

SEC/98/2019-20

January 31, 2020

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

**Sub: Investors' presentation – Q3FY2019-20**

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable Schedule thereto, please find enclosed herewith the investors' presentation issued by the Company for Q3FY2019-20.

The same is also being made available on the website of the Company.

Kindly take the same on records.

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=BHARAT KANAKLAL, postalCode=400067,  
st=Maharashtra,  
2.5.4.20=aa9f9f96ae72d4ff021c8b20493c0ac9  
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Encl: A/a



SHOPPERS STOP

START SOMETHING NEW

Quarterly Performance : Q3 FY20

# Company at a glance

1<sup>st</sup>  
Department  
Store in India



~ 7.5K  
Employees



274  
stores

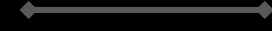


SHOPPERS STOP

110M Customer  
visits



~ 14.3K Brand  
Associates



500+ Fashion and  
Beauty Brands



~4.5M  
retail space





# Growth Acceleration: 5 stores launched on a Single Day on 19<sup>th</sup> Dec



Crowne Mall, Lucknow



Elpro, Pune



Utkal Bhubaneshwar



Vegas Mall, Delhi & Utkal Bhubaneshwar

- During the year Opened 8 department stores and 20 beauty doors
- During the quarter added 6 department stores and 9 beauty doors
- Positive EBITDA from the first operating quarter
- Continue to accelerate our store openings. We expect to open 4 department stores, 11 beauty doors and 8 airport stores in Q4 FY20
- CAPEX is through our internal accruals

# Presence In 42 Cities





# Our Customer



Our Core customer is a young family where the woman is the primary influence. These upwardly mobile, middle to high income family shops across our stores for the widest selection of brands.

We have a fast growing base of young consumers of 18-25 years of age. These customers are shopping for premium products with us as they build their future dreams and careers.

# First Citizen Program



# Personal Shopper Program



# Strategic Pillars

## Private Brands



## Beauty





# First Citizen Loyalty Program



FIRST TO TRY OUT  
STONE WASH JEANS.  
1994

FIRST TO TURN OUT  
IN RIPPED JEANS.  
2019

FIRST TO TURN UP  
IN A CROP TOP.  
1994

FIRST TO SPORT  
AN A-LINE SKIRT.  
2019

First Citizen  
SHOPPERS STOP

25 YEARS  
OF  
BEING FIRST

## 6.8 M

FIRST CITIZEN  
LOYALTY PROGRAM  
MEMBERS

## 84%

CONTRIBUTION TO  
COMPANY SALES

- Key Growth Engine for the Business
- Celebrating 25 years of our loyalty : First Citizen Program
- New enrollment in Q3: +0.3M, +32% YoY, exhibiting strong affinity towards our brand
- Revenue contribution: 84%, +5% YoY
- Repeat purchases: 69% +2% YoY
- First Citizen Black Card continues to gain momentum across all stores



# Personal Shopper Program



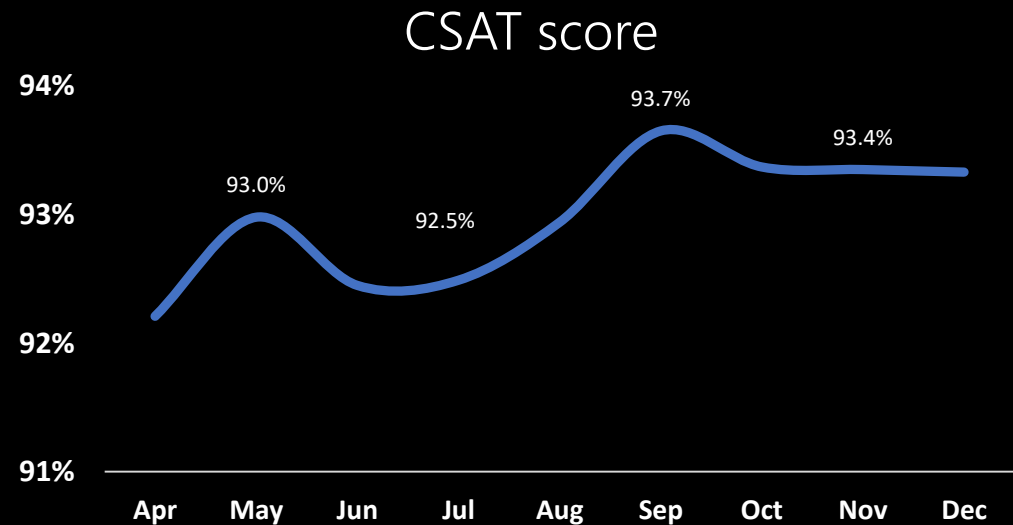
- Exclusive Trial Rooms and Billings
- Personal Shopper @ Home
- Invest 10,000+ hours every year in training

**14%+**  
CONTRIBUTUON TO  
SALES  
+5% YoY

**2.8X**  
AVERAGE TICKET  
SIZE

Providing a delightful shopping experience with our Personal Shopper Service.

Consistent Customer Satisfaction (CSAT) score average ~ +93%



# PRIVATE BRANDS

 FRATINI

HAUTE *curry*

STOP

AT NOTHING

BACK TO EARTH

FEMINA FLAUNT

RHESON

ROCKY  STAR

KASHISH 

*Nayomi*

*Life*

JONES  
NEW YORK

  
— Weaving in Love —



DISHA PATANI  
X  
GLAM LIFESTYLE

12%

CONTRIBUTION TO TOTAL SALES





- Continued dominance in Beauty segment across all channels.
- 9 New Stores in Q3: 3 Standalone & 6 Shop-in-Shop
- Launched 4 New Brands

# BEAUTY

150+

BEAUTY BRANDS

17%+

CONTRIBUTION TO TOTAL SALES

**sisley**  
PARIS



Luxurious Ayurveda

plom  
be good



# Digital Footprint : Omni Channel – Symbiotic Relationship of Clicks & Bricks

+18 M  
VISITS

+25,000  
PIN CODE  
COVERAGE

1.5%  
CONTRIBUTUON  
TO SALES

+8.4 M  
MOBILE APP  
DOWNLOAD

- 1.2M App downloads in Q3
- Endless Aisle rolled out across all Shoppers Stop stores
- Card less First Citizen Program
- Buy Online and Collect from the Store (51 stores)
- 8 stores are live through EDI (Amazon)

# New Department Store Additions Q3 FY20

# TAPASYA, GURUGRAM

65,987 SQ. FT.







**LUCKNOW**  
36,375 SQ. FT.





**PUNE**  
35,000 SQ. FT.



paco rabanne



SUGAR

Glam!



LAKME

COLORBAR

SEAWOODS, NERUL  
19,394 SQ. FT.



# SHOPPERS STOP

NOW  
OPEN

**BHUBHANESHWAR**

37,500 SQ FT.





K  KATA

SHOPPERS STOP

S

SHOPPERS STOP

**MANISQUARE, KOLKATA**

36,763 SQ. FT.



# New MAC Store Additions Q3 FY20





MAC MAKEUP STUDIO

MAC

VEGAS MALL, DELHI





MAC

MAC

MAC MAKEUP STUDIO

SOUTH BRIDAL LOOK

LULUMALL, KOCHI



# MAC



This is a vertical advertisement for MAC "LOVE ME" lipstick. At the top, it says "MAC LOVE ME Lipstick" with a small "NEW" heart icon. Below that, it reads "LOVE AT FIRST SWIPE". The central focus is a single lipstick tube, shown in a dark shade, with the MAC logo on the cap. The tube is set against a vibrant background of pink and purple light trails that form a heart shape. Two small heart icons are placed on either side of the tube, one containing the text "24 SHADES" and the other containing "₹1700".

UTKAL MALL  
BHUBHANESHWAR

# Marketing Campaigns



# Marketing Campaigns

S

**BLACK FRIDAY Sale**  
 29<sup>th</sup> NOV - 1<sup>st</sup> DEC

**UP TO 50% OFF\***

**PREPARE FOR BATTLE.**

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**WALK IN FOR MORE OFFERS.**

**SHOPPERS STOP**  
 START SOMETHING NEW

See www.shoppersstop.com. Download the Shoppers Stop app to Snap, Find, Buy. \*Please A to Z conditions apply. Offer valid on select merchandise with select brands.

MEN | WOMEN | KIDS | BEAUTY | WATCHES | FOOTWEAR | HANDBAGS | ACCESSORIES

NOW ALSO OPEN AT: GROUND FLOOR, SEAWOODS GRAND CENTRAL MALL, NAVI MUMBAI.

Black Friday Sale

S

First Citizen  
 SHOPPERS STOP

**25 YEARS OF**  
**BEING FIRST**

Celebrating 25 Years of First Citizen

S

WE WOMEN LIKE TO TAKE OUR TIME TO GET READY. Right? LIKE WE TOOK MORE THAN 100 years, Just to vote! And even longer to go to work. Ages again, to marry without having to pay for it. And 29 years TO ASK for equal pay. 14 years for maternity leave. And 56 more TO EXTEND IT! And...wait. Still think WE'RE THE ONES WHO TAKE TIME? IT'S TIME TO GET WHAT WE'VE ALWAYS DESERVED. IT'S TIME TO LIVE IT UP, OUR WAY.

**IT'S OUR TIME**  
*A festival celebrating women*

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BEAUTY | FASHION | FRAGRANCES | ACCESSORIES | MAKEOVERS | OFFERS | MOTHER'S DAY SPECIAL & TONS MORE.

- WARDROBE PARTNERS -  
**Lalitha Quarters | VERO MODA**

**SHOPPERS STOP**  
 START SOMETHING NEW

See also on: shoppersstop.com | Download the Shoppers Stop app to Snap, Find, Buy.

Woman's Day: It's our Time

# Technology



# Technology Investment to improve Customer Experience and underpin growth with agility



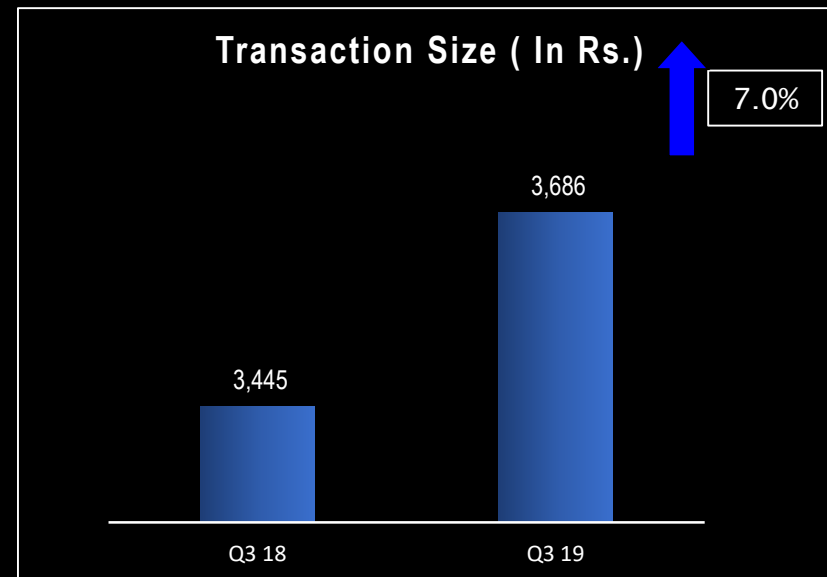
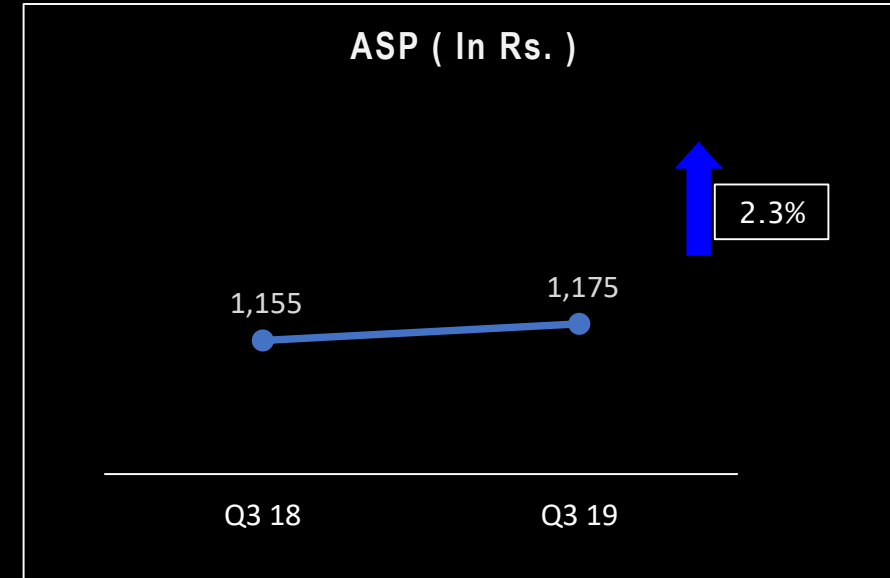
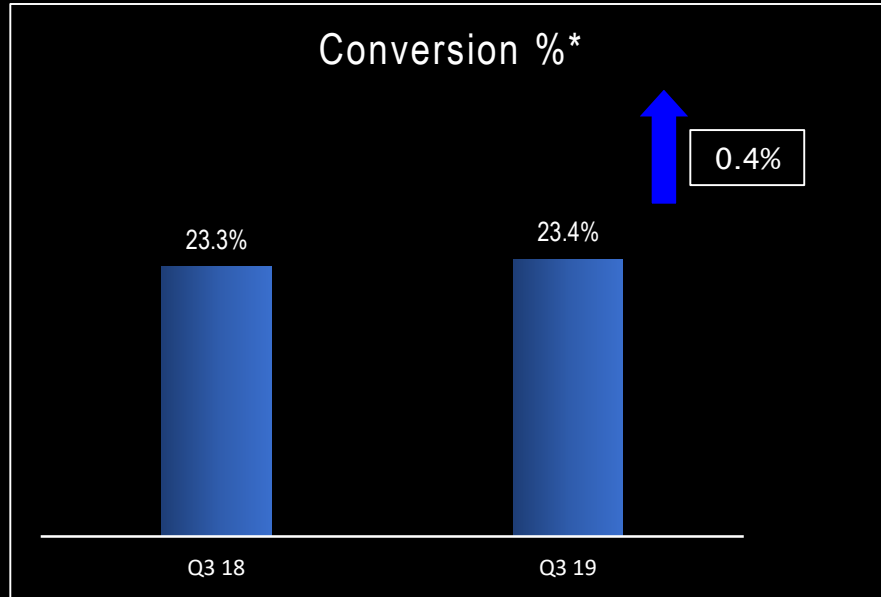
DIGITAL INFORMATION FOR  
SPEED AND HIGHER AGILITY

- SAP ERP expected to go live on Q1 FY21
- New Loyalty First Citizen Program Technology Upgrade (Gravity by Juggernaut): Replacement of home-grown solution with advanced features in analytics and customer offerings
- SAP Hybris Upgrade implemented in Q3 on Shoppers Stop website and mobile APP
- POS upgrade : X Store by Oracle implemented to improve customer billing experience

# Financial Overview



# Operational Indicators – Q3-2019-20



As we are in the process of transitioning from manual to automatic recording of Customer Entry the no's are not comparable.

# FINANCIAL OVERVIEW : SHOPPERS STOP LIMITED : Q3FY20

	Non - GAAP Financials			GAAP Financials		
	Q3-20	Q3-19	Gr%	Q3-20	Q3-19	Gr%
Revenue	1,299.5	1,260.0	3.1%	994.1	999.1	-0.5%
Other Income	18.3	17.4	5.3%	6.6	2.9	131.5%
Total Revenue	1,317.8	1,277.4	3.2%	1,000.7	1,002.0	-0.1%
Margin	431.2	417.3	3.3%	423.6	411.5	3.0%
Margin%	33.2%	33.1%	10 bps	42.6%	41.2%	140 bps
Operating Exp.	347.2	334.2	3.9%	226.2	314.3	-28.0%
EBIDTA	102.2	100.5	1.7%	204.1	100.0	104.0%
EBIDTA %	7.9%	8.0%	(10 bps)	20.5%	10.0%	1050 bps
Depreciation	30.0	27.8		93.4	27.8	
Finance Cost	0.8	4.2		47.8	3.0	
PBT	<b>A</b> 71.5	68.5	4.4%	<b>B</b> 62.9	69.2	-9.1%
PBT%	5.5%	5.4%	10 bps	6.3%	6.9%	(60 bps)
FRL MTM & OCI	18.6	-17.3	207.6%	19.2	-17.3	210.7%
PBT(Aft. MTM & OCI)	52.8	85.8	-38.4%	43.7	86.5	-49.5%
Tax	22.1	24.6		68.0	24.6	
PAT	30.7	61.2	-49.8%	-24.3	61.9	-139.2%
PAT%	2.4%	4.9%	(250bps)	-2.4%	6.2%	(860 bps)

Adjustment in net profit.	GAAP changes
PBT (as per Non – GAAP )- A	71.5
Lease Rent ( AS 116)	-95.6
Finance costs (AS 116)	46.6
Depreciation on ROU Assets (AS 116)	48.2
Acc. Depn owing to Lease period (AS 109)	11.2
Re measurement of leases life	-1.5
Depreciation on ROU assets net of Interest	-0.4
PBT ( as per GAAP)-B	62.9

Tax provisions include:

Current Tax Deferred Tax

Rs.22.1 Crs

DT impact post corporate tax rate reduction of AS 116 reorganisation

Rs.45.9 Crs.



# FINANCIAL OVERVIEW : SHOPPERS STOP LIMITED : YTD Dec FY20

	Non - GAAP Financials			GAAP Financials		
	YTD Dec-20	YTD Dec-19	Gr%	YTD Dec-20	YTD Dec-19	Gr%
Revenue	3,469.3	3,383.8	2.5%	2,671.8	2,690.2	-0.7%
Other Income	48.3	46.0	4.9%	27.1	12.6	115.9%
Total Revenue	3,517.6	3,429.8	2.6%	2,698.9	2,702.8	-0.1%
Margin	1,149.5	1,120.0	2.6%	1,129.7	1,105.4	2.2%
Margin%	33.1%	33.1%		42.3%	41.1%	120 bps
Operating Exp.	998.1	965.7	3.4%	656.9	911.1	-27.9%
EBIDTA	199.6	200.4	-0.4%	500.0	206.8	141.8%
EBIDTA %	5.8%	5.9%	(10 bps)	18.7%	7.7%	1100 bps
Depreciation	89.7	89.5		269.6	89.5	
Finance Cost	4.0	4.3		143.6	10.0	
PBT	<b>A</b> 106.0	106.5	-0.5%	<b>B</b> 86.8	107.3	-19.1%
PBT%	3.1%	3.1%		3.2%	4.0%	(80 bps)
FRL MTM & OCI	53.0	24.5	115.8%	54.6	24.5	122.3%
PBT(Aft. MTM & OCI)	53.0	82.0	-35.4%	32.2	82.7	-61.0%
Tax	30.2	39.3		94.6	39.3	
PAT	22.8	42.7	-46.7%	-62.3	43.4	-243.4%
PAT%	0.7%	1.3%	(60 bps)	-2.3%	1.6%	(390 bps)

Adjustment in net profit.	GAAP changes
PBT (as per Non – GAAP) - A	106.0
Lease Rent (AS 116)	-275.1
Finance costs (AS 116)	138.4
Depreciation ( AS 116)	136.3
Acc Depn owing to Lease period (AS 109)	33.3
Re measurement of leases life	-14.2
Depreciation on ROU assets net of Interest	0.4
PBT (as per GAAP - B)	86.8

Tax provisions include:

Current Tax Deferred Tax

Rs.30.2 Crs

DT impact post corporate tax rate reduction of AS 116 reorganisation

Rs.64.4 Crs.

## FINANCIAL OVERVIEW : BALANCE SHEET

Particulars	Dec,19	Mar,19
Networth	993	978
Loan Fund	11	40
<b>Total Liabilities</b>	<b>1,004</b>	<b>1,018</b>
Fixed Assets (WDV)	681	630
Lease Deposit	205	183
Investments in CBL & FRL	215*	267
Investment in Mutual Fund	170	42
Inventory	445	367
ROR Inventory	776	686
Debtors , loans and Advances	333	274
<b>Total Current Assets</b>	<b>1,588</b>	<b>1,353</b>
Trade Creditors	595	388
ROR Creditors	776	686
Other liabilities and provisions	253	194
<b>Total Current Liability</b>	<b>1,856</b>	<b>1,458</b>
<b>Net Current Assets</b>	<b>-267</b>	<b>-104</b>
<b>Total Assets</b>	<b>1,004</b>	<b>1,018</b>

\*Crossword Book Store Limited : Rs 54 Crs

\*Future Retail Limited : Rs 161 Crs



## FINANCIAL OVERVIEW : CASH FLOW

<b>Particulars</b>	<b>Dec-19</b>	<b>Dec-18</b>
Cash Profit from Operations (after tax)	172	162
Increase in Creditors for Goods	207	925
Increase in Other Creditors and Liabilities	83	21
Increase in Inventories	(78)	(833)
Increase in Loans & Advances & Sundry Debtors	(59)	22
<b>Cash generated from Operations</b>	<b>325</b>	<b>297</b>

→ + Rs 27.3 Crs

<b>Investments during the quarter</b>	<b>Dec-19</b>	<b>Dec-18</b>
Fixed Assets(including CWIP) & Deposits	(172)	(80)
Reduction in Creditors for Capex	18	(12)
<b>Net Cash inflow</b>	<b>171</b>	<b>205</b>

# FINANCIAL OVERVIEW : KEY FINANCIAL RATIO

## Profitability and Efficiency Ratios

Year To March	Q3-20	FY19	FY18	FY17	FY16
Inventory Days*	153	142	120	116	138
Debtors Days	4	4	4	3	2
Creditors Days	62	44	50	45	51
Cash Conversion Ratio	91	98	70	71	87
Current Ratio	1	1	1	1	1
Gross Debt/Equity	0.0	0.0	0.1	0.8	0.8

## Valuation Parameters\*

Year To March	FY19	FY18	FY17	FY16
Adj. Diluted EPS	9.0	1.4	-2.4	3.0
Y-o-Y Growth (%)	563.0%	156.5%	-179.1%	-38.2%
Adjusted Cash EPS	24.3	15.5	11.5	14.6
Diluted P / E (x)	52.7	390.1	365.0	120.3
P / B (x)	4.2	4.7	4.0	3.9
EV / Sales (x)	0.9	1.1	0.8	0.8
EV / EBIDTA (x)	16	20	15	14
Dividend Yield (%)	0.16	0.14	0.21	0.21

## Operating Ratios

Year To March	Q3-20**	FY19	FY18	FY17	FY16
Total Asset Turnover Ratio	4.6	4.3	3.5	3.0	2.8
Fixed Asset Turnover Ratio	7.1	6.8	6.3	6.2	5.9
Equity Turnover Ratio	4.7	4.6	4.9	5.3	4.9

- Sustained improvement in efficiency ratios in last 2 years
- Company remains debt free
- Optimal utilization of assets, resulting to improved turnover ratio

\*Inventory Days for Q3-20 has been annualized. Marginal increase in days due to new stores.

\*\*Q3-20 : Annualized



# Environment and Social Initiatives

## Initiatives taken during the year

- All **plastic bags** were replaced with **paper bags** across all the stores. This will reduce plastic consumption by 40 tons
- In NCR Region, transport to stores from Distribution Centre is through by CNG vehicles **to reduce pollution**
- Variable Frequency Distribution (VFD) were installed at 35 stores to reduce power consumption by 5,62,310 Kw/h (**carbon emission equivalent to 450 tons**)
- LED installed at 82 stores leading to energy savings of Rs.0.4 Crs. **Reduced carbon emission equivalent to 4500 tons**
- Rain water harvesting at Hyderabad to save 60,000 litres p.a. and **reduce carbon emission by ~52 tons**
- Recycled more than 1 million cartons at DC's
- Clothes recycling with NGO Goonj - 12.5 tons of cloths **collected, recycled and distributed** since the inception of program(1<sup>st</sup> April 2019)
- Reused and Recycled fitting and fixtures of closed stores for renovation/new stores



## 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  
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