

**SHOPPERS STOP**

“Shoppers Stop Limited Q3 FY19 Earning Conference  
Call”

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**SHOPPERS STOP**



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**Management:**

Ladies and Gentlemen, good day and welcome to the Q3 FY19 Earnings Conference Call of Shoppers Stop limited. As a reminder all participants lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call please signal an operator by entering \* then) on your touch tone telephone. Please note that this conference is being recorded. I now hand the conference over to Mr. Rajiv Suri – Customer Care associate, MD and CEO of Shoppers Stop. Thank you and over to you sir.

**Rajiv Suri:**

Good evening and welcome to Shoppers Stop Q3 Earnings Call. I will give you a quick update and take you through our Q3 Performance:

We have had a very strong Q3 performance with an overall growth of 9% and an LTL growth of 8.9%. Which has been the best in the past 5 quarters. Our gross margin has improved by 100 basis points. EBITDA has grown by 22.7% and 90 basis points over last year. It has been the highest since our inception. PBT has grown by 59% and a 160-basis points improvement over last year. The company is now debt free having a surplus of 113 crores. Some of the key growth drivers have been our private brand growth by 29% which has been the highest in the last few quarters. Our watches and beauty business grew by low double digits.

Our men's business made a re-bounce and also grew by double digits. Kids wear business has also grown by low double digits. Personal shopper service grew by 31%, contribution of 14%. Our occasional KPIs were all positive during the quarter, including the customer entry, which was positive 1.6%. We had a strong festive season, Dussehra and Diwali where we had like to like growth 9%.

We have opened 5 beauty stores in Q3. 3 MAC stores and two Bobby Brown stores. Our omni business grew by 44% in Q3 and year to date has grown by 58%. And we remain focused on our 4 key strategic pillars. First Citizens, Personal Shoppers, Beauty and Private Brands. And we continue to make key investments in our leadership team which is now complete with the joining of 3 persons in our beauty business.

I do hope you had a chance to go through our quarterly earnings representation which we have uploaded. And we will be happy to take any questions here.

**Moderator:**

Thank you. Ladies and gentlemen, we will now begin the question and answer session. We have the first question from the line of Kunal Shah from IIFS. Please go ahead.

**Kunal Shah:**

Thank you for the opportunity. First of all, congratulations on a very healthy SSL performance this quarter. My first question is regarding this only. I remember in the second quarter we had said that 7.5% SSS in Q3 and 5% to 6% in Q4 that we look at. Now we have over achieved that in this quarter. So, do you see an upward revision is likely, on your 5% to 6% Q4 guidance? And how do you expect SSS growth to pan out going forward after that as well. FY20?

- Rajiv Suri:** I think that Q4 we are being cautiously optimistic. We have had a strong quarter in Q3 I think it will be bit early for us to increase our estimate mainly because as you know, end of the season sale is going on and we already know our short of performance during this period, but more important is, that the Spring Summer '19 ranges have not yet been launched and until we get a consumer reaction to these ranges, we rather not commit to a higher estimate for the coming quarter.
- Kunal Shah:** Okay. So, can you just give insight on how January has been. I mean do you see a strong continuation of the strong Oct, Nov, Dec that you have seen. In general, how was it?
- Rajiv Suri:** We are looking at a mid-single digit for Q4 and I think we are going to probably stay with that.
- Kunal Shah:** My next question is with regard to margins. In our previous call we had re iterated our guidance of 100 bps margin expansion in FY19. If I look at the 9-month expansion it is at 70 bps. So, I mean do you still maintain that guidance at 100 bps. And secondly in this quarter your gross margin is expanded substantially. So, is this purely the private label growth or are there some other factors as well here?
- Rajiv Suri:** Sorry mainly driven by private brands growth which was at 29% so that is helped the margin grow. Over all guidance I know we did, in fact during the Q3 call, we did lower the expectation, like we have investments in ecommerce, omni and so many other things so we said, if not we will be close to 80ish. So, we still believe 70 to 80 will be the improvement for the full year is achievable.
- Kunal Shah:** and just a final question. We have added just one store till date. Do we maintain, I mean you have highlighted in the call in the media that you will be adding 4 stores in the Q4, is that correct? Or what would be our additions in FY19?
- Rajiv Suri:** Yes. So, we will add 4 more stores in Q4. The reason we didn't open them till now is that the malls were delayed. I mean it's just a matter of the malls opening, and we'll open then. So, we will be opening 4 new stores. 4 department stores and also 4 beauty stores in Q4. So, 8 new stores in Q4.
- Moderator:** Thank you. We have the next question from the line of Shalini Gupta from Quantum Securities. Please go ahead.
- Shalini Gupta:** All my questions have been answered, but I just wanted to check, online was growing at 100% although it is a very small business. And now there is a stake sale to Amazon, which happened last year. So, I mean do we see any, and the thinking was that through Amazon we will reach tier 3 and tier 4 towns. So, do we see any change in the growth trajectory for the online sales and do we see it as turning positive as in turning EBITDA positive because of the Amazon sales. If you could just talk about this. What are the benefits that have accrued to you as a result of stake sale to Amazon?
- Rajiv Suri:** So I think that firstly our expansion has been there in were in presence in 25000 pin codes. Our growth YTD is at 58% and we have now roughly about 1.9% of our sales coming from omni. We

don't give guidance of the break up between Amazon and our Ecom business. But we believe that going forward that this business is going to remain at a quite a high trajectory of growth.

**Shalini Gupta:**

and sir like this year I think this year I think you would close the year in terms of expansion by about 4 Shoppers Stop department stores and probably close to 20 beauty stores. So, I mean, what is your thinking. Do you see the same kind of growth trajectory continuing or do you see yourself expanding more? What is the thinking sir?

**Rajiv Suri:**

I think we will be talking about the next FY while we speak next and we are still doing our budgeting process for that. For this year your information is correct. We have opened 1 department store already and will be opening 4 more. And the number of beauty stores expansion is faster. The reason it is faster is that a typical department store is 40,000 sq. Ft and a beauty store is about 500 to 1000 sq. ft. So the number of beauty stores will always be much faster growth than the department store itself.

**Kunal Shah:**

and sir lastly, you know, in terms of EBITDA margin we would perhaps we are going up but, I mean do you see yourself hitting an EBITDA margin of say may be 9 percent or so were in the near future, as in next year?

**Rajiv Suri:**

We will not get there next year. We continue to make investments in our omni channel business and our titans which has been there for some time is between 70 to 100 basis points in a year. And based on that, we will probably not get there next year.

**Kunal Shah:**

and sir lastly, when I talk to other people in the industry, the sense I get is that a fair amount of growth is coming from tier 3 and tier 4 town. So, what would be your strategy to address those towns.

**Rajiv Suri:**

if you see we are now currently available in 38 cities and we will be by the end of this year adding 3 cities so we will be in 41 cities by end of this FY. So, we are addressing it in our own way. As you know our positioning is mid to upper. So, we have to be careful on our expansion plan and servicing. We are not a mass market retailer. And therefore, our expansion will be restricted to cities which are in a strategy of certain size.

**Moderator:**

Thank you. The next question is from the line of Swanil Desai from Turtle Capital. Please go ahead.

**Swanil Desai:**

One question I have is, we have indicated our aspiration to increase margins by 70 to 100 bps for every year for next 2 to 3 years. If you can elaborate on the levers you have in terms of this margin expansion. I think one of them being the pvt label brand contribution increasing. But beyond that do you see any measures possible on the cost side which will kind of further give wings to what we are trying to do?

**Rajiv Suri:** So I think our strategy as you know we have done a quite a lot of investment in our private brands, we have got a whole team now in place. We have got present private brand who has joined us head of design, head of sourcing. We are currently allocated 6000 sq.ft. to create a design studio work which is going on as we speak. That should be up and running by 31<sup>st</sup> of march. So, we believe that as long as we are able to grow exponentially higher in the private brands business that is going to be one of the big contributing factors. And we continue to monitor our cost closely to make sure that when we do get the growth in terms of our sales and margins. That it drops to the bottom.

**Swanil Desai:** and the second question is in terms of trajectory. Do you think that we used to experience degrowth in footfall growth in footfall and one of the reasons that, once every retailer faced was because of the online competition? So now we are seeing some kind of a positive growth in footfall coming in. Do you think it is because of any change in strategy, or it is just because of festive season getting into this quarter? Shall we look at it as a trend emerging or it is one off kind of a thing?

**Rajiv Suri:** So I think one of the reasons for this quarter was that we had a very strong festive season which helped us in our footfall growth. But more to that we have changed our stance quite a lot in terms of marketing and whilst the market is usually focused on marked downs, we are focusing on new collection then we are finding that our marketing campaigns which in this quarter was all about the woman customer and her family. That was received very well. I think that drew some footfall. And we are going to be continuing to be innovative in our marketing to drive the foot fall. And also, if you look at it. In our strategy we have 4 pillars. 2 of the pillars are product and 2 are customer oriented. And the 2 pillars on customer oriented, 1 is a First Citizen customer. So, we have been communicating with them in a much smarter way and using artificial intelligence and personalized service which we believe is going to help us get more repeat purchases. The second pillar again on customers is our shopping experience, our personal shopper service is probably now the best in the industry. it grew by 21% which was huge contributing to 14% of the sales. This means that the customers are now coming back because they are able to come to the store, get an appointment, whether its online or on WhatsApp, and do shopping. A combination of marketing innovatively, the 2 pillars of product and the 2 pillars on customer is starting to bear some fruit. We have to see how that plays out in Q4 and beyond.

**Moderator:** Thank you. We have the next question from the line of Gaurav Jugani from Axis Capital. Please go ahead.

**Gaurav Jugani:** Thank you for taking my question sir. My question is, we have seen this quarter, the private brands growing by say 29%. However, the contribution for them has more or less been in constant for the last 3 quarters. So, it's been in the range of 10.2 to 10.4. So, are we missing something here?

**Rajiv Suri:** Our contribution for private banks in this quarter was 12.2% what happened was, the rest of the business also grew very fast as a total. So that is the reason why the percentage sort of remained the same. One second let me just check.

So last year quarter, it was 8.9% and now it is on 10.4%.

- Gaurav Jugani:** Okay, and sir, what is our objective in terms of the private label share as a contribution to sales for the next 2 to 3 years that you are looking for to achieve. Because it has been quite in the higher range of 20 in the past. And now it has been 10. So, what are we targeting for the next 2 to 3 years now?
- Rajiv Suri:** So, what we are looking for rather than a mix is how fast can we grow it. The mix will depend also how fast the rest of the let's call it 88% or 90% of the business grows. So, the aspiration is the growth is at high double-digit teen for the next sort of few quarters and see whether we can further accelerate it. So, I would say, we would be happy with somewhere if we were able to grow this business every, next 3 to 4 quarters at between 15% and 20%. I think the big difference you will see, and this improving faster will be when our team, the studio is all set up and everything is ready. So, if you look at it right now. We are designing autumn winter in the 2019 still in the old way using vendor to make samples etc. But spring summer 2020 onwards our sampling unit will be up will be the first time we have ever had an inhouse sampling unit. First time we would have ever had an inhouse testing lab both dry and wet. So, I would say, if we have to, each quarter we should see a stronger growth. And then by spring summer we should see some exponential growth.
- Gaurav Jugani:** and sir my last question is, what would be your, in this particular quarter we understand that the high SSG was also a function of the shift in the festive season as well. But according to you what could be a steady state or a sustainable SSG for us going forward for the next 2 to 3 years.
- Rajiv Suri:** We are still working on a budget for the next year. But for Q4 we are looking a same store sales growth of mid-single digit, and whether we change that or not would depend on the customer reaction to our spring summer 19 collection.
- Gaurav Jugani:** Sir I am not asking in terms of guidance. I am asking more in terms of direction as in for any steps that we are taking gradually for the changes that we are making. So what kind of at least a band that we can expect going ahead at least should be sustainable.
- Rajiv Suri:** I would say the high single digit is somewhere around the direction we are looking at. And if you are able to achieve that. Along with the slightly better margin due to a mix of private brands doing a faster than a high single digit. That should help us improve the bottom line.
- Moderator:** Thank you. The next question is from the line of Resham Jain from DFT Mutual fund. Please go ahead.
- Resham Jain:** Sir my question is on the pipe line of new stores. If you can just share that. The stores which is under discussion or under pipe line which we are planning for FY20.
- Rajiv Suri:** So these stores which we are going to open in Q4 going to be in Nasik, Guwahati and Noida. These are the 4 that will be opening shortly, and our stores are actually more or less ready and we are waiting for the malls to be ready and get their certification to open. And we will be opening 4 new

beauty stores also by end of march. And that's what our plan is. And you know going forward, we would be typically open from 4 to 5 last format stores and between 10 and 15 beauty stores.

**Resham Jain:** what I was asking is FY20. The stores which you were planning for FY20, you must be already in decision, in terms of pipeline you must have already.

**Rajiv Suri:** We have five in the plan, and we have about 10 and 15 beauty stores.

**Resham Jain:** In fact, these new stores which are opening in smaller towns like Nasik, Guwahati and all, what is the typical payback period you work with?

**Rajiv Suri:** 2 to 2.5 years or 3 years that's it.

**Resham Jain:** Okay. And for the break-even kind of margins you will take 1 year or so?

**Karunakaran M.:** See when you say store level break even, we are talk even we are talking about 2.5 to 3 years at the store level breakeven.

**Resham Jain:** There are 2 questions which I am asking. One is – the amount of investments which you have done in the store, if you stay that 2.5 years will you be able to recover that amount is what you said?

**Rajiv Suri:** Yes, that's right.

**Resham Jain:** The second question is that to become profitable at the store level how much time you will take?

**Rajiv Suri:** More or less the same time year. Because 2 to 2.5 years is the B2B break even at the stores.

**Resham Jain:** No if you will take 2.5 years to breakeven in a store, how can be your payback period be 2.5 years. I don't understand that?

**Rajiv Suri:** I am sorry breakeven is 2 years and payback period is within 3.5 to 4 years.

**Moderator:** Thank you. We have the next question is from the lines of Kunal Bhatia from Dalal and Brochure. Please go ahead.

**Kunal Bhatia:** Sir, just wanted your evaluation in terms of our sales via Amazon after this clarification which had come on the FDI policy. A market place or any entity connected to the market place having a stake in any of the companies won't be able to sell their goods through Amazon online route. So, what is our analysis and what do we foresee post the Feb month?

**Rajiv Suri:** One side we are still waiting for some clarification from the government authorities on this. You know that Amazon has 5% stake in our company and the note does not stipulate how much percentage would be applicable in order for it to be effective or applicable to us. So, we are seeking clarification for that and we hopefully going to get that shortly. At the moment on the 1<sup>st</sup> of

February they will follow what ever the law is and adopt that. So, there is no question about that. As far as our financial impact is concerned it will not make any impact to our bottom line as such. From the near-term there will be no change in our legends or direction numbers due to this.

**Kunal Bhatia:** Do you mean to say, when the current situation is the thing after February, there would be no sale of Shoppers Stop product on Amazon, if not further clarification comes in?

**Rajiv Suri:** We will have to follow what ever the notice and that is the case then we will have to do that.

**Moderator:** Thank you. We have the next question from the line of Abneesh Roy from Edelweiss. Please go ahead.

**Abneesh Roy:** My question is on the beauty business. You want to be the dominant player in all channels. So of course, in the physical you are already strong. Online could you take us through what are the plans for the coming 3 to 4 years to become the dominant player there also with the current position to the much higher level?

**Rajiv Suri:** I think at our e-com and omni channel business we are not targeting to compete with the pure online players in terms of size or scale. And we are focussing more on the Omni channel business to service our consumers with one single view of the company and visa versa. I would not put too much emphasis on how much should be our sales in omni channel in terms of cash value because we will never be able to, and we are not aiming to become an online company. Our focus is coming to be in bricks and mortars and the Omni's role is going to be driving footfall to our stores, is going to be soliciting the beauty customers also. So, our strategy is very much going to remain more in bricks and mortars and how we can expand our beauty business in bricks and mortars faster and retain a number 1 there.

**Kunal Bhatia:** In beauty business you have got 5 different formats, so MAC, Clinique, Estee Lauder, Bobby Brown and Smashbox. This quarter you have opened three MAC and two Bobby Brown. Will it be fair to say that these 2 are growing much faster and these would be the focus? Out of these 5.

**Rajiv Suri:** I think MAC is by far the number one brand. And even the next quarter will be opening another 4 MAC stores. Bobby Brown and Clinique, both are equally strong. Clinique has made a quite a good come back also and it all depends on the locations we get so between MAC, Bobby Brown and Clinique these are the three bigger brands it will stand faster.

**Kunal Bhatia:** You have spoken on the personalized shopping initiative. 1) if you could give more detailing of this. How scalable is this, is this more of a brand initiative. Or you see as a percentage of revenue and profits also becoming scalable and big from a longer-term perspective?

**Rajiv Suri:** At the personalized space, our strategy of providing the customer shopping experience is become quite fundamental to what we want to do. In a department store what happens is typically the staff there are looking after a particular brand or a particular area and customer who wants to shop, there



is no one there who can give service across all the brands in the store. And therefore, there were personal shoppers service has been received very well, because it adds a lot of convenience to the shopping. The payback is that the average transaction value is 2.5x for personal shoppers and there for it is paying back. We are continuously seeing a growth and the customers are starting to like it and we are even finding that they are booking appointments to come to the stores using a personal Shopper, because of the quality of what we provide. It also differentiates us from competition, it differentiates us from competition which an online company can never give you. So, we are going to be committed to this. And we are going to further improve this next year. We have got a lot of planning done in terms of training and development of our personal shoppers. So, it's going to remain an integral part of our service.

**Kunal Bhatia:**

Sir you mentioned, from February you will be following the ecommerce guidelines. I am sure the other people will also and if you see the comments coming out from the key ecommerce companies are very worried. So, in that context, wont you and other physical retailers see a big tail win and big benefit? In that context, the 5%, the mid-single digit, SSG and Q4, and going beyond also if you could give some comment. What would be your big benefit because all the problems the ecommerce players will face at least for the next few months. Post-election things could change, Let's see the current rules and what would be your view?

**Rajiv Suri:**

I think that from the ecommerce players, its hard for us to do the match on what the real impact is going to be and we really can't comment in terms of how they are going to react. What is their situation, we have no idea about that? I would say we need to wait till sort of first 10 days of February and see what really happens and how they are going to be managing in this situation. So, I don't know if there is going to be any impact and how big is the impact. And a consequence. I don't think we can comment on that today.

**Kunal Bhatia:**

But we have almost got to the date, right? Where is the time left for clarity?

**Rajiv Suri:**

Your question was what will be the impact on our business. And I am saying, we can't make a comment on what our business impact would be because we don't know what is the impact going to be on the online players and we don't know how many companies they are working with, which are exclusive to them, not exclusive to them and how they are going to manage this situation. So, I would somehow, caution and say let's wait and see how things pan out for them and what is the impact and then as a consequence we will know what will be the impact on us.

**Kunal Bhatia:**

Lastly from a region specific or any city specific, do you want to call out any out layers on both out performers and under performers?

**Rajiv Suri:**

So I think that in the Dussehra period, and leading up to Dussehra our East business was extremely strong, around 19% like-to-like in that season. So that did really well and once it became cold in the North, we had exponentially better sales in the North. These two regions have been doing quite strong for us.

- Moderator:** Thank you. We have the next question from the line of Nirav Savaii from J M Financial. Please go ahead.
- Nirav Savaii:** I just wanted to understand one thing. In the last con-call, you highlighted that every year you will be opening 5 large format stores along with that about 4 compact stores. Roughly around 20 odd thousand sq. ft. Do we continue that plan on do you see any changes going forward in that?
- Rajiv Suri:** At the moment we are focusing on the large format stores and the beauty stores. And the compact stores are something which is on the drawing books so we haven't yet made a conclusion. So, in the next call we might be able to give you some more information on that.
- Nirav Savaii:** Okay, so whether to open that or not is still not something which is not decide.
- Rajiv Suri:** Yes, it's still on the drawing board.
- Nirav Savaii:** Also, on the Omni channel side, do you have any 2 to 3 years kind of target where do you want to reach as a percentage of overall sales. I mean as you said its 1.8% roughly for the year. Let's say by FY20-21 where do you see this part of the business growing.
- Rajiv Suri:** We are still looking at our strategy for Omni to see how much should be the growth. I think that servicing existing customers is going to be our focus and to keep bringing them back is going to be important. We are also looking into and seeing in our omni channel strategy, how can we see a single view of our First Citizen customers and that's really going to be or sort of focus. I think we are going to reach a stage where we rather not chase top line, but we will rather chase the consumer experience. So, we are working through this. So, I think on the next call, once we finalize the budgets for the next year, we should be able to give a better in sight into this.
- Moderator:** Thank you. We have the next question from the line of Harit Kapoor from IDFC. Please go ahead
- Harit Kapoor:** I have just one question on the balance sheet. You said it is a 100 odd crore cash surplus. Which would be ex the shares which you have in FRL.
- Karunakaran M.:** Excluding that.
- Harit Kapoor:** And the second thing was on the CAPEX side. So, from a per store perspective on large format we would still be requiring about 10 to 12 crores on a per store basis?
- Rajiv Suri:** Typically, its about 8 crores.
- Moderator:** Thank you. We have the next question from the line of Rahul Agarwal from VEC investments. Please go ahead.

- Rahul Agarwal:** Again, the question is on the balance sheet. Essentially, we have 4.7 million of FRL shares in the balance sheet. There are 2 sub questions to this. Firstly, is there a way to normalize this M2M loss or a gain on this in the P&L? And secondly, over all long-term what is the aim here? What happens to the share type? Do we intend to monetize or is there a lock in or is there something like that?
- Rajiv Suri:** So there is no lock-in on this share. It was till 26<sup>th</sup> December. So that date is not gone. So, at the moment we haven't decided on what we will do with these. We really don't need any funding right now. And we don't need any liquidity. But we don't also plan to hold it on the long-term. So, I think we will just see what is the right time to manage with this.
- Rahul Agarwal:** The P&L impact of the M2M loss. Is there any better way to handle this? Because it's just basically hampers our P&L?
- Karunakaran M.:** It's the accounting standard guidelines so, as long as we have investments, we have to do the M2M on every financial closing period.
- Rahul Agarwal:** Okay. So basically, long-term there is no plan to hold it. So eventually this will get monetized and be converted into cash. Right?
- Karunakaran M.:** Yes, at some point.
- Moderator:** Thank you. We have the next question from the line of Tanmay Sharma from Jeffrey. Please go ahead.
- Tanmay Sharma:** Hi Sir. Thanks for the opportunity. A couple of questions. You mentioned that the growth has picked up after some quarters. What has led to this growth and which brands are bagging this. And does this include your private label brand as well?
- Rajiv Suri:** For the men's' business, growth has come across in various parts of the business. One is that the BTL brands have done low double-digit growth. So that has been a rebound. Second is, our growth in denim has also made a comeback. So, as I said these 2 categories have done really well. During the sale in December also, some of the formal wear has made a rebound. It could be the change the way people are shopping for formal wear. Like if you have to buy a white shirt or a blue shirt or buy them during sale. There is nothing dramatic in it. So, we don't know whether it is changing consumer habit. But yes, the denim business, the bridge-to-luxury brands did very well. And there was a rebound in the formal wear.
- Tanmay Sharma:** And sir my second question is on the scalability. Can you tell me what is the potential as far as Shoppers Stop is concerned as per the number of cities you already are in 41 cities? And secondly on that question, there are other competitors and everyone has a value retailing brand, which is separate brand from their own brand. If you see westside or max. So are you also thinking on those lines which will improve your scalability from over all perspective because everyone is focusing on value retailing, Tier 2, Tier-3 and Tier-4 cities? So, what is your thought on this?

**Rajiv Suri:** I think from the number of cities, there is still a lot of scope to grow. We are only 41, when we did a research of about 3 years ago. The potential was about 60 or 65 cities. Plus, in the existing cities also there is also there is a lot of potential to grow. We are not present in all the areas where we would like to grow. So, I think there is still reach out there and the potential to grow.

As regards your second question of yours was on the value format. If that is what you were suggesting. At the moment we don't have any plans. There are some internal discussions going on about this and it's a bit early for us to comment on this. But I think by the next quarterly call we might disclose what our plans are on that.

**Tanmay Sharma:** and quickly one last question. You also said that you also plan to bring in some bridge-to-luxury brands in Shoppers Stop which are not available in India and getting them from abroad. Is any progress made on that?

**Rajiv Suri:** Yes, we have signed for 2 brands. One is an accessories brand owned by the Kardashian Sisters and the seconds is another brand called the Jones New York from the US, which we have launched on the Autumn-Winter in 2019 and we are speaking to 2 to 3 more brands, which we will be launching in Spring-Summer 2019. So that is very much on.

**Moderator:** Thank you. Ladies and gentlemen as we have no further questions from the participants, I now hand the conference over to Mr. Rajiv Suri for his closing comments. Please go-ahead sir.

**Rajiv Suri:** Thank you for participating in todays call and we look forward to speaking to you at the next call. Thank you very much.

**Moderator:** Thank you. Ladies and gentlemen on behalf of Shoppers Stop Limited that concludes this conference for today. Thank you for joining us and you may now disconnect your lines.