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TO WHOM SOEVER IT MAY CONCERN

DATED: 23RD MARCH 2017.

Dear Sirs,

Re: - **Valuation of Equity shares of Shoppers Stop limited**

1. We understand that Shoppers Stop Limited ("the Target Company") was incorporated as a limited company on 16th June 1997 under the Companies Act, 1956 and a certificate of incorporation was obtained from the Registrar of Companies, Maharashtra. The equity share capital of the Target Company comprises of 8,35,04,744 equity shares of Rs5each fully paid up aggregating to Rs.41.75 crores. The Target Company is engaged in the business of retailing a variety of household and consumer products through departmental stores.
2. As informed to us, "the Acquirer" would like to acquire the equity shares of the Company under Regulation 10(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. In this connection, we have been requested to determine fair value of the Target Company's equity shares with reference to Regulation 8(2)(e) of the Securities And Exchange Board Of India(Substantial Acquisition of Shares and Takeovers)Regulations, 2011 ("SEBI Takeover Regulations"), as specified/mentioned at the appropriate places elsewhere in this Report.
3. For the purpose the following information was provided to us:
 - i. Copy of the audited accounts of the Target Company for the year ended March 31 2014, March 31 2015, March 31 2016 and limited review financials for the six months period ended September 30, 2016;
 - ii. Trading data of the shares of the Target Company as quoted on the BSE and NSE during the period from 26th December 2016 to 22th March 2017.
4. The Fair Value of the equity shares of the Target Company has been arrived at on the basis of the following:
 - Net Asset Value (NAV). (As Per Annexure B)
 - Market Value. (As per Annexure C)
 - PE Multiple. (As per Annexure D)
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Based on the above, the Fair Value of the fully paid up equity share of the Target Company can be considered to be Rs.308.73. (As per Annexure A)

- All assumptions made in order to determine the valuation are based on information obtained from the Company's documents. In the course of our analysis, we were provided with information, including financial and operating data, which we accepted as accurate. Nothing has come to our attention to cause us to believe that the facts and data set forth in this report are not true or incorrect. Therefore, no responsibility is assumed for technical information furnished by the organization and believed to be reliable.



- Neither I nor any of my employees have a financial interest in the Company. The fee for the preparation of this report is not contingent upon the results reported.
- The valuation is carried out only for the purpose set out in paragraph 2 above and should not be used for any other purpose.

We trust the above meets with your requirements.

Thanking you,

Yours faithfully,

For Dixit Dattatray and Associates.
Chartered Accountants



D. B. Dixit
Proprietor



M. No. 40032
Mumbai

ANNEXURE A
Shoppers Stop Limited
Value per share

Method	Value	Weight	Weighted Value
NAV	93.07	1.00	93.07
Market Value	315.64	4.50	1,420.40
PE Multiple	349.73	4.50	1,573.81
Total		10.00	3,087.28
Value per share(Rs.)			308.73



ANNEXURE B

Net Assets Value (NAV) per share :-

(Rs.in Lacs)

Particulars	As on
NON-CURRENT ASSETS	
Property, Plant and Equipement	58,413.87
Capital work in progress	1,954.43
Investment Property	-
Goodwill on consolidation	-
Other Intangible Assets	4,575.45
<u>Financial Assets</u>	
i) <u>Investments</u>	
Investments in Subsidiaries	38,731.87
Investments in Joint Ventures	4,204.62
Other Investments	1.65
ii) Loans	15,928.21
iii) Other Financial Assets	12,966.64
Other non-current assets	10,664.33
TOTAL NON-CURRENT ASSETS	147,441.07
CURRENT ASSETS	
Inventories	34,544.64
<u>Financial assets</u>	
i) Trade Receivables	3,482.49
ii) Cash and cash equivalents	621.01
iii) Other financial assets	3,910.84
Other current assets	3,130.21
TOTAL CURRENT ASSETS	45,689.19
TOTAL ASSETS	193,130.26
NON-CURRENT LIABILITIES	
<u>Financial liabilities</u>	
Borrowings	29,762.34
Deferred tax liabilities (Net)	219.37
TOTAL NON-CURRENT LIABILITIES	29,981.71
CURRENT LIABILITIES	
<u>Financial liabilities</u>	
i) Borrowings	19,155.40
ii) Trade payables	35,867.04
iii) Other financial liabilities	12,830.72
Provisions	5,108.29
Other current liabilities	12,466.64
Total CURRENT LIABILITIES	85,428.10
TOTAL LIABILITIES	115,409.81
Net Worth	77,720.45
Number of Shares Outstanding (in Lacs)	835.05
NAV per share (Rs.)	93.07



ANNEXURE C

Date	Volume *	Turnover * (in Lakhs)
22-Mar-17	25,133	83.16
21-Mar-17	84,524	283.19
20-Mar-17	33,675	112.31
17-Mar-17	48,079	161.61
16-Mar-17	118996.00	405.34
15-Mar-17	134881.00	442.21
14-Mar-17	218722.00	710.16
10-Mar-17	126856.00	409.81
09-Mar-17	23,824	77.56
08-Mar-17	34,185	111.00
07-Mar-17	15,213	49.25
06-Mar-17	24,334	79.28
03-Mar-17	22,380	71.71
02-Mar-17	28,284	91.57
01-Mar-17	26,258	86.41
28-Feb-17	72,100	235.90
27-Feb-17	15,480	48.77
23-Feb-17	16,292	51.45
22-Feb-17	50,387	163.42
21-Feb-17	51,761	169.09
20-Feb-17	19,658	61.62
17-Feb-17	22,144	69.38
16-Feb-17	21,491	67.89
15-Feb-17	278824	889.80
14-Feb-17	23,264	74.36
13-Feb-17	274218	891.57
10-Feb-17	32,793	105.64
09-Feb-17	207592	673.45
08-Feb-17	425719	1,294.50
07-Feb-17	77,622	228.38
06-Feb-17	51,140	149.99
03-Feb-17	15,972	46.69
02-Feb-17	25,177	73.52
01-Feb-17	14,396	41.28
31-Jan-17	19,024	55.19
30-Jan-17	17,048	50.34
27-Jan-17	73,064	217.78
25-Jan-17	40,481	119.15
24-Jan-17	132407	391.27
23-Jan-17	31,322	92.07



20-Jan-17	5,708	16.63
19-Jan-17	2,527	7.42
18-Jan-17	3,161	9.29
17-Jan-17	3,172	9.28
16-Jan-17	4,803	14.11
13-Jan-17	19,742	58.00
12-Jan-17	5,207	15.29
11-Jan-17	5,786	16.98
10-Jan-17	5,377	15.75
09-Jan-17	8,744	25.58
06-Jan-17	5,611	16.39
05-Jan-17	13,452	39.48
04-Jan-17	2,841	8.34
03-Jan-17	5,121	15.12
02-Jan-17	3,931	11.51
30-Dec-16	34,644	99.79
29-Dec-16	7,608	21.01
28-Dec-16	24,977	69.56
27-Dec-16	8,423	24.18
26-Dec-16	7,768	22.51
Total	3,153,323	9,953.29
Weighted average price(Rs.)		315.64

* Data considered from NSE website



ANNEXURE D

Value per Shares according to P/E Multiples

Name of the Company	P/E Multiples
Future Retail	41.51
Trent Limited	80.53
V.Mart Retail	43.36
V.2 Retail	16.50
Future Lifestyle Fashion Ltd.	116.00
Average	59.58
EPS (before exceptional item) for the F.Y.2015-16	5.87
Value per share (Rs.)	349.73

EPS (before exceptional items) working F.Y.15-16 :-	(Rs.in Lacs)
Profit after tax	2,517.62
Add : Exceptional Items (reduction in carrying value of investment)	2,381.00
Profit attributable to shareholders	4,898.62
Weighted number of equity shares o/s.during the yr	834.26
EPS	5.87

