

(3)

TAX PROVISIONS INCLUDE :  
 Normal (Rs.11 Crs)  
 DTL Impact post corporate tax rate reduction (Rs.14 Crs)

# FINANCIAL OVERVIEW – FINANCIALS FY-20

| Particulars                 | Non GAAP Financials |                        |          | GAAP Financials |       |          |
|-----------------------------|---------------------|------------------------|----------|-----------------|-------|----------|
|                             | FY20                | FY19                   | Gr%      | FY20            | FY19  | Gr%      |
| Revenue                     | 4385                | 4428                   | -1.0%    | 3381            | 3481  | -2.9%    |
| Other Income                | 63                  | 62                     | 1.8%     | 33              | 18    | 83.4%    |
| Total Revenue               | 4448                | 4490                   | -0.9%    | 3414            | 3499  | -2.4%    |
| Margin                      | 1432                | 1470                   | -2.6%    | 1413            | 1454  | -2.8%    |
| Margin%                     | 32.7%               | 33.2%                  | (50bps)  | 41.8%           | 41.8% | 0 bps    |
| Operating Exp.              | 1312                | 1267                   | 3.5%     | 860             | 1201  | -28.4%   |
| EBITDA                      | 183                 | 265                    | -30.8%   | 586             | 271   | 116.1%   |
| EBITDA %                    | 4.2%                | 6.0%                   | (180bps) | 17.3%           | 7.8%  | 950bps   |
| Depreciation <sup>(1)</sup> | 187                 | 135                    | 38.6%    | 439             | 135   | 225.2%   |
| Finance Cost                | 5                   | 6                      | -15.0%   | 194             | 12    |          |
| PBT                         | -9                  | 124                    | -107.4%  | -51             | 124   | -141.0%  |
| PBT%                        | -0.2%               | 2.8%                   | (250bps) | -1.5%           | 3.6%  | (500bps) |
| Impairment                  | 20                  | Crossword Investments. |          | 20              |       |          |
| PBT                         | -29                 | 124                    | -107.4%  | -71             | 124   | -141.0%  |
| PBT                         | -2.0%               | 8.4%                   |          | -5.0%           | 8.5%  |          |
| OCI <sup>(2)</sup>          | 175                 | 49                     |          | 178             | 48    |          |
| PBT(Aft. OCI)               | -204                | 75                     |          | -248            | 75    |          |
| Tax <sup>(3)</sup>          | -8                  | 44                     |          | 70              | 44    |          |
| PAT                         | -196                | 31                     |          | -318            | 31    |          |
| PAT%                        | -4.5%               | 0.7%                   |          | -9.4%           | 0.9%  |          |

| Adjustment in Net Profit.                   | GAAP changes |
|---|--------------|
| PBT (as per Non – GAAP )- (A)               | -29          |
| Lease Rent ( AS 116 )                       | -369         |
| Finance costs ( AS 116)                     | 188          |
| Depreciation on ROU Assets (AS 116)         | 192          |
| Acc Depn owing to Lease period ( AS 109)    | 44           |
| Remeasurement of leases life                | -15          |
| Depreciation on ROU deposit net of Interest | 3            |
| OCI Impact - Gratuity & others              | 2            |
| PBT ( as per GAAP)- (B)                     | -71          |

(1)

Depreciation includes the following:

|  |           |
|--|-----------|
| Accelerated dep due to possible closure of loss making stores. | Rs.20 Crs |
| Change in life of Assets –                                     | Rs.31 Crs |

(2)

OCI include

|                                    |                                  |
|------------------------------------|----------------------------------|
| Mark to market FRL                 | CY Rs 174.9 Crs (LY(46.6) Crs)   |
| Re-measurement of Employee Benefit | CY Rs 2. Crs ( LY Rs (1.9) Crs ) |

(3)

TAX PROVISIONS INCLUDE :

|  |                 |
|--|-----------------|
| Normal                                       | Rs.25 Crs       |
| DTL Impact post corporate tax rate reduction | Rs.45 Crs (net) |

# FINANCIAL OVERVIEW – BALANCE SHEET

| PARTICULARS                    | MAR,20       | MAR,19       |
|--------------------------------|--------------|--------------|
| Net worth                      | 774          | 978          |
| Loan Fund                      | 124          | 40           |
| <b>TOTAL LIABILITIES</b>       | <b>898</b>   | <b>1,018</b> |
| Fixed Assets (WDV)             | 641          | 630          |
| Lease Deposit                  | 216          | 183          |
| Investments in CBL & FRL       | 71           | 267          |
| Investment in Mutual Fund      | 154          | 42           |
| Inventory                      | 470          | 392          |
| ROR Inventory                  | 755          | 661          |
| Debtors , loans and Advances   | 326          | 274          |
| <b>TOTAL CURRENT ASSETS</b>    | <b>1,569</b> | <b>1,353</b> |
| Trade Creditors Goods          | 526          | 413          |
| Trade Creditors : ROR          | 755          | 661          |
| Other Creditors & Liabilities  | 432          | 374          |
| <b>TOTAL CURRENT LIABILITY</b> | <b>1,753</b> | <b>1,458</b> |
| <b>NET CURRENT ASSETS</b>      | <b>-184</b>  | <b>-104</b>  |
| <b>TOTAL ASSETS</b>            | <b>898</b>   | <b>1,018</b> |

## Investment Include :

|               |           |
|---------------|-----------|
| Crossword     | Rs.35 Crs |
| Future Retail | Rs.36 Crs |



## FINANCIAL OVERVIEW – CASH FLOW

| PARTICULARS                                   | MAR-20     | MAR-19     |
|---|------------|------------|
| Cash Profit from Operations (after tax)       | 194        | 221        |
| Increase in Creditors for Goods               | 110        | 43         |
| Increase in Other Creditors and Liabilities   | 61         | -10        |
| Increase in Inventories                       | -78        | -64        |
| Increase in Loans & Advances & Sundry Debtors | -53        | 39         |
| <b>CASH GENERATED FROM OPERATIONS</b>         | <b>236</b> | <b>230</b> |

+ Rs.6 Crs

| INVESTMENTS DURING THE QUARTER         | MAR-20    | MAR-19     |
|--|-----------|------------|
| Fixed Assets(including CWIP) & Deposit | -241      | -114       |
| Reduction in Creditors for Capex       | 30        | -14        |
| <b>CASH GENERATED FROM OPERATIONS</b>  | <b>24</b> | <b>103</b> |

# FINANCIAL OVERVIEW – RATIOS

## PROFITABILITY AND EFFICIENCY RATIOS

| YEAR TO MARCH           | FY20N | FY20  | FY19  | FY18 | FY17 | FY16  |
|-------------------------|-------|-------|-------|------|------|-------|
| ROE(%)                  | 7.6%  | -0.4% | 12.6% | 9.1% | 6.4% | 8.9%  |
| ROCE(%)                 | 8.6%  | -1.0% | 12.6% | 9.4% | 6.3% | 10.3% |
| Inventory Days          |       | 121   | 142   | 120  | 116  | 138   |
| Debtors Days            |       | 2     | 4     | 4    | 3    | 2     |
| Creditors Days          |       | 57    | 44    | 50   | 45   | 51    |
| Cash Conversion Ratio   |       | 64    | 98    | 70   | 71   | 87    |
| Current Ratio           |       | 0.9   | 0.8   | 1.0  | 1.0  | 1.0   |
| Gross Debt/EBITDA       |       | 0.4   | 0.2   | 1.5  | 2.9  | 2.7   |
| Gross Debt/Equity       |       | 0.2   | 0.0   | 0.1  | 0.8  | 0.8   |
| Adjusted Debt/Equity    |       | 0.2   | 0.0   | 0.1  | 0.8  | 0.8   |
| Interest Coverage Ratio |       | -0.9  | 16.9  | 3.9  | 2.3  | 3.1   |

# FINANCIAL OVERVIEW – RATIOS

## OPERATING RATIOS

| YEAR TO MARCH               | FY20 | FY19 | FY18 | FY17 | FY16 |
|-----------------------------|------|------|------|------|------|
| Total Assets Turnover Ratio | 4.5  | 4.3  | 3.5  | 3.0  | 2.8  |
| Fixed Assets Turnover Ratio | 6.6  | 6.8  | 6.3  | 6.2  | 5.9  |
| Equity Turnover Ratio       | 5.0  | 4.6  | 4.9  | 5.3  | 4.9  |

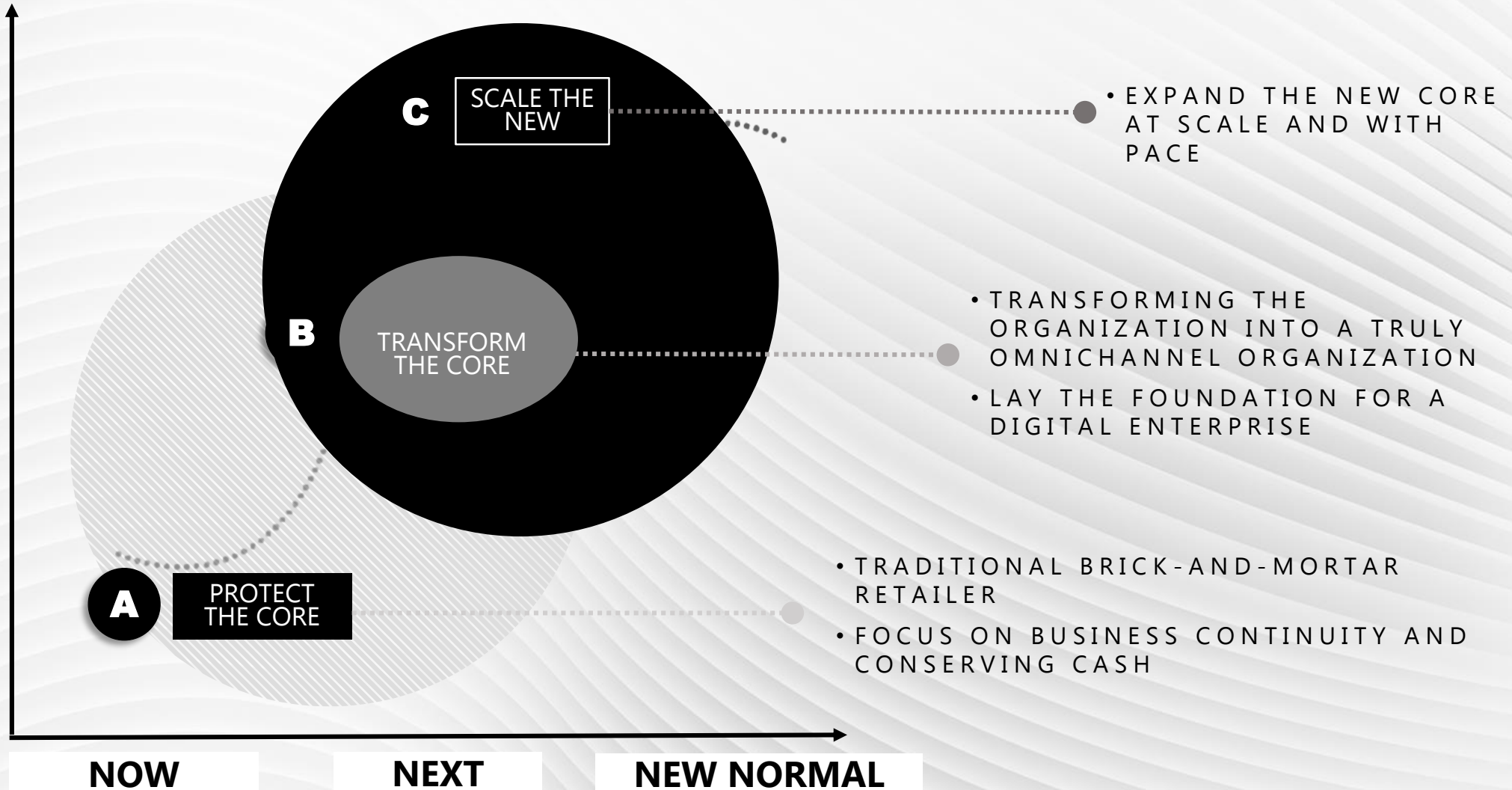
## VALUATIONS PARAMETER

| YEAR TO MARCH      | FY20  | FY19  | FY18  | FY17  | FY16  |
|--------------------|-------|-------|-------|-------|-------|
| Adj. Diluted EPS   | -2.4  | 9.0   | 1.4   | -2.4  | 3.0   |
| Adjusted Cash EPS  | 20.8  | 25.0  | 15.5  | 11.5  | 14.6  |
| Diluted P / E (X)  | -81.0 | 52.7  | 390.1 | 365.0 | 120.3 |
| P / B (X)          | 2.0   | 4.2   | 4.7   | 4.0   | 3.9   |
| EV / SALES (X)     | 0.4   | 0.9   | 1.1   | 0.8   | 0.8   |
| EV / EBIDTA (X)    | 9.4   | 15.7  | 20.0  | 15.1  | 14.0  |
| Dividend Yield (%) | -     | 15.9% | 14.2% | 20.5% | 20.6% |

# WAY FORWARD

# A PERFECT **STORM** IS ALSO A PERFECT **OPPORTUNITY**

A pivot is essential for successfully transforming the core of our business to thrive in the new normal



# NEW NORMAL

NOW

NEXT

NEW NORMAL

## A. Protect the "CORE"

1

### BUSINESS CONTINUITY

- Employee safety
- Trust in brand Shoppers Stop
- First Citizen engagement
- Secure supply chain
- Store reopening protocols
- New Revenue Streams
- New Partnerships

2

### LIQUIDITY MANAGEMENT

- Revamping the cost structure
- Optimize Working Capital – Improve Cash Conversion Cycle
- Rationalize Capital Expenditure
- Terms of trade, Payables

## B. Transform the "CORE"

3

### RING FENCE FIRST CITIZENS

- Develop improved offering and services to ensure we lock-in First Citizen into Shoppers Stop ecosystem – with online focus

4

### BUILD THE DIGITAL CORE

- Set the data and analytics foundation
- Digitize all processes and adapt to new normal

5

### REIMAGINE ROLE OF STORE

- Define new role of the store
- Define role of the store staff and personal shoppers

6

### WORKFORCE OF THE FUTURE

- Work from Home culture & digital adoption
- Focus on Agility, Learning and Adapting

## C. Scale the "NEW"

7

### THE NEW NORMAL

- Transition from a largely-offline retailer to a truly Omni-channel organization
- Laying the foundation for a digital enterprise – on the back of strong data management and detailed use of analytics
- Strategic technology investments to augment the right-to-win
- New Board Member with Digital and Technology background.

# DISCLAIMER

Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations, and which involve number of risks and uncertainties, beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry.

Shopper's Stop Ltd. may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company. The Company also expects the media to have access to all or parts of this release and the management's commentaries and opinions thereon, based on which the media may wish to comment and/or report on the same. Such comments and/or reporting maybe made only after taking due clearance and approval from the Company's authorized personnel. The Company does not take any responsibility for any interpretations/ views/ commentaries/reports which may be published or expressed by any media agency, without the prior authorization of the Company's authorized personnel.

**In case of any clarifications please contact on [investor@shoppersstop.com](mailto:investor@shoppersstop.com)**