

# Shoppers Stop

 BSE SENSEX  
 38,127

 S&P CNX  
 11,301

**CMP: INR407**
**TP: INR450 (+11%)**
**Neutral**

## SHOPPERS STOP

Bloomberg	SHOP IN
Equity Shares (m)	88
M.Cap.(INRb)/(USD\$b)	35.5 / 0.5
52-Week Range (INR)	560 / 339
1, 6, 12 Rel. Per (%)	0/-8/-26
12M Avg Val (INR M)	26
Free float (%)	36.3

### Financials & Valuations(INR b)

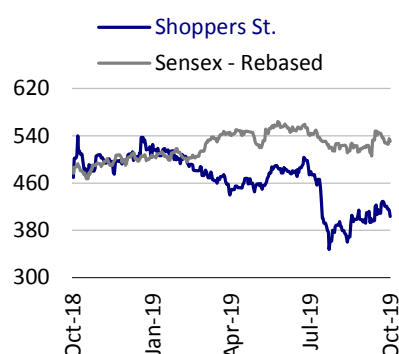
Y/E Mar	2019	2020E	2021E
Net Sales	35.8	38.2	41.0
EBITDA	2.5	2.9	3.4
PAT	0.7	0.8	1.0
EPS (INR)	7.8	9.5	11.6
Gr. (%)	-36.3	21.8	22.8
BV/Sh (INR)	109.5	119.0	130.7
RoE (%)	7.1	8.3	9.3
RoCE (%)	7.4	8.7	9.7
P/E (x)	52.3	42.9	35.0
P/BV (x)	3.7	3.4	3.1
EV/EBITDA (x)	14.6	12.2	10.0

### Shareholding pattern (%)

As On	Jun-19	Mar-19	Jun-18
Promoter	63.7	63.7	63.7
DII	18.2	14.5	13.7
FII	7.0	10.4	10.1
Others	11.1	11.5	12.6

FII Includes depository receipts

### Stock Performance (1-year)



## New strategies in place, but growth remains muted

We met the management of Shoppers Stop (SHOP) to discuss the company's upcoming strategy and growth levers. Key insights highlighted below:

- To combat the retail market slowdown, SHOP has taken noteworthy efforts over the last one year to rejig its Private Label portfolio and to improve throughput and footprint addition.
- Management has revised its store addition target to 6-8 new Shoppers Stop stores (v/s earlier 4-5) and 15-20 new Beauty stores, with mid-to-high single-digit same store sales growth (SSSG) for FY20.
- Further, it has changed its strategy with respect to the store size; plans are afoot to add smaller-sized stores of ~25-30k sq.ft v/s earlier 45-50k sq.ft.
- Our interaction with the company's new Design Head gave us a sense of its focus on Private Labels, wherein changes have been orchestrated in sourcing, product portfolio, pricing and investment in branding/marketing. The company is targeting an increase in its Private Label mix to 15-20% over the next 2-3 years.
- We expect SHOP to post consolidated revenue/EBITDA CAGR of 7%/18% over FY19-21E with 140bp EBITDA margin expansion. Our calculations highlight an improvement potential of 200bp over the next two years due to improving store throughput and improving mix between share of Private Labels and beauty products.
- While the new strategies should accelerate revenue/EBITDA growth, the plateauing footfalls raise concerns over the branded retailer's long-term sustainable growth. We, thus, maintain Neutral with TP of INR450.

## Two-pronged strategy focused on customers and products

In order to improve SSSG and margin profile, the company has adopted a two-pronged strategy focused on customers and products. On the customer front, the thrust is on **(a) First Citizen membership**, and **(b) Personal Shopper**; while for products, company is concentrating on **(a) Beauty**, and **(b) Private Labels**.

## Customer strategy – 'First Citizen' & 'Personal Shopper' programs

SHOP's **'First Citizen' program** aims to keep customers abreast of new season launches and engage them with offers such as (a) priority for EOSS (end of season sale), (b) exclusive discounts, and (c) co-branded credit cards. The 'First Citizen' program has resulted in an increase in SHOP's sales mix and average bill size of customers.

The **'Personal Shopper'** program for premium customers is also gaining traction with an increase in the bill size. With an aim to increase revenue contribution to 15% (13.6% currently) from the 'Personal Shopper' initiative, management is planning to boost the strength of its existing personal shoppers' force from 250 heads to 300 heads.

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

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### Product Strategy – Focus on Private labels & Beauty stores

SHOP's recently inducted Private Label team is working towards (a) revamping the product proposition and designs, (b) better sourcing, (c) rejigging the product pricing, (d) marketing, and (e) brand awareness via multiple channels, including hiring celebrities to promote the brand. SHOP aims to increase Private Label contribution to 15-20% over the next 3-4 years from 13% currently. Further, Beauty stores have seen strong traction amongst customers and management plans to add 15-20 more Beauty stores in FY20; thus, taking the total store count to 145. Shoppers Stop is keen on tie-ups with other international beauty brands. Currently, it is hiring celebrities to create brand awareness of its *Mac Beauty* stores. Improving mix of margin-accretive Private labels, Beauty segment contribution along with higher SSSG should improve SHOP's EBITDA margin.

### Accelerating investments in new stores and backend

Management has revised its target of opening new stores to 6-8 in FY20 v/s earlier 4-5 stores. The pace of store addition could accelerate further from FY21 through a new strategy of focusing on smaller-sized stores of 25-30k sq.ft v/s earlier 45-50k sq.ft, which would increase its target market given the lower catchment area in smaller cities. **SSSG should grow with the higher mix of new stores; a new store typically witnesses 12-20% growth in the first 1-2 years of operations; in 3-4 years, it settles at 8-10% growth.** SHOP is also targeting to add 15-20 beauty stores in FY20. Further, it is investing steadily in IT and backend systems, streamlining processes and loyalty programs. We expect an annual overall capex of INR1.2b each for FY20/21, including store capex of INR458m.

### Margins to improve on rising share of Private Labels and Beauty stores

Footfall continues to remain a challenge at SHOP; however, higher focus and spends towards campaigns like 'Personal Shopper' and 'First Citizen' is expected to improve ticket size and conversions. Our calculations indicate that even with a modest 5% SSSG and efforts to improve bill size, a 75bp gross margin expansion and additional 125bp fixed cost gains (building modest growth) can be achieved, thus leading to cumulative margin improvement of 200bp over FY19-21E. We have built in consolidated EBITDA CAGR of 18% over FY19-21E with EBITDA margin improvement of 120bp over FY19-21E (on pre Ind-AS116) on account of improvement in the Private Label mix, Beauty format, improving SSSG and efficiency measures. Subsequently, consolidated PAT is expected at 22% CAGR over FY19-21E to reach INR972m in FY21E.

### Valuation & view

The stock is priced at FY21E EV/EBITDA of 10x and P/E of 35x on pre IND-AS116 basis. Our SOTP-based valuation assigns 11x EV/EBITDA to Shoppers Stop stores and 1x EV/Sales to Crossword on FY21E basis to arrive at a price target of INR450. While the new strategies should accelerate revenue/EBITDA growth, the plateauing footfalls raise concerns over the branded retailer's long-term sustainable growth. Subsequently, we maintain our **Neutral** stance.

## Milking existing stores via targeted customers, Private Labels

- Given the plateauing footfalls, SHOP plans to increase customer bill size by widening its loyalty program – ‘First Citizen’ and ‘Personal Shopper’. Management targets to increase the Private Label mix through recent efforts towards new product designs, attractive price points and aggressive marketing through brand ambassadors.
- Pace of store addition is gaining traction as the company plans to add (a) 6-8 smaller-sized Shoppers Stop stores of 25k-30k sq.ft, and (b) 15-20 Beauty stores.
- Expect standalone EBITDA to grow 15% over FY19-21E (120bp margin improvement over FY19-21E). Our calculations indicate that 5% SSSG and 20% Private Label mix has the potential to garner higher margins by 200bp.

### Customer Strategy

#### ‘First Citizen’ loyalty program – Widening customer base and bill size

- Focus of the program ‘First Citizen’ is to keep customers engaged with Shoppers Stop through offers like (a) priority for EOSS by offering four days advance sale, (b) offering exclusive discounts on wedding, birthday, etc., and (c) keeping customers informed of the new season products and all other offerings.
- Shoppers Stop also has a co-branded ‘First Citizen’ credit card with Citibank. Other than Shoppers Stop, Citibank only has a co-branded card with Indian Oil, which highlights the power of the ‘First Citizen’ loyalty program.
- Revenue contribution from ‘First Citizen’ customers has increased to 76% of total revenue in FY19 v/s 74% in FY18. Average bill size of a ‘First Citizen’ customer is higher than normal customers.
- Number of loyalty members has also increased from 5.8m to 6m in FY19 with the pace of addition remaining strong in FY20. More than 50% customers enrolled in the ‘First Citizen’ program made purchases in the last one year.



Revenue contribution from ‘First Citizen’ customers stands at 76%, indicating brand loyalty.

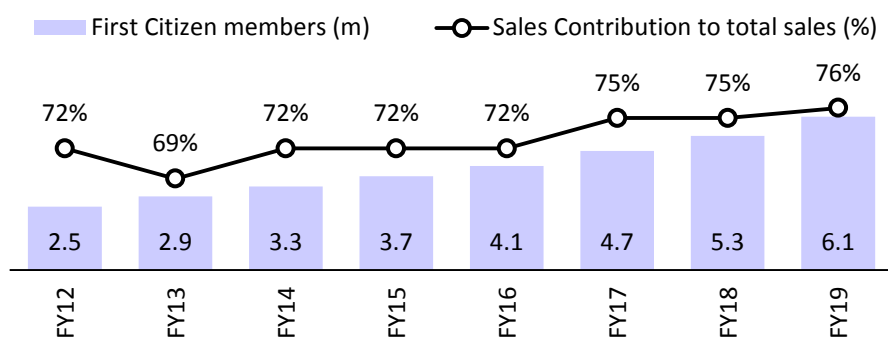
#### ‘Personal Shopper’ program for premium high-value customers

- Revenue contribution from ‘Personal Shopper’ (part of the ‘First Citizen’ program) increased to 13.6% in FY19 with 250 personal shoppers. Company is expected to add 50 more personal shoppers to the program.
- Customers with personal shoppers have an average INR10k billing size, which is nearly 50% higher than the average bill size.
- Target to increase revenue contribution from ‘Personal Shoppers’ to 15%.



Customers with ‘Personal Shopper’ have over INR10k average billing size at Shoppers Stop (~50% higher than other customers).

Exhibit 1: First Citizen Members Trend (in m)



Source: MOSL, Company

## Product Strategy

### Margin-accretive Private Labels

- A new team has been put in place to improve the overall product proposition and margin profile of Private Labels. It is led by Mr. Amitabh Suri (ex-CEO of Indian Terrain), who has taken over as Head - Private Labels. Ms. Shilpi Sharma, instrumental in building the Private Label business at Reliance Trends, has come on board as Design Head. Besides, hiring a new Marketing Head, the company has also appointed a new Procurement Head to improve procurement cost.
- SHOP's Private Label studio has opened just a month ago. Efforts towards a new design studio, hiring a new Procurement Head, celebrity brand endorsement, etc. should all start helping from Autumn-Winter 2019. The company is also looking to rejig some old private brands and launch a few new private brands to improve its design and product portfolio.
- Shoppers Stop is looking to sign on celebrity brand ambassadors to increase its brand awareness. Recently, actress 'Disha Patani' was announced as one of SHOP's brand ambassadors; it has plans to sign on another celebrity soon. Company also plans to tie up with 2-4 exclusive international brands in the apparel and beauty business. Company has invested INR100m as operating costs towards Private Labels, employee and other costs.
- SHOP targets to increase contribution from Private Label to 20% over the next 3-4 years. While Private Label revenue contribution in FY19 stood at 13%, its share in FY20 should hit 15%, and should grow higher in FY21. In the last fiscal year, 1HFY19 saw Private Label revenue contribution decline to 10% of total revenue, but 1QFY20 saw significant improvement in Private Label contribution to 12% of total sales.
- Impact of the increase in Private Labels on working capital should be miniscule and on overall basis, we expect the company to have negative working capital at -8 days (v/s-16 days in FY19) on standalone and consolidated basis. Assuming that inventory is churned four times a year, Private Labels should have 90 days inventory, while creditor days should stand at 60-75 days (2-2.5 months). Therefore, net working capital of the Private Label category should be 15-30 days.

Focus to increase revenue share of Private Labels to 20% by FY23 from the current 13%.

### 15 new Beauty store store adds

- Shoppers Stop remains the largest beauty player in India with over 115 stores. Currently, ~40% of its present revenue comes in from the non-apparel businesses.
- Shoppers Stop is keen on tie-ups with other international beauty brands.
- It is also hiring celebrities to create brand awareness and targets to add 15 new beauty stores annually.
- India's penetration of beauty and apparels products is lower than Vietnam and Philippines, which provides significant headroom for potential growth along with rising fashion & lifestyle preferences in India.

### Accelerating investments in new stores and backend

- **Target to add 6-8 smaller-sized (25-30k sq.ft) Shoppers Stop stores annually –** Management has revised its store addition target to 6-8 stores in FY20 v/s earlier 4-5 stores. The pace of store addition could further accelerate from FY21 on account of its new strategy of focusing on smaller-sized stores of 25-30k sq.ft v/s earlier 45-50k sq.ft. While launching new stores in smaller cities, smaller-sized stores are perfect, as the size of malls in such cities is smaller at 200-250k sq.ft v/s 450-500k sq.ft in large metro cities. Product pricing and demand for branded apparel remains strong in smaller cities due to limited availability in these locations.
- **SSSG to grow with higher mix of new stores:** In the initial two years of store opening, Shoppers Stop stores' typically witness 12-20% growth, which then settles at 8-10% growth in 3-4 years; post this, it enjoys inflationary growth. Since, the new smaller-sized stores are expected to have better SSSG than existing stores, new store adds should likely drive up SHOP's SSSG.
- **Beauty store adds:** Shoppers Stop plans to add 15-20 Beauty stores in FY20. In 1QFY20, SHOP added 5 stores; we expect full-year store adds at 15, resulting in total store count of 145, with 10% increase in YoY revenue to INR7.5b.
- **Capex:** Additional investment will be expensed towards IT, technology-enhancement of operations and supply chain efficiency. Company has already signed contracts with SAP and TCS and is investing heavily to streamline processes, loyalty programs and other initiatives.

### Footfalls remain a challenge

- Footfalls remain a challenge at Shoppers Stop; however, higher focus and spends on campaigns like 'Personal Shopper' and 'First Citizen' is expected to improve the ticket size and conversions.
- Ecommerce contribution to sales stood at just 2% in FY19, but company plans to invest in Ecommerce at lower pace to reduce losses, due to the competitive nature of the platform.
- Crossword revenue stood at INR1.05b in FY19. The book market (apart from educational text books) is very small in India, but Crossword has increased its revenue by 5x over the past five years to INR346m in FY19 with EBITDA loss of INR76m. However, we expect Crossword to break-even on EBITDA (~INR7m loss in FY20E) and turn profitable in FY21.

### Margins to improve due to rising share of Private Label

- Shoppers Stop's standalone revenue is expected at 7% CAGR over FY19-21E from INR35b in FY19 to INR39.5b in FY21E.
- On pre Ind-AS116 basis, we expect standalone EBITDA to grow 15% over FY19-21E and EBITDA margins to improve 120bp over FY19-21E.
- Subsequently, standalone PAT is expected at 13% CAGR over FY19-21E and should reach INR1005m in FY21E.
- Our calculations indicate that if existing stores garner 5% SSSG, Private Label mix improves to 20% over FY19-21E coupled with stable fixed costs (3% CAGR), then existing store efficiency will offer a healthy 200bp EBITDA margin improvement.

- Private Labels are estimated to garner ~800-1,000bp higher margins v/s external brands. Thus, rising revenue contribution from Private Labels at 20% from current 12% should aid 75bp gross margin improvement over FY19-21E.

**Exhibit 2: Shoppers Stop per/sq.ft analysis and key financials (INR/sq.ft)—margins potential to improve 200bp over FY19-21E**

	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Area (msqft)	3.9	4.2	4.3	4.2	4.3	4.3	4.5	4.7
<b>Revenue/sqft</b>	<b>10,335</b>	<b>10,607</b>	<b>10,490</b>	<b>11,614</b>	<b>8,763</b>	<b>8,358</b>	<b>8,776</b>	<b>9,215</b>
<b>SSG growth</b>	<b>10%</b>	<b>3%</b>	<b>-1%</b>	<b>11%</b>	<b>-25%</b>	<b>-5%</b>	<b>5%</b>	<b>5%</b>
Raw Materials consumed (COGS)	6,692	6,662	6,777	7,543	5,376	4,855	5,065	5,285
<b>Raw Materials consumed growth</b>	<b>9%</b>	<b>0%</b>	<b>2%</b>	<b>11%</b>	<b>-29%</b>	<b>-10%</b>	<b>4%</b>	<b>4%</b>
Raw Material as a % of revenue	65%	63%	65%	65%	61%	58%	58%	57%
Gross Profit	3,643	3,945	3,713	4,071	3,387	3,503	3,711	3,930
<b>Gross margin</b>	<b>35%</b>	<b>37%</b>	<b>35%</b>	<b>35%</b>	<b>39%</b>	<b>41.9%</b>	<b>42.3%</b>	<b>42.6%</b>
Employee Expenses	798	781	788	919	748	770	793	817
Employee Expenses Growth	15%	-2%	1%	17%	-19%	3%	3%	3%
as a % of revenue	7.7%	7.4%	7.5%	7.9%	8.5%	9.2%	9.0%	8.9%
<b>Rent / Lease</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>993</b>	<b>945</b>	<b>973</b>	<b>1,002</b>
Rent / Lease Growth						-5%	3%	3%
as a % of revenue	0.0%	0.0%	0.0%	0.0%	11.3%	11.3%	11.1%	10.9%
<b>Other exp</b>	<b>2,480</b>	<b>2,501</b>	<b>2,501</b>	<b>2,739</b>	<b>1,144</b>	<b>1,215</b>	<b>1,251</b>	<b>1,288</b>
Other exp Growth	10%	1%	0%	10%	-58%	6%	3%	3%
as a % of revenue	24.0%	23.6%	23.8%	23.6%	13.1%	14.5%	14.3%	14.0%
<b>Total opex/sqft</b>	<b>9,970</b>	<b>9,944</b>	<b>10,066</b>	<b>11,202</b>	<b>8,262</b>	<b>7,784</b>	<b>8,082</b>	<b>8,392</b>
Total Opex growth	10%	0%	1%	11%	-26%	-6%	4%	4%
as a % of revenue	96.5%	93.7%	96.0%	96.5%	94.3%	93.1%	92.1%	91.1%
<b>EBITDA/sqft</b>	<b>365</b>	<b>663</b>	<b>424</b>	<b>412</b>	<b>501</b>	<b>574</b>	<b>693</b>	<b>822</b>
<b>EBIDTA Margin</b>	<b>3.5%</b>	<b>6.3%</b>	<b>4.0%</b>	<b>3.5%</b>	<b>5.7%</b>	<b>6.9%</b>	<b>7.9%</b>	<b>8.9%</b>
EBITDA growth	29%	82%	-36%	-3%	22%	14%	21%	19%

Source: Company, MOFSL



## Design Studio – In-house product development/innovation

We visited Shoppers Stop's Design Studio to understand its (a) in-house capabilities to produce Private Labels, (b) range of product offerings, and (c) pricing and margin outlook for the category.

- Management has built in-house processes for product design, fits, fabric sourcing and sampling; thus, it has better control over the brand, quality, uniformity and inventory timelines.
- SHOP's Private Label portfolio of women/men's category caters to ethnic, fast fashion, casual and formal wear. The products endeavor to offer uniqueness in designs, fabrics, and fashion quotient; some select brands are also environment friendly.
- The in-house process translates into savings for the company from product designs, sourcing of deals, lower wastages and fabric selection. Private Labels' gross margins are at ~40-45% v/s 30% for the retailer.
- Management targets to increase the share of Private Labels from current 13% to 15-20% over next 3-4 years. While we expect share of Private Labels to rise significantly, given the investments and strong capabilities built, it could take longer due to the inherent brand offerings.

### Role of Private Labels

In a market where footfalls have been declining for large format stores, Private Labels create goodwill and customer stickiness due to product exclusivity. It also opens opportunity for EBOs (exclusive brand outlets). Globally as well as in India, successful formats like Zara, H&M, Westside and Reliance Trends are all operating on high Private Label share.

### Completed heavy lifting in building processes, product range

SHOP's current Design Head – Ms. Shilpi Sharma (joined in May'18) was instrumental in setting up the Design Studio, which boasts of a 47-member design team and complete sampling unit. Overall, we were enthused by the capabilities built for Private Labels in the last 12 months, which should allow SHOP to target much higher Private Label share v/s company target of 15-20%. Interestingly, Private Labels are not being created as a low-price substitute for branded apparels sold in SHOP. However, preference of consumers for branded apparel products could lead to Private Labels taking a longer time to penetrate the shelf space. Management's consciousness in ensuring limited inventory risk could slow the ramp-up in Private Labels; but, given the wide range and intent, we see optimistic signs for growth in Private Labels.

### Product completely created inhouse

Unlike earlier, the design, fabrics and fits are now completely decided in-house instead of depending on a vendor. This allows the team to control the product quality, uniformity and inventory timelines in a market, which is highly sensitive to seasonal factors. Key development factors include:

- In-house team of 47 designers; each brand has a senior and junior designer.
- Working on full ensemble of fashion clothing, beauty and accessories to create a complete look. The internal design team will also look into aspects of visual

merchandising; creating different displays with various SHOP's products, and thus, striving to increase the bill size per customer.

- New studio products will be launched in Summer-Spring 2020 from Jan-Feb'20.

### Private Label products

We analyzed some of SHOP's Private Label products in the women ethnic wear category and men's casual wear, which focused on higher fashion quotient tilting towards unique and bolder designs, cuts and color, and differentiated fabric and preparation.

- **Kashish** – An ethnic brand caters to occasional wear with average product price ranging between INR1,500-2,600 and a ceiling price of INR3,200. It targets north-based customers.
- **Haute Curry** – A fusion ethnic-wear brand for the trendy customer. It caters to the *Dandya & Navratra* attire, thus competing with fusion brands like *Global Desi* and *Bombay Paisley*. Price points for *Haute Curry* are lower than *Kashish* with an average product price of INR1,299 and ceiling price of INR2,999.
- **Vettorio Fratini (VF)** – A casual-wear men's brand, it also caters to formal wear with average pricing of INR1,499-1,899.
- **Back to Earth**: It is an eco-friendly brand with no artificial fabrics, similar to *Swades* (which is sold by *Reliance Trends* and is performing brilliantly). Pricing starts at INR999 with ceiling price of INR3,000.
- **Stop**: It caters to the core men's category, offering regular casual and formal-wear products; prices range between INR799-1,699 with an average product price of INR1,299. *Stop* is ensuring better quality value-added products, which boasts of fabrics that are wrinkle-free, stain repellent, and lint-free amongst others.
- **Disha Patani**: Co-owned by actress Disha Patani, it is a new celebrity brand and caters to the fast fashion segment with slightly higher pricing compared to other products in the Private Label portfolio.

### Exhibit 3: A glance at Private Label products from Shoppers Stop stores

**Back to Earth – Eco-friendly brand**



**Kashish - Occasional Wear & Ethnic Brand**





### Vendor consolidation

- The earlier design team was taking designs directly from vendors, resulting in limited control over fabrics, products, timelines, design, and innovation. Currently, all products are produced in-house (Design Studio) and then outsourced for large-scale production.
- Since SHOP no longer depends on its vendors completely, it is able to achieve better quality and delivery timelines. Product creation period from the research team to market launch is now just 12 months – nearly 70% of this period is controlled in-house with only ‘designing to manufacturing’ process being outsourced, which stands at 3.5 months.

### Pricing and Margin

- New brands aim to offer differentiated looks at affordable prices; therefore, management is not looking to increase product prices. Instead, it plans to offer better quality and design.
- EBITDA margin is expected to improve due to lower product costs through in-house processes, lower wastages, in-house fabric selection, etc.
- Also, the design team is reusing waste materials to make accessories to improve efficiency and reduce wastage costs.
- Typically, the gross margin is first benchmarked and the cost structure is worked around it based on raw material and operating costs. For SHOP, brands offer 30% gross margin, while Private Label’s gross margin at peak is ~45-48%.

### Inventory management

- SHOP has launched a wide range of new products, but this will not increase the shelf space as management also plans to consolidate products.
- Typically, there are two seasons in a year – Autumn-Winter (AW) and Summer-Spring (SS); store inventory fills are divided into three hits to ensure that inventory freshness is maintained; product sourcing is also done in a similar proportion.
- Depending on the strategy, typically
  - the first hit (*Trans hit*) is at the beginning of the season, which constitutes 40-45% of the overall inventory/revenue
  - the second hit is after 8 weeks, and
  - the third hit is after another 6-8 weeks.
- Earlier there was inconsistency in size fits due to sourcing of products from different vendors. Now, on account of consolidation in vendors and management’s focus to resolve the issue, uniformity in product fits is expected.

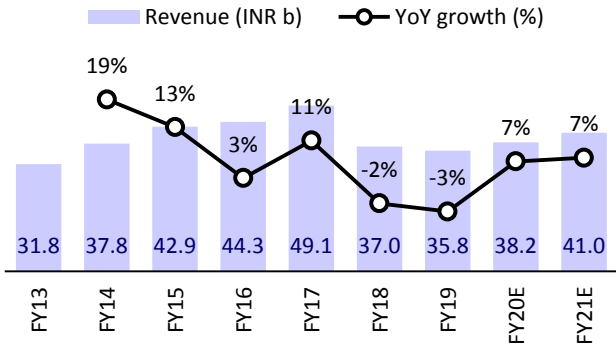
#### Exhibit 4: Valuation based on SOTP

	Methodology	Driver (INR b)	Multiple (x)	Fair Value (INR b)	Value/share (INR)
Standalone (Shoppers Stop)	EV/EBITDA	3	11	36	414
Crossword	EV/Sales	1	1	1	11
<b>Total Enterprise Value</b>			<b>1</b>	<b>37</b>	<b>425</b>
Less Net debt				-2	-25
<b>Equity Value</b>				<b>40</b>	<b>450</b>
Shares o/s (m)				88.0	
CMP (INR)					407
<b>Upside (%)</b>					<b>11</b>

Source: MOFSL, Company

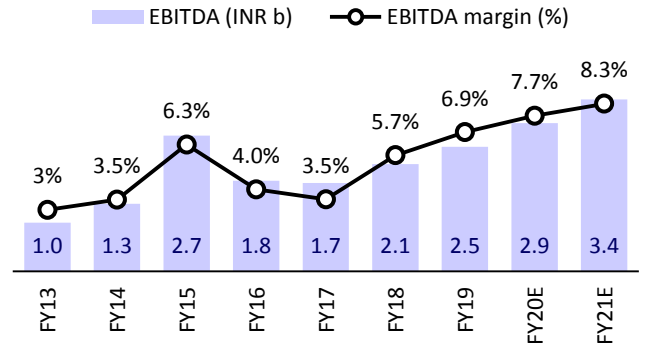
Story in charts

Exhibit 5: Consolidated revenue expected at 7% CAGR over FY19-21



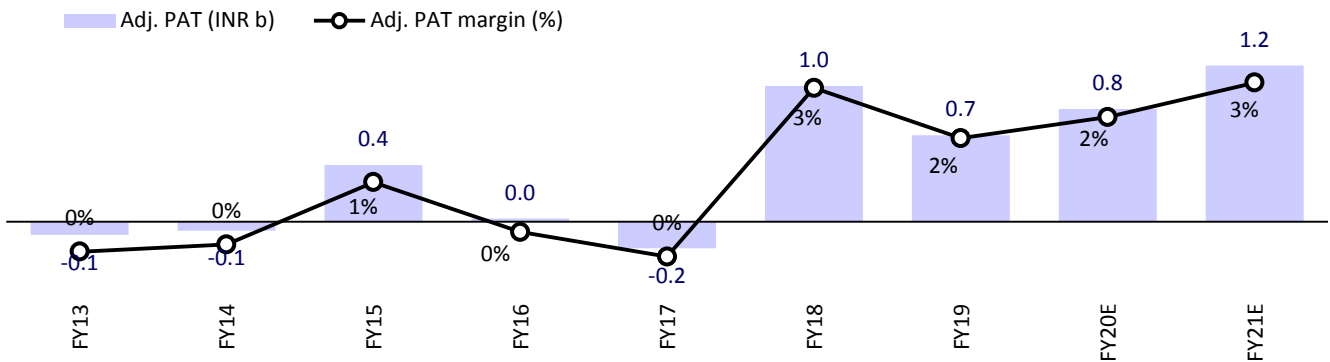
Source: MOFSL, Company

Exhibit 6: EBITDA margin to expand 120bp



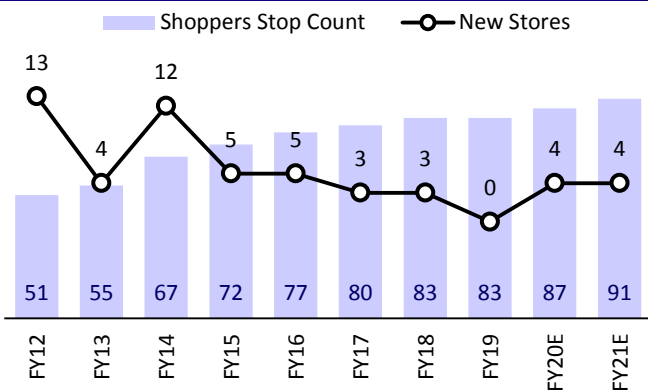
Source: MOFSL, Company

Exhibit 7: Consolidated adj. PAT to witness 22% CAGR over FY19-21



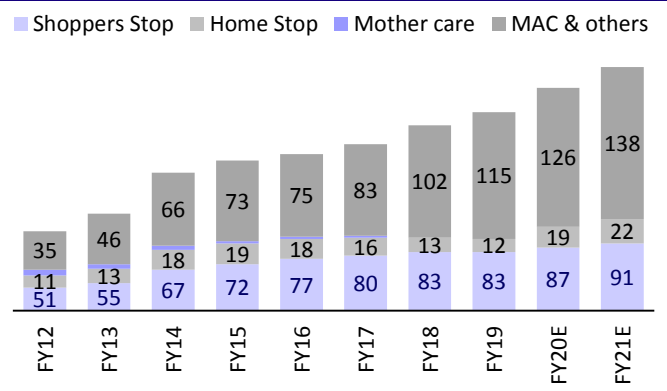
Source: MOFSL, Company

Exhibit 8: Shoppers Stop to add stores consistently



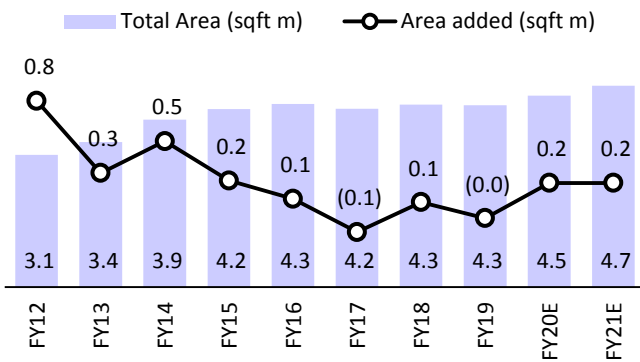
Source: MOFSL, Company

Exhibit 9: Consolidated store addition trend



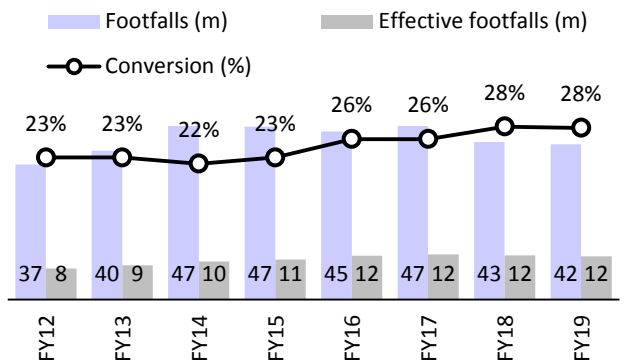
Source: MOFSL, Company

**Exhibit 10: Shoppers Stop store area add trend**



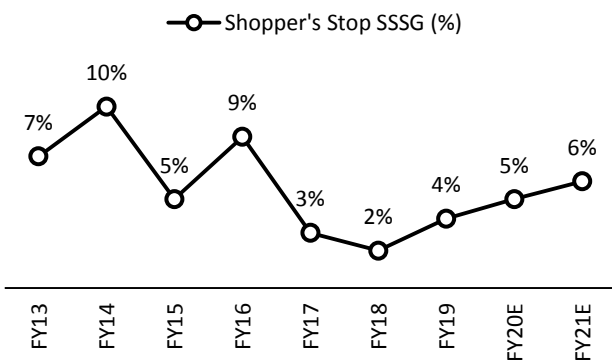
Source: MOFSL, Company

**Exhibit 11: Footfalls & Conversion remain a challenge**



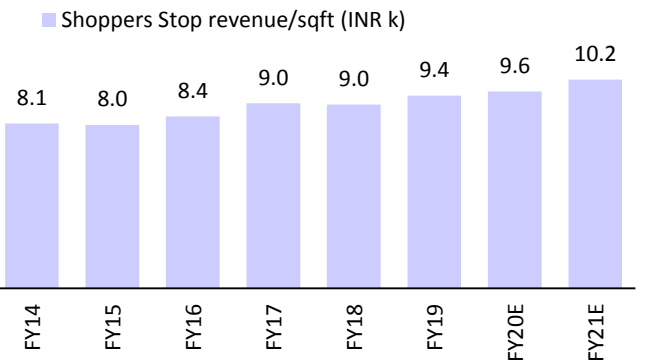
Source: MOFSL, Company

**Exhibit 12: Shoppers Stop SSSG to remain muted**



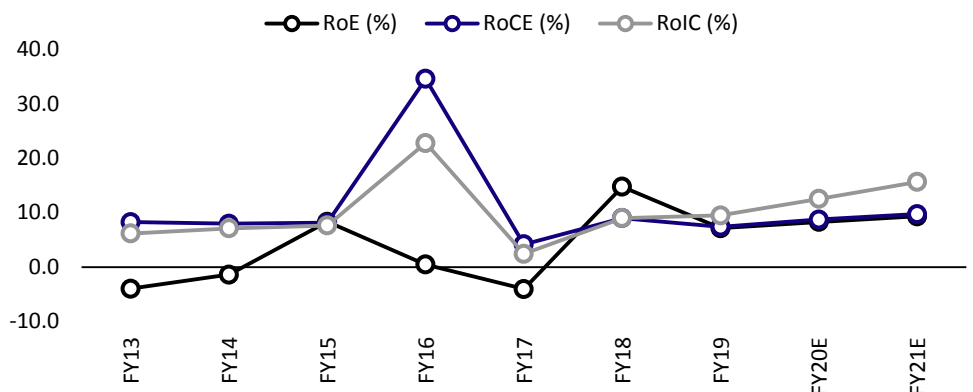
Source: MOFSL, Company

**Exhibit 13: Revenue/sq.ft expected at 4% CAGR over FY19-21E**



Source: MOFSL, Company

**Exhibit 14: Return ratios trend (%)**



Source: MOFSL, Company

## Financials and valuations – standalone (Pre IND-AS 116 basis)

### Standalone - Income Statement

(INR Million)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<b>Total Income from Operations</b>	<b>27,136</b>	<b>30,420</b>	<b>33,548</b>	<b>36,480</b>	<b>35,915</b>	<b>34,813</b>	<b>36,847</b>	<b>39,517</b>
Change (%)	20.4	12.1	10.3	8.7	-1.6	-3.1	5.8	7.2
Raw Materials	16,904	18,764	20,679	22,874	22,134	20,272	21,187	22,599
Employees Cost	2,044	2,270	2,455	2,735	3,013	3,145	3,408	3,576
Lease Rentals	2,542	2,851	3,128	3,480	3,597	3,863	4,010	4,344
Other Expenses	4,108	4,644	5,239	5,467	5,054	5,000	5,306	5,651
<b>Total Expenditure</b>	<b>25,599</b>	<b>28,531</b>	<b>31,502</b>	<b>34,555</b>	<b>33,799</b>	<b>32,280</b>	<b>33,911</b>	<b>36,170</b>
% of Sales	94.3	93.8	93.9	94.7	94.1	92.7	92.0	91.5
<b>EBITDA</b>	<b>1,537</b>	<b>1,889</b>	<b>2,046</b>	<b>1,925</b>	<b>2,116</b>	<b>2,533</b>	<b>2,935</b>	<b>3,348</b>
Margin (%)	5.7	6.2	6.1	5.3	5.9	7.3	8.0	8.5
Depreciation	618	858	977	1,155	1,119	1,351	1,798	2,009
<b>EBIT</b>	<b>919</b>	<b>1,031</b>	<b>1,070</b>	<b>770</b>	<b>997</b>	<b>1,182</b>	<b>1,138</b>	<b>1,339</b>
Int. and Finance Charges	419	512	572	585	362	124	81	85
Other Income	134	177	302	296	160	179	120	126
<b>PBT bef. EO Exp.</b>	<b>634</b>	<b>696</b>	<b>801</b>	<b>481</b>	<b>796</b>	<b>1,237</b>	<b>1,177</b>	<b>1,380</b>
EO Items	-7	0	-238	-478	-504	0	0	0
<b>PBT after EO Exp.</b>	<b>627</b>	<b>696</b>	<b>563</b>	<b>3</b>	<b>292</b>	<b>1,237</b>	<b>1,177</b>	<b>1,380</b>
Total Tax	257	288	334	203	176	449	321	375
Tax Rate (%)	41.0	41.4	59.3	6425.7	60.2	36.3	27.3	27.2
Minority Interest	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>370</b>	<b>407</b>	<b>229</b>	<b>-199</b>	<b>116</b>	<b>788</b>	<b>856</b>	<b>1,005</b>
<b>Adjusted PAT</b>	<b>363</b>	<b>407</b>	<b>-9</b>	<b>-677</b>	<b>765</b>	<b>1,001</b>	<b>856</b>	<b>1,005</b>
Change (%)	-5.5	12.1	-102.3	7,183.7	-213.0	30.8	-14.5	17.4
Margin (%)	1.3	1.3	0.0	-1.9	2.1	2.9	2.3	2.5

### Standalone - Balance Sheet

(INR Million)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Equity Share Capital	416	417	417	418	440	440	440	440
Total Reserves	6,871	7,236	7,369	7,190	9,094	9,337	10,193	11,198
<b>Net Worth</b>	<b>7,287</b>	<b>7,653</b>	<b>7,786</b>	<b>7,608</b>	<b>9,534</b>	<b>9,776</b>	<b>10,633</b>	<b>11,638</b>
Total Loans	4,513	5,184	5,898	5,759	874	0	0	0
Deferred Tax Liabilities	100	96	-36	-43	-198	-320	-320	-320
<b>Capital Employed</b>	<b>11,899</b>	<b>12,932</b>	<b>13,649</b>	<b>13,324</b>	<b>10,210</b>	<b>9,457</b>	<b>10,313</b>	<b>11,318</b>
Gross Block	8,467	9,684	7,165	8,125	9,282	10,103	11,362	12,620
Less: Accum. Deprn.	2,976	3,721	850	1,772	2,804	4,155	5,953	7,961
<b>Net Fixed Assets</b>	<b>5,490</b>	<b>5,963</b>	<b>6,315</b>	<b>6,353</b>	<b>6,478</b>	<b>5,948</b>	<b>5,409</b>	<b>4,659</b>
Capital WIP	319	142	280	169	182	351	351	351
<b>Total Investments</b>	<b>3,876</b>	<b>4,065</b>	<b>4,054</b>	<b>4,080</b>	<b>3,176</b>	<b>2,935</b>	<b>2,935</b>	<b>2,935</b>
<b>Curr. Assets, Loans &amp; Adv.</b>	<b>6,903</b>	<b>7,732</b>	<b>8,421</b>	<b>7,712</b>	<b>7,592</b>	<b>15,199</b>	<b>8,374</b>	<b>10,477</b>
Inventory	2,955	3,296	3,859	3,528	3,284	10,535	3,331	3,573
Account Receivables	260	223	237	357	437	444	470	504
Cash and Bank Balance	87	49	53	50	52	167	571	2,108
Loans and Advances	3,601	4,164	4,272	3,777	3,818	4,052	4,002	4,292
<b>Curr. Liability &amp; Prov.</b>	<b>4,689</b>	<b>4,971</b>	<b>5,420</b>	<b>4,990</b>	<b>7,218</b>	<b>14,977</b>	<b>6,756</b>	<b>7,104</b>
Account Payables	3,097	3,314	3,706	3,302	4,886	12,542	4,644	4,953
Other Current Liabilities	1,485	1,540	1,652	1,617	2,252	2,341	2,019	2,057
Provisions	107	118	62	72	79	93	93	93
<b>Net Current Assets</b>	<b>2,214</b>	<b>2,762</b>	<b>3,000</b>	<b>2,722</b>	<b>374</b>	<b>222</b>	<b>1,618</b>	<b>3,373</b>
<b>Appl. of Funds</b>	<b>11,899</b>	<b>12,932</b>	<b>13,649</b>	<b>13,324</b>	<b>10,210</b>	<b>9,457</b>	<b>10,313</b>	<b>11,318</b>

E: MOFSL Estimates

## Financials and valuations – standalone (Pre IND-AS 116 basis)

### Ratios

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>4.1</b>	<b>4.6</b>	<b>-0.1</b>	<b>-7.7</b>	<b>8.7</b>	<b>11.4</b>	<b>9.7</b>	<b>11.4</b>
Cash EPS	11.2	14.4	11.0	5.4	21.4	26.7	30.2	34.3
BV/Share	82.8	87.0	88.5	86.5	108.4	111.1	120.9	132.3
DPS	0.7	0.7	0.7	0.7	0.8	0.8	0.0	0.0
Payout (%)	19.7	18.5	32.9	-37.8	67.8	9.8	0.0	0.0
<b>Valuation (x)</b>								
P/E		85.5	-3,745.4	-51.4	45.5	34.8	41.8	35.6
Cash P/E		27.5	36.0	72.9	18.5	14.8	13.5	11.9
P/BV		4.6	4.5	4.6	3.7	3.6	3.4	3.1
EV/Sales		1.3	1.2	1.1	1.0	1.0	1.0	0.9
EV/EBITDA		21.2	19.9	21.1	16.8	13.7	12.0	10.1
Dividend Yield (%)	0.2	0.2	0.2	0.2	0.2	0.2	0.0	0.0
FCF per share	-3.0	1.5	2.2	5.8	23.2	8.8	4.2	17.1
<b>Return Ratios (%)</b>								
RoE	5.1	5.5	-0.1	-8.8	8.9	10.4	8.4	9.0
RoCE	5.6	5.7	4.2	-498.4	3.9	8.6	9.0	9.6
RoIC	7.6	7.4	4.9	-532.7	5.0	11.8	13.3	15.8
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	3.2	3.1	4.7	4.5	3.9	3.4	3.2	3.1
Asset Turnover (x)	2.3	2.4	2.5	2.7	3.5	3.7	3.6	3.5
Inventory (Days)	40	40	42	35	33	110	33	33
Debtor (Days)	3	3	3	4	4	5	5	5
Creditor (Days)	42	40	40	33	50	132	46	46
<b>Leverage Ratio (x)</b>								
Current Ratio	1.5	1.6	1.6	1.5	1.1	1.0	1.2	1.5
Interest Cover Ratio	2.2	2.0	1.9	1.3	2.8	9.5	14.0	15.7
Net Debt/Equity	0.1	0.1	0.2	0.2	-0.2	-0.3	-0.3	-0.4

### Standalone - Cash Flow Statement

(INR Million)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
OP/(Loss) before Tax	634	696	801	481	796	1,237	1,177	1,380
Depreciation	618	858	977	1,155	1,119	1,351	1,798	2,009
Interest & Finance Charges	419	512	572	585	362	124	81	85
Direct Taxes Paid	-240	-243	-437	-237	-356	-449	-321	-375
(Inc)/Dec in WC	-183	-378	-137	-264	1,341	145	-983	-206
<b>CF from Operations</b>	<b>1,248</b>	<b>1,445</b>	<b>1,775</b>	<b>1,720</b>	<b>3,261</b>	<b>2,407</b>	<b>1,752</b>	<b>2,893</b>
Others	5	-145	-147	-150	-43	-646	-120	-126
<b>CF from Operating incl EO</b>	<b>1,253</b>	<b>1,299</b>	<b>1,628</b>	<b>1,570</b>	<b>3,218</b>	<b>1,761</b>	<b>1,632</b>	<b>2,767</b>
(Inc)/Dec in FA	-1,513	-1,166	-1,431	-1,063	-1,179	-990	-1,258	-1,258
<b>Free Cash Flow</b>	<b>-260</b>	<b>133</b>	<b>196</b>	<b>506</b>	<b>2,039</b>	<b>771</b>	<b>373</b>	<b>1,508</b>
(Pur)/Sale of Investments	-567	-189	-220	-502	456	241	0	0
Others	28	-99	28	725	1,128	262	194	197
<b>CF from Investments</b>	<b>-2,051</b>	<b>-1,454</b>	<b>-1,624</b>	<b>-841</b>	<b>405</b>	<b>-488</b>	<b>-1,064</b>	<b>-1,062</b>
Issue of Shares	51	41	22	9	1,814	0	0	0
Inc/(Dec) in Debt	1,220	671	717	-140	-4,062	-874	0	0
Interest Paid	-415	-506	-574	-581	-378	-124	-81	-85
Dividend Paid	-73	-73	-75	0	-75	-77	0	0
Others	0	0	-72	0	0	0	0	0
<b>CF from Fin. Activity</b>	<b>783</b>	<b>133</b>	<b>18</b>	<b>-712</b>	<b>-2,701</b>	<b>-1,075</b>	<b>-81</b>	<b>-85</b>
<b>Inc/Dec of Cash</b>	<b>-15</b>	<b>-22</b>	<b>22</b>	<b>17</b>	<b>922</b>	<b>198</b>	<b>486</b>	<b>1,620</b>
Opening Balance	102	71	31	34	-870	-31	85	488
<b>Closing Balance</b>	<b>87</b>	<b>49</b>	<b>53</b>	<b>50</b>	<b>52</b>	<b>167</b>	<b>571</b>	<b>2,108</b>

## Financials and valuations – consolidated (Pre IND-AS 116 basis)

Consolidated - Income Statement								(INR Million)
Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<b>Total Income from Operations</b>	<b>37,783</b>	<b>42,869</b>	<b>44,320</b>	<b>49,101</b>	<b>36,967</b>	<b>35,779</b>	<b>38,171</b>	<b>41,007</b>
Change (%)	18.9	13.5	3.4	10.8	-24.7	-3.2	6.7	7.4
Raw Materials	24,464	26,925	28,632	31,892	22,679	20,782	21,869	23,358
Employees Cost	2,918	3,157	3,330	3,886	3,157	3,296	3,607	3,763
Lease Rentals	0	0	0	0	4,188	4,045	4,010	4,344
Other Expenses	9,068	10,107	10,566	11,581	4,828	5,199	5,756	6,150
<b>Total Expenditure</b>	<b>36,449</b>	<b>40,189</b>	<b>42,529</b>	<b>47,359</b>	<b>34,852</b>	<b>33,323</b>	<b>35,242</b>	<b>37,615</b>
% of Sales	96.5	93.7	96.0	96.5	94.3	93.1	92.3	91.7
<b>EBITDA</b>	<b>1,334</b>	<b>2,680</b>	<b>1,791</b>	<b>1,743</b>	<b>2,115</b>	<b>2,457</b>	<b>2,928</b>	<b>3,392</b>
Margin (%)	3.5	6.3	4.0	3.5	5.7	6.9	7.7	8.3
Depreciation	981	1,253	1,297	1,510	1,149	1,406	1,853	2,064
<b>EBIT</b>	<b>353</b>	<b>1,427</b>	<b>494</b>	<b>233</b>	<b>966</b>	<b>1,051</b>	<b>1,075</b>	<b>1,328</b>
Int. and Finance Charges	653	781	848	874	377	138	96	100
Other Income	62	133	285	188	180	187	109	108
<b>PBT bef. EO Exp.</b>	<b>-239</b>	<b>778</b>	<b>-69</b>	<b>-453</b>	<b>769</b>	<b>1,099</b>	<b>1,088</b>	<b>1,336</b>
EO Items	-7	0	0	-128	2,160	0	0	0
<b>PBT after EO Exp.</b>	<b>-245</b>	<b>778</b>	<b>-69</b>	<b>-581</b>	<b>2,929</b>	<b>1,099</b>	<b>1,088</b>	<b>1,336</b>
Total Tax	257	288	334	203	176	449	297	364
Tax Rate (%)	-104.7	37.0	-482.1	-34.9	6.0	40.9	27.2	27.3
Minority Interest	-420	66	-427	-411	-297	0	0	0
Loss from discontinued operations	-0.9	0.1	0.1	-0.1	-608.2	-0.1	0.0	0.0
<b>Reported PAT</b>	<b>-83</b>	<b>424</b>	<b>24</b>	<b>-373</b>	<b>2,442</b>	<b>650</b>	<b>792</b>	<b>972</b>
<b>Adjusted PAT</b>	<b>-68</b>	<b>424</b>	<b>24</b>	<b>-200</b>	<b>1,020</b>	<b>650</b>	<b>792</b>	<b>972</b>
Change (%)	-31.6	-723.7	-94.3	-925.4	-610.6	-36.3	21.8	22.8
Margin (%)	-0.2	1.0	0.1	-0.4	2.8	1.8	2.1	2.4

Consolidated - Balance Sheet								(INR Million)
Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Equity Share Capital	416	417	417	418	440	440	440	440
Total Reserves	4,489	4,867	4,734	4,375	8,605	8,707	9,499	10,471
<b>Net Worth</b>	<b>4,905</b>	<b>5,284</b>	<b>5,151</b>	<b>4,792</b>	<b>9,044</b>	<b>9,147</b>	<b>9,939</b>	<b>10,911</b>
Minority Interest	15	261	-12	52	0	0	0	0
Total Loans	6,449	7,512	8,290	8,851	1,253	322	322	322
Deferred Tax Liabilities	100	96	-36	-43	-198	-320	-320	-320
<b>Capital Employed</b>	<b>11,468</b>	<b>13,153</b>	<b>13,393</b>	<b>13,652</b>	<b>10,100</b>	<b>9,149</b>	<b>9,941</b>	<b>10,913</b>
Gross Block	11,716	13,162	8,954	9,749	8,687	9,514	10,772	12,031
Less: Accum. Deprn.	4,139	5,151	861	1,501	2,057	3,463	5,301	7,349
<b>Net Fixed Assets</b>	<b>7,577</b>	<b>8,012</b>	<b>8,093</b>	<b>8,248</b>	<b>6,630</b>	<b>6,050</b>	<b>5,471</b>	<b>4,682</b>
Goodwill on Consolidation	1,019	1,019	976	976	97	97	97	97
Capital WIP	367	276	333	200	182	351	351	351
<b>Total Investments</b>	<b>0</b>	<b>0</b>	<b>390</b>	<b>199</b>	<b>2,825</b>	<b>2,584</b>	<b>2,584</b>	<b>2,584</b>
<b>Curr. Assets, Loans &amp; Adv.</b>	<b>8,808</b>	<b>10,509</b>	<b>10,489</b>	<b>10,898</b>	<b>7,946</b>	<b>15,354</b>	<b>8,559</b>	<b>10,730</b>
Inventory	4,490	5,063	5,792	5,776	3,563	10,719	3,554	3,840
Account Receivables	480	1,015	519	568	477	472	504	544
Cash and Bank Balance	279	199	103	76	60	174	549	2,088
Loans and Advances	3,559	4,231	4,075	4,478	3,845	3,988	3,952	4,259
<b>Curr. Liability &amp; Prov.</b>	<b>6,302</b>	<b>6,661</b>	<b>6,889</b>	<b>6,869</b>	<b>7,578</b>	<b>15,286</b>	<b>7,120</b>	<b>7,529</b>
Account Payables	4,387	4,688	4,944	4,908	5,191	12,771	4,914	5,270
Other Current Liabilities	1,795	1,844	1,863	1,861	2,305	2,418	2,108	2,160
Provisions	120	130	81	100	82	97	98	98
<b>Net Current Assets</b>	<b>2,505</b>	<b>3,847</b>	<b>3,601</b>	<b>4,029</b>	<b>367</b>	<b>68</b>	<b>1,439</b>	<b>3,201</b>
<b>Appl. of Funds</b>	<b>11,468</b>	<b>13,153</b>	<b>13,393</b>	<b>13,653</b>	<b>10,100</b>	<b>9,149</b>	<b>9,941</b>	<b>10,913</b>

E: MOFSL Estimates



## Financials and valuations – consolidated (Pre IND-AS 116 basis)

### Ratios

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>-0.8</b>	<b>5.1</b>	<b>0.3</b>	<b>-2.4</b>	<b>12.2</b>	<b>7.8</b>	<b>9.5</b>	<b>11.6</b>
Cash EPS	10.9	20.1	15.8	15.7	26.0	24.6	31.7	36.4
BV/Share	58.7	63.3	61.7	57.4	108.3	109.5	119.0	130.7
DPS	0.7	0.7	0.7	0.8	0.8	0.8	0.0	0.0
Payout (%)	-88.3	17.7	310.3	-20.2	3.2	11.9	0.0	0.0
<b>Valuation (x)</b>								
P/E		78.0	1,366.1	-165.5	32.4	50.9	42.9	35.0
Cash P/E		19.7	25.0	25.2	15.2	16.1	12.9	11.2
P/BV		6.3	6.4	6.9	3.7	3.6	3.4	3.1
EV/Sales		0.9	0.9	0.9	1.0	1.0	0.9	0.8
EV/EBITDA		15.1	23.0	24.0	17.0	14.2	12.2	10.0
Dividend Yield (%)	0.2	0.2	0.2	0.2	0.2	0.2	0.0	0.0
FCF per share	-13.1	-6.2	-2.0	-5.7	20.9	14.8	4.1	17.4
<b>Return Ratios (%)</b>								
RoE	-1.4	8.3	0.5	-4.0	14.7	7.1	8.3	9.3
RoCE	8.0	8.1	34.6	4.2	9.0	7.4	8.7	9.7
RoIC	7.1	7.6	22.8	2.4	9.0	9.5	12.5	15.6
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	3.2	3.3	4.9	5.0	4.3	3.8	3.5	3.4
Asset Turnover (x)	3.3	3.3	3.3	3.6	3.7	3.9	3.8	3.8
Inventory (Days)	43	43	48	43	35	109	34	34
Debtor (Days)	5	9	4	4	5	5	5	5
Creditor (Days)	42	40	41	36	51	130	47	47
<b>Leverage Ratio (x)</b>								
Current Ratio	1.4	1.6	1.5	1.6	1.0	1.0	1.2	1.4
Interest Cover Ratio	0.5	1.8	0.6	0.3	2.6	7.6	11.2	13.3
Net Debt/Equity	1.3	1.4	1.5	1.8	-0.2	-0.3	-0.3	-0.4

### Consolidated - Cash Flow Statement

(INR Million)

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
OP/(Loss) before Tax	-240	778	-95	-581	2,320	1,099	1,088	1,336
Depreciation	981	1,253	1,297	1,187	1,149	1,406	1,853	2,064
Interest & Finance Charges	653	781	848	600	377	138	96	100
Direct Taxes Paid	-248	-231	-425	-241	-356	-449	-297	-364
(Inc)/Dec in WC	-400	-1,499	-69	-502	1,749	291	-997	-223
<b>CF from Operations</b>	<b>747</b>	<b>1,083</b>	<b>1,556</b>	<b>462</b>	<b>5,239</b>	<b>2,485</b>	<b>1,744</b>	<b>2,913</b>
Others	138	24	-3	178	-2,258	-187	-109	-108
<b>CF from Operating incl EO</b>	<b>884</b>	<b>1,107</b>	<b>1,554</b>	<b>640</b>	<b>2,981</b>	<b>2,299</b>	<b>1,635</b>	<b>2,805</b>
(Inc)/Dec in FA	-1,979	-1,624	-1,722	-1,114	-1,141	-996	-1,274	-1,274
<b>Free Cash Flow</b>	<b>-1,095</b>	<b>-517</b>	<b>-169</b>	<b>-474</b>	<b>1,840</b>	<b>1,303</b>	<b>361</b>	<b>1,531</b>
(Pur)/Sale of Investments	-111	0	0	0	644	241	0	0
Others	76	49	35	1,333	536	577	499	498
<b>CF from Investments</b>	<b>-2,014</b>	<b>-1,576</b>	<b>-1,687</b>	<b>218</b>	<b>39</b>	<b>-178</b>	<b>-775</b>	<b>-776</b>
Issue of Shares	51	41	25	9	1,814	-547	0	0
Inc/(Dec) in Debt	1,463	1,079	874	13	-3,178	-931	0	0
Interest Paid	-649	-774	-850	-597	-416	-138	-96	-100
Dividend Paid	-73	-73	-151	0	-75	0	0	0
Others	390	182	207	476	145	0	0	0
<b>CF from Fin. Activity</b>	<b>1,182</b>	<b>455</b>	<b>105</b>	<b>-98</b>	<b>-1,710</b>	<b>-1,616</b>	<b>-96</b>	<b>-100</b>
<b>Inc/Dec of Cash</b>	<b>52</b>	<b>-14</b>	<b>-28</b>	<b>760</b>	<b>1,310</b>	<b>504</b>	<b>764</b>	<b>1,929</b>
Opening Balance	227	210	132	-684	-1,250	-330	-215	159
<b>Closing Balance</b>	<b>279</b>	<b>196</b>	<b>104</b>	<b>76</b>	<b>60</b>	<b>175</b>	<b>549</b>	<b>2,088</b>

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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