

SEC/042/2014-15

July 31, 2014

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

Sub : Submission of un-audited financial results for the first quarter ended on June 30, 2014.

Pursuant to provisions of Clause 41 of the Listing Agreement, enclosed please find herewith, un-audited financial results for the first quarter ended on June 30, 2014, duly approved by the Board of Directors of the Company.

We also enclose herewith the following :

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

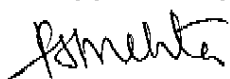
The aforesaid financial results, limited review report and press release are being faxed on the designated fax nos. of the Stock Exchanges as well.

Designated Fax Nos : BSE : 22722037 / 39/ 41/ 61 NSE : 26598237/38

Kindly take the same on records.

Thanking you,

Yours faithfully,
For Shoppers Stop Limited


Prashant Mehta
Vice President - Legal &
Company Secretary

Encl : aa

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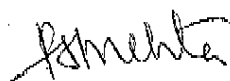
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SHOPPERS STOP

START SOMETHING NEW

Shoppers Stop Gross Retail Turnover up 13.6%
Like-to-Like growth at 3.7%, Volume growth 5%
EBIDTA up 32%

Highlights of Q1FY15

- Gross Retail Turnover touches Rs. 675.5 crores; a jump of 13.6% over Q1FY14
- Like-to-like growth at 3.7%.
- EBIDTA at Rs. 30.8 crore a growth of 32% over Q1FY14
- 1 Lakh plus members added to First Citizen Loyalty Programme
- Crossed 5.68 million fans on Facebook
- **Total stores added in the quarter:** 2 Shoppers Stop store, 5 Crossword stores, 3 M.A.C, 1 Bobbi Brown and 2 Clinique

Total Retail area –40.13 lacs sq.ft

Total First Citizens members – 34.06 lacs

Mumbai, July 31, 2014: Shoppers Stop Ltd (SSL), India's prominent retail group (operator of large format department stores, home stores, specialty stores like Crossword, Mothercare, M.A.C, and hypermarkets) today reported a gross retail turnover of Rs.675.5 crores for the quarter ended June 30th, 2014 as against Rs. 594.8 crore in the corresponding period last year; up 13.6%.

With 69 Departmental stores across 32 cities in India, Shoppers Stop continues to grow and expand its retail footprint. This quarter, SSL added two new Shoppers Stop store in Kolkata and Ludhiana, five Crossword stores in Mangalore and Kolkata and Siliguri, three M.A.C stores in Bengaluru and Pune, one Bobbi Brown store in Gurgaon and two Clinique doors in Noida & Kolkata.

Driving ahead its successful Loyalty programme, SSL continued to expand its membership base adding 1,09,860 new members to the First Citizen Loyalty Programme in Q1FY15. The programme now has a total First Citizen base of over 34.06 lac members.

Speaking on the financial performance, Mr. Govind Shrikhande – Customer Care Associate & Managing Director, Shoppers Stop Ltd. said, "We have witnessed a healthy start to the financial year with 13.6% growth. Our focus for FY15 remains on expansion in the department store category and achieving profitability in Hypercity. SSL is well equipped for a stable growth trajectory and continues to extend its retail footprint across formats with a focus on existing as well as Tier II cities.

"Our loyalty Program, First Citizen Club, also continues to grow its member base". He further added.

During the quarter, Shoppers Stop won "THE MOST EFFICIENT SUPPLY CHAIN COMPANY" in the Retail vertical awarded by Confederation of Indian Industries (CII) in the CII summit. It won the "Global Award

GSI

for Excellence in Supply Chain Innovation" from World Quality Congress. It received the "Golden Peacock Eco-Innovation Award" to encourage systematic Innovation in Organization, and also received the "National Award for Excellence in Training and Development" for "Best Leadership Development Program" at the World HRD Congress and was also recognized in the "Top 50 Great Places to Work", and ranked 27th amongst 600 top Indian Companies. Crossword Bookstores Limited, the Company's wholly owned subsidiary received the "Best Book Retailer" award at the Indian Retail Awards 2014.

Shoppers Stop and its retail invested companies operate the following number of stores/doors as on June 30th, 2014: -

Mixed Retailing:

HyperCity – Currently has **15 stores**, spread over an area of 12.16 lacs sq. ft.

Sales Grew by 8% , Margin was up by 130 basis points and Company EBITDA improved by 75%, Fashion share was up at 15%.

Fashion & Home Retailing:

- **Shoppers Stop** – Currently has **69 stores** in 32 cities
- **HomeStop (Home Décor)** – Currently has **18 stores** in 12 cities

Specialty Retailing:

- **Mothercare (Maternity, Infant Care)** – The exclusive franchise agreement for departmental stores with Mothercare Plc UK. Currently there are **41 stores of Mothercare (including 4 standalone stores)**.
- **Crossword (Book stores)** – Currently has **89 stores**
- **M.A.C (Cosmetics)** – The retail agreement with Estee Lauder to open M.A.C stores. Currently has **36 stores** with a presence in Mumbai, Bengaluru, Delhi, Amritsar, Chennai, Hyderabad, Pune, Gurgaon, Noida, Ludhiana, Chandigarh, Surat and Kolkata.
- **Clinique (Cosmetics)** – Currently has **25 stores (including 13 standalone)** in Mumbai, Bengaluru, Delhi, Kolkata, Hyderabad, Amritsar, Chandigarh, Surat, Kolkata Pune and Noida.
- **Estee Lauder** - Currently has **9 stores (including 2 shop-in-shops)**, one each in Bengaluru, Mumbai, Chennai, Delhi Kolkata and Gurgaon.
- **Bobbi Brown** – Currently has **2 stores**, one each in Delhi & Gurgaon.

Other Initiatives:

- **Airport Retailing –1 duty free store** is run by the JV Company in the international airport at Bengaluru
- **TimeZone Entertainment** – Currently has **22 doors**.

About Shoppers Stop Ltd

Shoppers Stop Ltd., a pioneer in modern retailing in India, has been promoted by K Raheja Corp. Group (Chandru L. Raheja Group), one of the leading groups in the business of real estate development and hotels in the country. Shoppers Stop Ltd along with its Subsidiaries Crossword Bookstores Ltd and Hypercity Retail (India) Ltd; and Joint Venture Companies Timezone Entertainment Pvt. Ltd and Nuance Group (India) Pvt. Ltd. operates more than 55.05 lacs sq. ft. in the country.

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

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For more information, please contact:

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For Investor related queries on Shoppers Stop Limited write to: investor@shoppersstop.com

SHOPPERS STOP
 START SOMETHING NEW

Shoppers Stop Limited
 Registered Office: "Eureka Towers", 9th Floor, B Wing, Mindspace, Link Road, Malad (West), Mumbai 400 064.
 Tel: (+91 22) 42497000; Fax: (+91 22) 28808877; Website: www.shoppersstop.com; E-mail: investor@shoppersstop.com; CIN: L51900MH1997PLC108798
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014

Rupees in Lacs (Except per share data)				
PART I Particulars	Standalone			
	30-Jun-14 (Unaudited)	31-Mar-14 (Unaudited)	30-Jun-13 (Unaudited)	31-Mar-14 (Audited)
(Refer Notes Below)				
1) Turnover				
Retail Turnover				
Own merchandise (including concession sales)	51,537.83	75,343.99	54,030.47	274,109.89
Consignment merchandise	6,011.03	7,638.89	5,446.71	27,590.06
	57,548.86	82,982.88	59,477.18	301,699.95
Less :- Value Added Tax / Sales Tax	3,310.55	3,577.67	2,983.63	14,581.77
Cost of consignment merchandise	4,030.50	5,308.13	3,728.78	19,051.33
Income from Operations	50,207.81	73,696.88	52,764.77	268,066.85
2) Other operating income:	780.37	955.09	708.59	3,280.47
3) Total Income from operations (net) (1+2)	50,988.18	74,651.97	53,473.36	271,367.32
4) Expenses				
a) Purchases of stock-in-trade	37,448.37	46,408.05	34,280.64	174,215.93
b) Changes in inventories of stock-in trade -(Increase)/Decrease	(1,409.29)	1,228.58	(2,251.39)	(5,171.08)
c) Employees benefits expense	5,279.50	5,695.74	4,405.00	20,444.50
d) Depreciation and amortisation expense (Refer Note 5)	1,985.68	1,780.71	1,327.85	6,177.89
e) Lease Rent and Hire Charges	6,633.98	6,737.60	5,873.97	25,422.05
f) Electricity Charges	2,101.29	1,741.48	1,810.95	7,801.73
g) Other expenses	7,555.16	9,046.00	7,019.15	33,578.14
Total expenses	59,894.73	72,636.22	52,465.97	282,169.16
5) Profit from operations before Other Income, finance costs and exceptional items (3-4)	1,093.45	2,013.75	1,007.39	9,188.16
6) Other Income	338.27	— 373.67	216.97	1,338.88
7) Profit from ordinary activities before finance costs and exceptional items (5+6)	1,431.72	2,387.42	1,324.36	10,527.04
8) Finance Costs	1,305.29	1,078.48	982.95	4,189.10
9) Profit from ordinary activities after finance costs but before exceptional items (7-8)	126.43	1,308.94	341.41	6,337.94
10) Exceptional items - loss by fire	—	—	67.40	67.40
11) Profit from ordinary activities before tax (9-10)	126.43	1,308.94	274.01	6,270.54
12) Tax expense	51.33	496.61	109.89	2,570.07
13) Net Profit after tax (11-12)	75.10	810.33	164.12	3,700.47
14) Paid-up equity share capital (Face value of Rs.5/- Per Share)	4,163.49	4,160.79	4,150.58	4,160.79
15) Reserves (Excluding Revaluation Reserve)				68,708.47
16) Earnings per share (In Rs.) (not to be annualised - Refer Note 2)				
- Basic	0.09	0.98	0.20	4.46
- Diluted	0.09	0.98	0.20	4.45

PART II SELECT INFORMATION FOR THE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014				
A) PARTICULARS OF SHAREHOLDING				
1) Public Shareholding				
- Number of Shares	27,240,183	27,186,086	26,981,526	27,186,086
- Percentage of shareholding	32.71	32.67	32.60	32.67
2) Promoters and promoter group Shareholding				
a) Pledged / Encumbered				
- Number of shares	7,077,204	7,077,204	7,077,204	7,077,204
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	12.63	12.63	12.63	12.63
- Percentage of shares (as a % of the total share capital of the company)	8.50	8.50	8.63	8.50
b) Non-encumbered				
- Number of Shares	48,952,470	48,952,470	48,952,470	48,952,470
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	87.37	87.37	87.37	87.37
- Percentage of shares (as a % of the total share capital of the company)	58.79	58.83	58.87	58.83

Particulars	Quarter Ended 30-Jun-14
B) INVESTOR COMPLAINTS	
Pending at the beginning of the quarter (as on 01-Apr-2014)	NIL
Received during the quarter ended 30-June-2014	ONE
Disposed of during the quarter ended 30-June-2014	ONE
Remaining unresolved at the end of the quarter (as on 30-June-2014)	NIL

Notes to results :

- 1 The Company (standalone) is primarily engaged in the business of retail trade through retail and departmental store facilities, which constitute a single reportable segment.
- 2 During the quarter, 64,097 equity shares of Rs. 5/- each were issued and allotted under the Company's Employee Stock Option Scheme. Consequently, the issued and paid-up Share Capital of the Company as on 30 June 2014 stands increased to Rs.4,163.49 lacs.
- 3 Pursuant to levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from 1 June 2007 by the Finance Act, 2010, the Company has, based on a legal advice, challenged the said levy and, inter-alia, its retrospective application. Consistent with the treatment in earlier periods, pending the final disposal of the matter, the Company continues not to provide for the retrospective levy aggregating to Rs.1,659.56 Lacs for the period 1st June, 2007 to 31st March, 2010.
- 4 The Company (standalone) has a financial involvement aggregating Rs.38,911.98 lacs in Hypercity Retail (India) Limited ('Hypercity'), a subsidiary company. Consistent with the earlier periods, in view of Hypercity's business plans with strategic growth projections, the Company (standalone) considers that there is no loss for which a provision is currently necessary.
- 5 Pursuant to the enactment of the Companies Act 2013 (the 'Act'), effective 1st April 2014, the company has reviewed the estimated economic useful lives of its fixed assets generally in accordance with that provided in Schedule II to the Act. As a result (after considering the transitional provision specified in the schedule II), the Depreciation charge for the current quarter ended 30th June 2014 is higher by Rs.410.29 Lacs.
- 6 Figures of the previous period / year have been regrouped / reclassified wherever necessary.
- 7 The standalone financial results have been reviewed by the Audit Committee on 30 July 2014 and approved by the Board of Directors at its meeting held on 31 July 2014. The statutory auditors of the Company has carried out a limited review of the Company's financial results for quarter ended 30 June 2014.

Place: Mumbai
Date: 31 July, 2014

By order of the Board of Directors
For Shoppers Stop Limited

Govind S Shrikhande
CustomerCare Associate & Managing Director

Deloitte Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th - 32nd Floor
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INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF SHOPPERS STOP LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Shoppers Stop Limited** ("the Company") for the Quarter ended 30 June 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable in respect of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to:
 - a. Note 3 to the Statement regarding non-provision of service tax for the period 1 June, 2007 to 31 March, 2010 on renting of immovable properties given for commercial use, aggregating Rs.1,659.56 lacs, pending final disposal of the appeal filed before the Hon'ble Supreme Court, inter-alia, challenging the retrospective levy of the service tax. The matter is contingent upon the final outcome of the litigation.
 - b. Note 4 to the Statement regarding the Company's financial involvement aggregating Rs.38,911.98 lacs in Hypercity Retail (India) Limited, a subsidiary company. The Company considers no provision for any loss is currently necessary for the reasons stated in the note.

Our opinion is not qualified in respect of these matters.

Deloitte**Haskins & Sells LLP**

5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter ended 30 June 2014 of the Statement, from the details furnished by the Registrars.

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



Shyamak R Tata
Partner
(Membership No. 38320)

Mumbai, July 31, 2014

