

RETAIL



MARCH 2015

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RETAIL



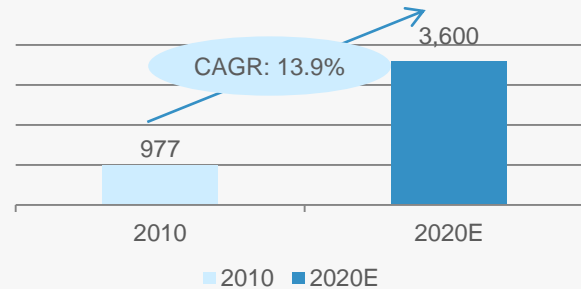
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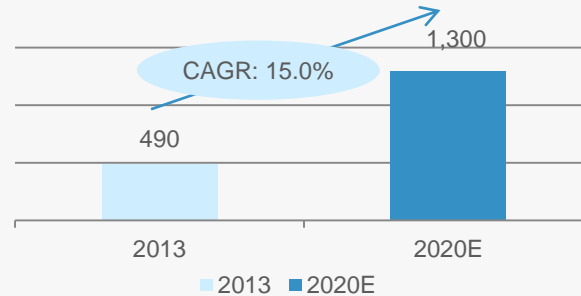
EXECUTIVE SUMMARY ... (1/2)

Rising income and demand for quality products to boost consumer expenditure



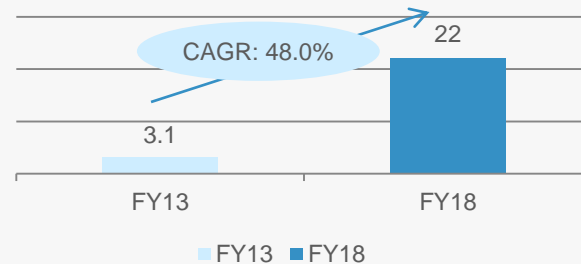
Consumer expenditure estimated to be USD3.6 trillion by 2020 vis-à-vis USD977 billion in 2010

Indian retail one of the fastest growing markets in the world due to economic growth



Retail market in India to reach USD1.3 trillion by 2020 from USD490 billion in 2013

India's online retail to be more than seven times in next five years

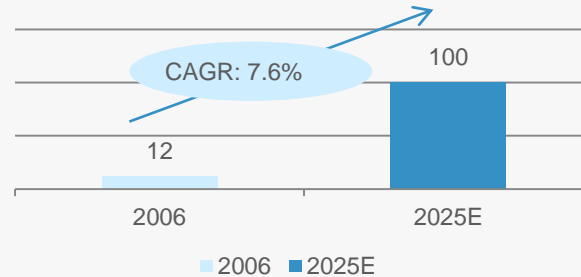


The online retail market is expected to grow from USD3.1 billion to USD22 billion (from 10 per cent to more than 15 per cent of the organised retail market) during FY13-FY18

Source: Ernst & Young, Price Waterhouse Cooper, Economic Times, Aranca Research
Notes: CAGR - Compound Annual Growth Rate, E - Estimate

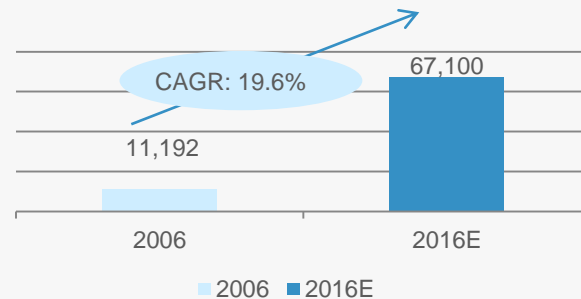
EXECUTIVE SUMMARY ... (2/2)

Robust consumption, rural markets to augment FMCG market



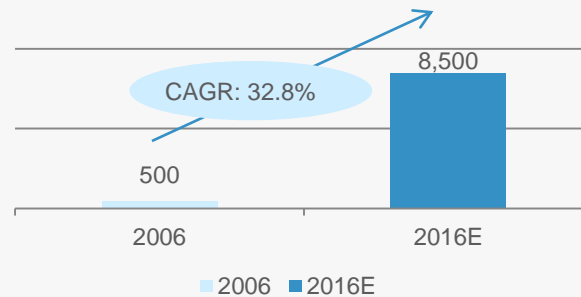
FMCG market expected to increase to USD100 billion by 2025 from USD12 billion in 2006

Increasing participation from foreign and private players to boost retail infrastructure



Modern retail stores projected to reach 67,100 by 2016 from 11,192 in 2006

Rising number of tier-2 and tier-3 cities to enhance supermarket space in the country



Supermarkets to total 8,500 by 2016 from 500 in 2006

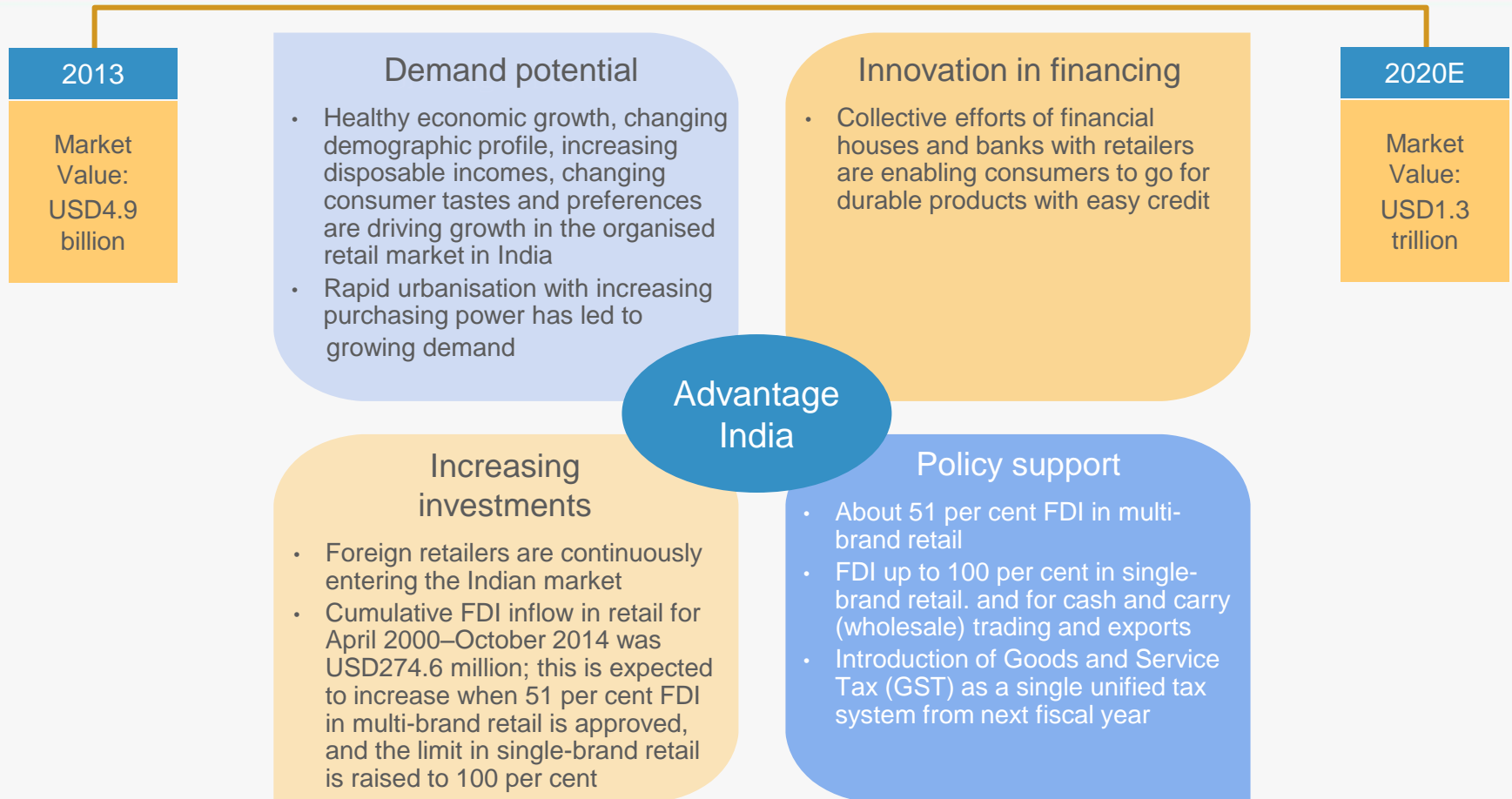
Source: indiaretailing.com, Aranca Research
Notes: CAGR - Compound Annual Growth Rate, E - Estimate

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ADVANTAGE INDIA

MARCH 2015



Source: Ernst & Young, Technopak, Aranca Research

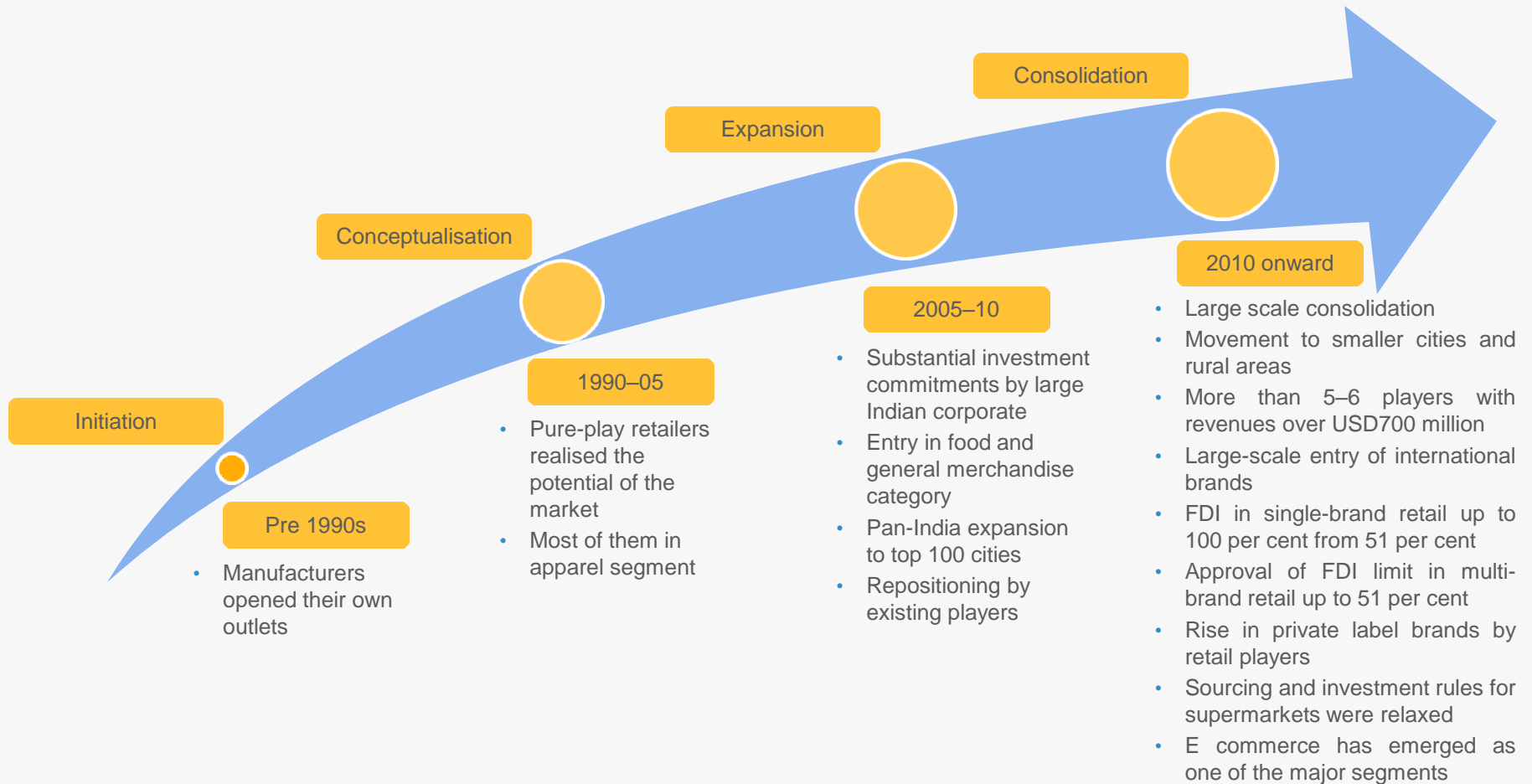
Notes: SITP - Scheme for Integrated Textile Park, FDI - Foreign Direct Investment, 2021

E - Estimated figure for 2020, ASEAN - Association of Southeast Asian Nations



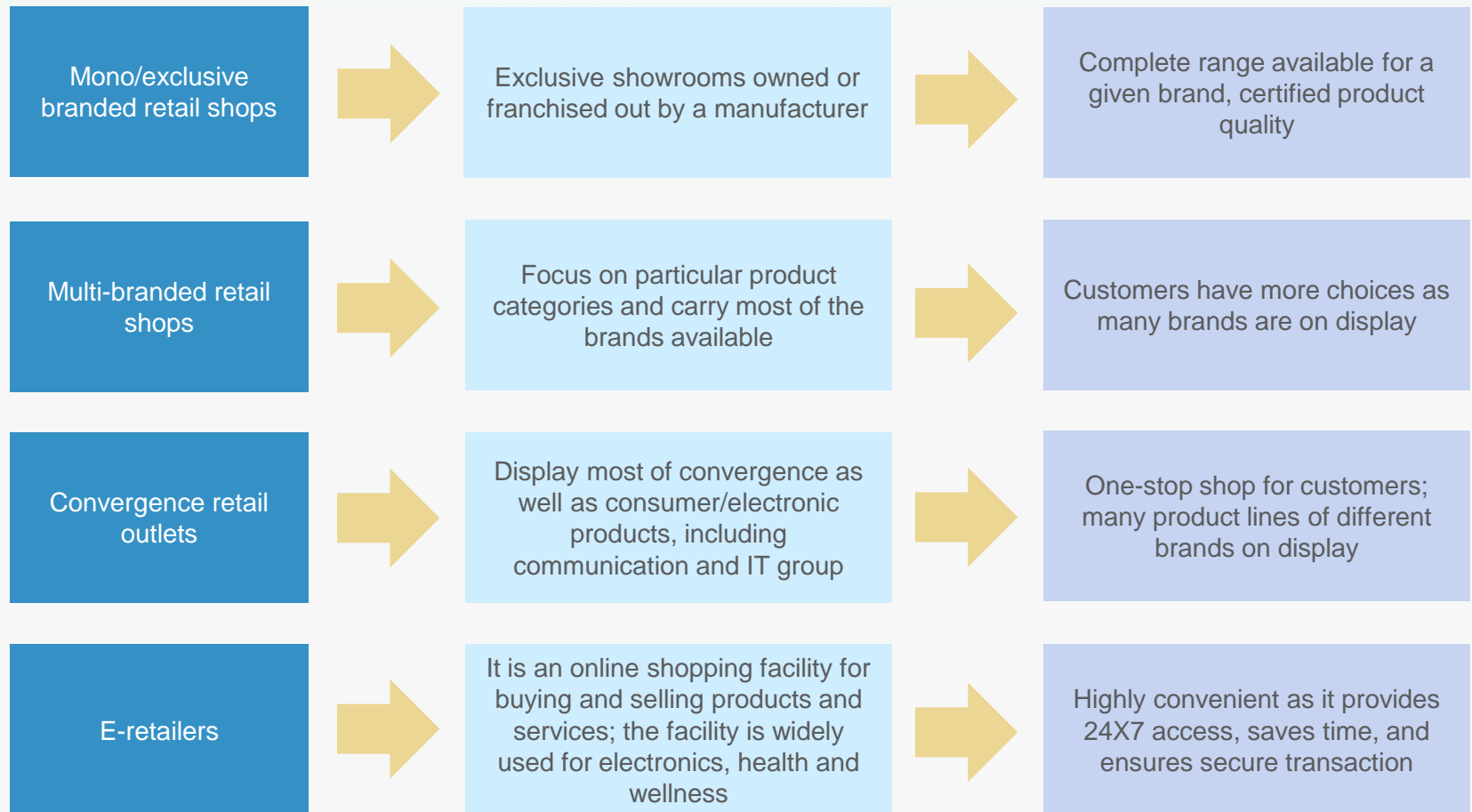
MARKET OVERVIEW AND TRENDS

EVOLUTION OF RETAIL IN INDIA



Source: Technopak Advisors Pvt Ltd, Firstpost, Aranca Research

RETAIL FORMATS IN INDIA



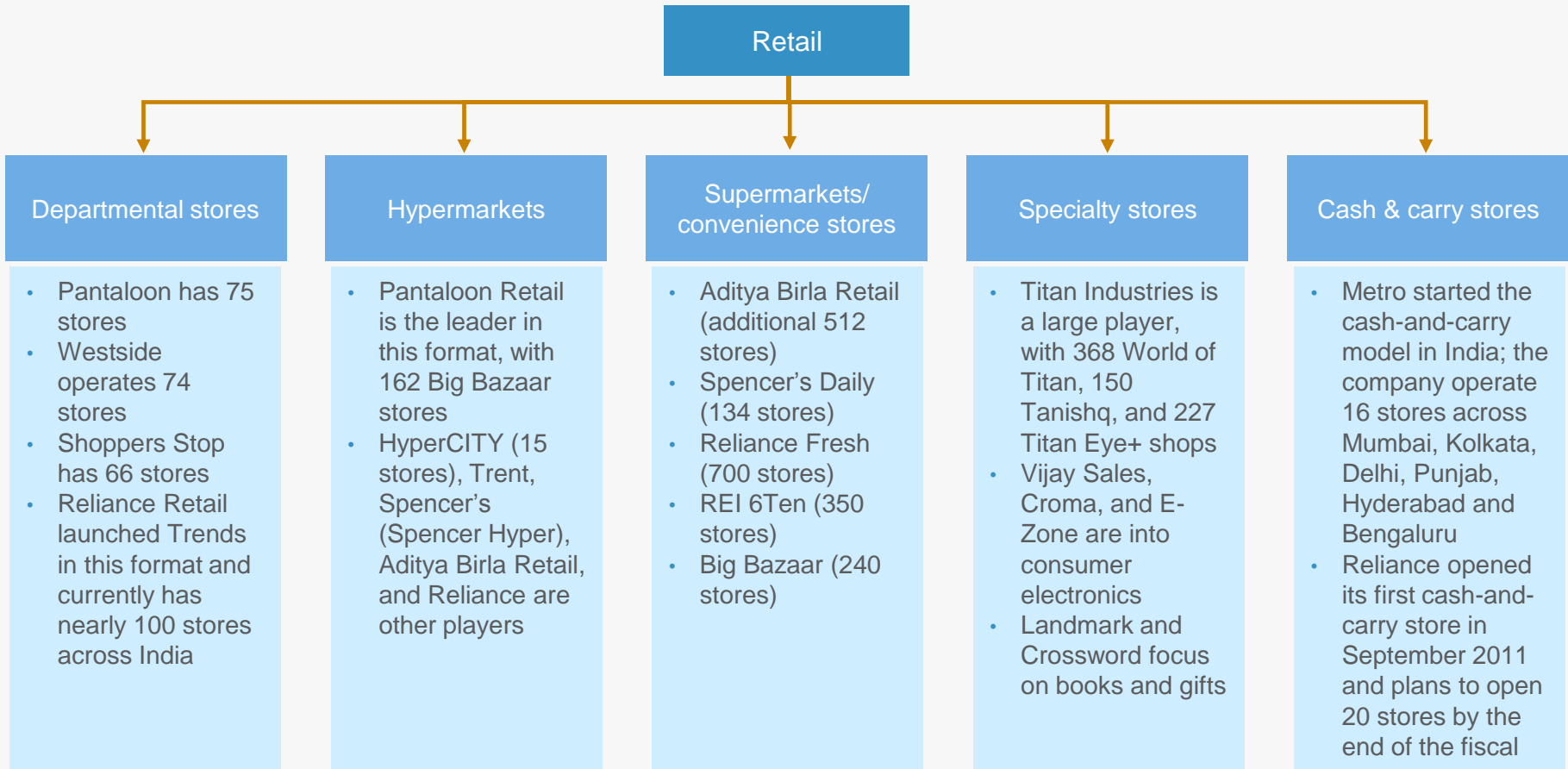
Source: Aranca Research
Note: IT - Information Technology

KEY PLAYERS IN INDIAN RETAIL INDUSTRY



Source: Aranca Research

COMPETITIVE LANDSCAPE IN INDIAN RETAIL SECTOR



Source: Company websites, Press Release, Aranca Research

KEY STRATEGIES OF INDIAN RETAILERS

Multiple franchisee model



Rural retailing



Collaboration for back-end resource sharing



Collaborative model for international products



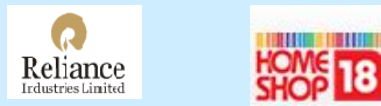
Vertical integration



Increasing market reach



Innovation in new retail formats



Direct sourcing arrangements



Focus on private labels



Source: KPMG International 2011, Aranca Research

STRATEGIES ADOPTED BY INDIAN RETAILERS FOR SALES MAXIMISATION

Offering discounts

- Most retailers have advanced off-season sales from 15 days to a month with discounts of 20-70 per cent on certain products
- Higher discounts and other value-added services for members

Lowering prices

- Certain retailers adopt 'first price right' approach. Retailers do not offer discounts under this strategy: they directly compete on the selling price by offering a best price without any markdowns

Offering value-added services

- Companies offer innovative value-added services, such as customer loyalty programmes and happy hours on shopping deals
- Offers for senior citizens, contests for students, and lottery gains are now very common

Leveraging partnerships

- To keep customers on shop floors for a longer time and increase conversions, retailers are now pitching to partner with manufacturers, service providers, financial companies, etc. to create a buzz around certain product categories

Strong supply chain

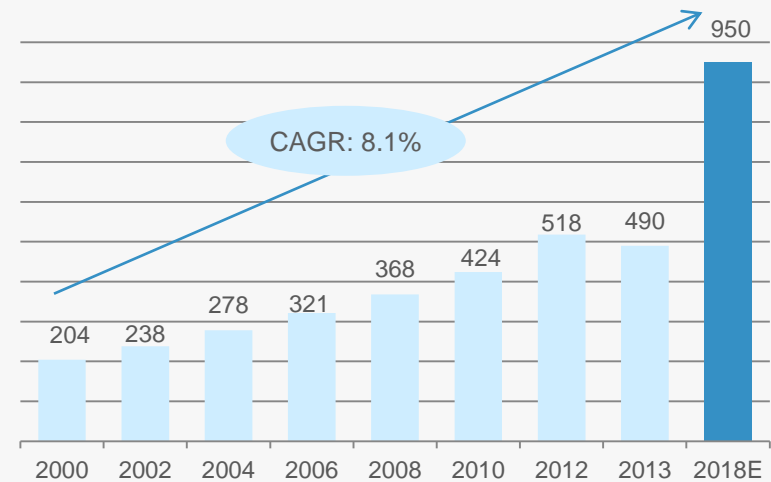
- Critical components of supply chain planning applications help retailers to maintain profit margins
- Retailers develop innovative solutions for managing the supply chain problems
- Innovative solutions like performance management, frequent sales operation management, demand planning, inventory planning, production planning and lean systems can help retailers to get advantage over competitors

Source: KPMG International, Aranca Research

STRONG GROWTH IN THE INDIAN RETAIL INDUSTRY

- * The retail sector in India is emerging as one of the largest sectors in the economy
- * By 2013, the total market size is USD490 billion, thereby registering a CAGR of 6.1 per cent since 1998.
- * Retail industry is expected to grow to USD950 billion by 2018, registering a CAGR of 8.9 per cent between 2000-2018

Market size over the past few years (USD billion)

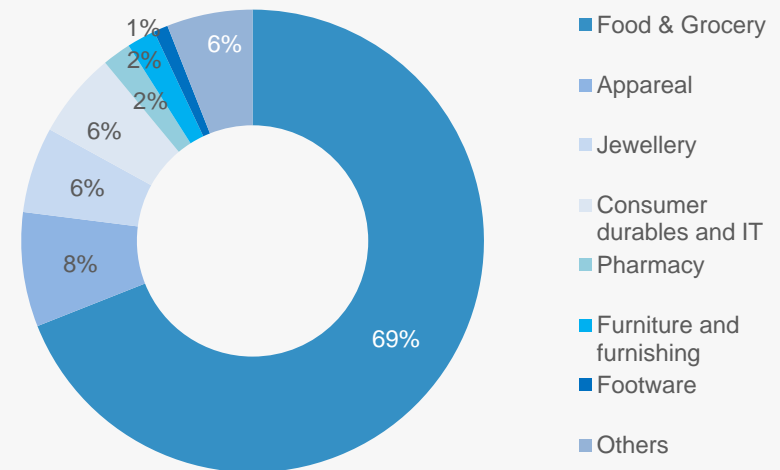


Source: Ernst & Young, Deloitte, indiaretailing.com, Economist Intelligence Unit, Euro monitor, Aranca Research
Notes: CAGR - Compound Annual Growth Rate, E - Estimated

FOOD & GROCERY ACCOUNT FOR LARGEST SHARE IN REVENUES IN INDIA

- * In 2013, food & grocery accounted for nearly 69 per cent of total revenues in the retail sector, followed by apparel (8.0 per cent)
- * Demand for Western outfits and readymade garments has been growing at 40–45 per cent annually; apparel penetration is expected to increase to 30-35 per cent by 2015
- * The domestic gems & jewellery market in March 2013 was USD40 billion and is expected to grow by 13 per cent per annum to reach USD45-50 billion by 2015

Market break-up by revenues (2013)

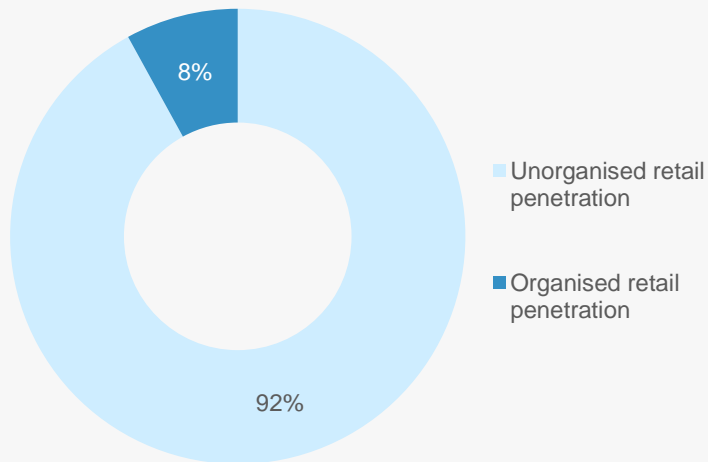


Source: Technopak, Indian Retail Market January 2013, Deloitte, A Report on 'Changing trends: gems & jewellery industry' by Onicra, Aranca Research

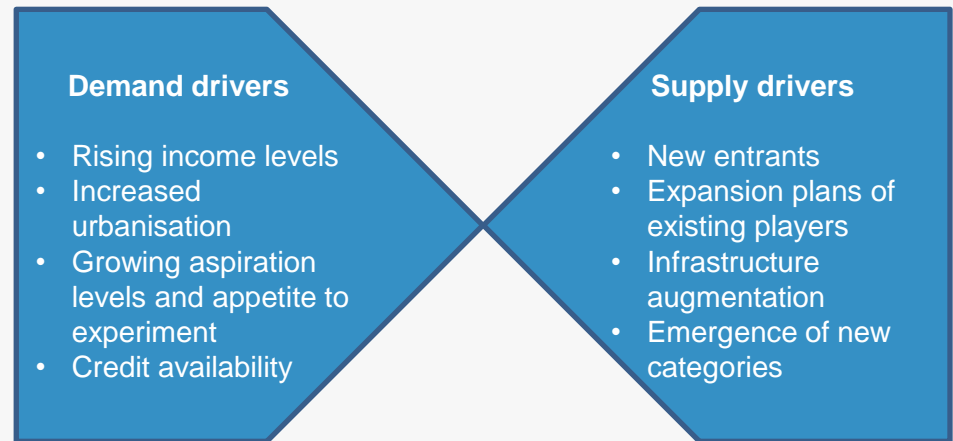
ORGANISED RETAIL IN NASCENT STAGE ... (1/2)

- * Organised Retail Penetration (ORP) in India is low (8 per cent) compared with that in other countries, such as the US (85 per cent). This indicates strong growth potential for organised retail in India

Organised retail penetration (2013)



Drivers of organised retail

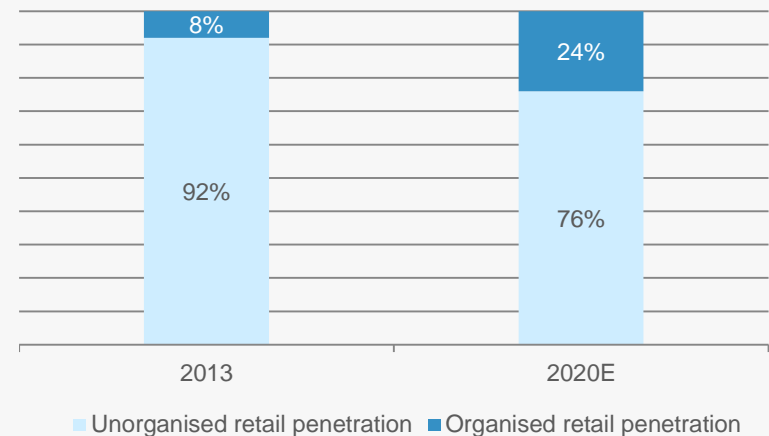


Source: Technopak, Indian Retail Market January 2013, Aranca Research

ORGANISED RETAIL IN NASCENT STAGE ... (2/2)

- * The Indian retail market is in its nascent stage; unorganised players accounted for 92 per cent of the market during 2013
- * There are over 15 million mom-and-pop stores
- * Between FY09-13, organised retail in India witnessed a CAGR of 19-20 per cent
- * Organised retail is expected to account for 24 per cent of the overall retail market by 2020

Significant scope for expansion in organised retail



Source: Technopak, indiaretailing.com, Deloitte Report, Winning in India's Retail Sector, Aranca Research
Notes: 'Mom-and-pop' stores are small stores that are typically owned and run by members of a family, E- Estimate

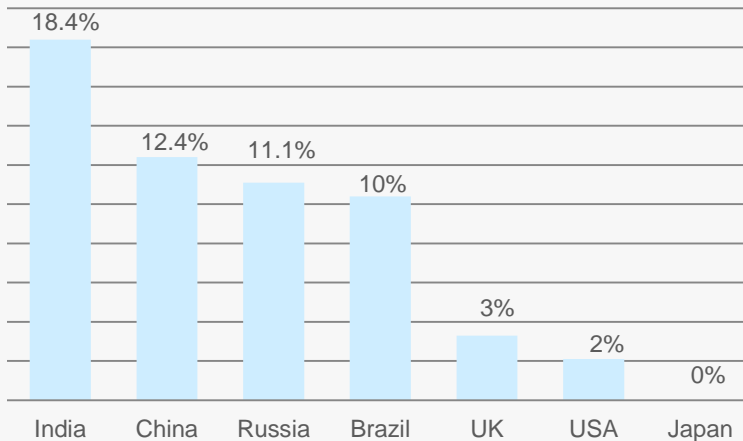
ORGANISED RETAIL (GROWTH ACROSS CATEGORIES)

Organised retail penetration and key trends across categories				
Retail category	Category share as a % of total market	ORP (%)	Approx. gross margin (%)	Key trends
Food & beverage	69-70	2-3	3-14	Large market and low ORP presents robust opportunities
Clothing & textile	11-13	17-20	35-50	High margins, increased preference for branded apparel
Consumer durables	4-5	15-20	10-20	Wide range of price points and good-after sales service are key differentiators
Home décor & furnishing	3	5-6	40-50	Housing boom and increasing aspiration levels are driving demand
Beauty, personal care	8-11	6-10	20-40	Growth driven by new product launches, consumers' aspirations and expansion plans of organised players
Footwear	2	16-17	25-35	Lifestyle brands are increasing their product offerings and formats
Others	3-4	9-30	10-15	Pharmacy retail, stationery retailers, etc

Source: Ministry of Statistics and Programme Implementation, A Report on 'Retail reforms in India' by PwC, Aranca Research
Note: ORP - Organised Retail Penetration

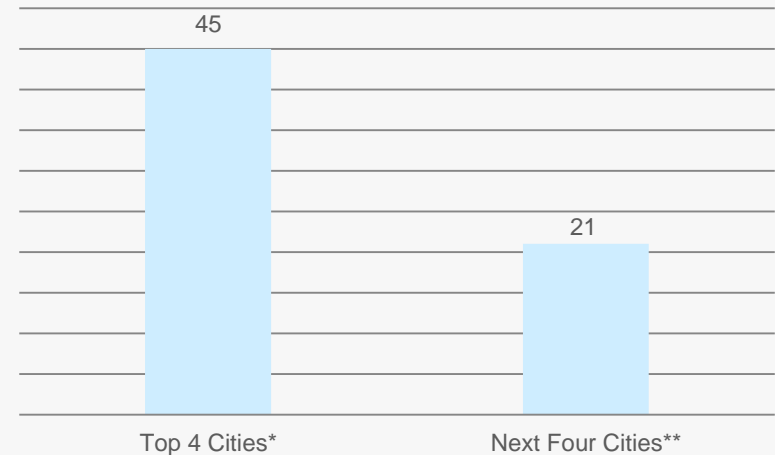
GROWTH EXPECTED ACROSS PRODUCT CATEGORIES AND FORMATS ... (1/2)

Grocery sales growth across countries (2010)



Source: IGD International: Indian Retail Forum presentation - 2010

Additional mall space requirement by 2013-14 (million sq feet)

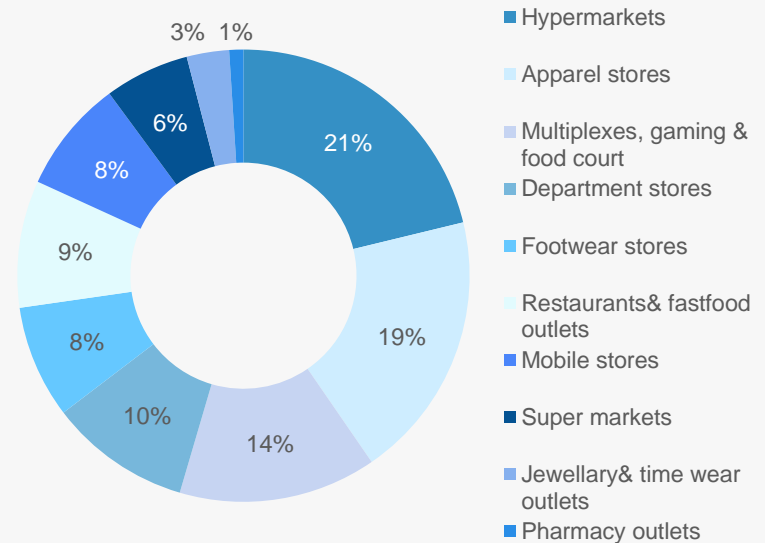


Source: Technopak Advisors Pvt Ltd, Cushman & Wakefield Research
Notes: * - NCR, Mumbai, Kolkata and Chennai, ** - Bangalore, Pune, Hyderabad and Ahmadabad

GROWTH EXPECTED ACROSS PRODUCT CATEGORIES AND FORMATS ... (2/2)

- * India's 'grocery' retail segment is the world's most attractive
- * Hypermarkets would be the largest retail segment, accounting for 21 per cent of total retail space by 2013–14
- * Grocery retailers recorded healthy growth during 2013, rising in current value by 11 per cent to USD276.7 billion during 2012-13
- * Traditional grocery retailers remains dominant in grocery retailers in India, accounting for 98 around of total value sales in 2013.
- * However, over 2011-13 period, there was a major shift towards modern grocery retailers, which resulted in modern grocery retailers recording the strongest value growth of 22 per cent in 2013

Break-up of all mall space by format (FY14)



Source: Technopak Advisors Pvt Ltd, Cushman & Wakefield Research, Euromonitor International

SIGNIFICANT GLOBAL POSITIONING OF INDIAN RETAIL SECTOR

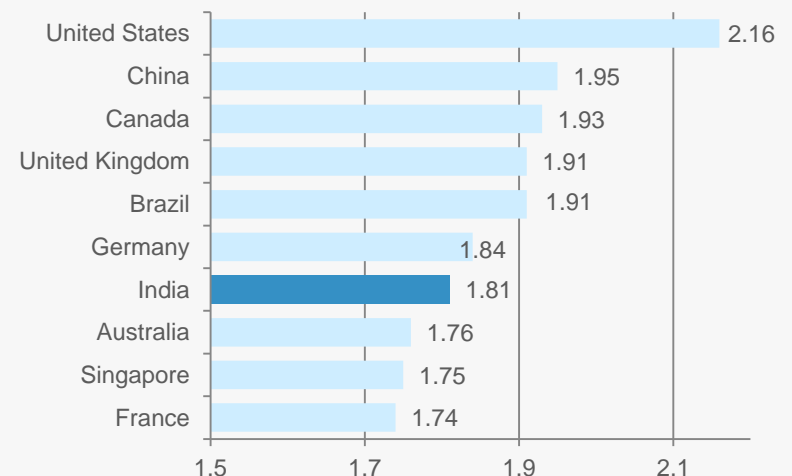
- * India had the highest number of retail outlets in the world at over 13 million retail outlets in 2014. It also has the highest number of outlets (11,903) per million inhabitants
- * The per capita retail space in India is among the lowest in the world, though the per capita retail store is the highest
- * India's strong growth fundamentals, along with increased urbanisation and consumerism, offer immense scope for retail expansion for foreign players
- * Recently, government reforms have been introduced for attracting FDI and boosting investor sentiment
- * Rapid emergence of organised retail outlets, such as mega malls and hypermarkets, are augmenting the growth of organised retail in the country
- * Retailers have made constant improvements in supply chain and logistics for competitive advantage and meeting consumer demands

*Source: Dun and Bradstreet, AT Kearney, Indian Retail Market
September 2011, Times of India, Aranca Analysis*

SECTOR'S HIGH GROWTH POTENTIAL IS ATTRACTING INVESTORS ... (1/2)

- * India has occupied a remarkable position in global retail rankings; the country has high market potential, low economic risk, and moderate political risk
- * In market potential, India ranks seventh (after United States, China, Canada, UK, Brazil and Germany)
- * India's net retail sales are quite significant among emerging and developed nations; the country is ranked third (after China and Brazil)
- * Overall, given its high growth potential, India compares favourably with global peers among foreign investors

FDI Confidence Index 2014



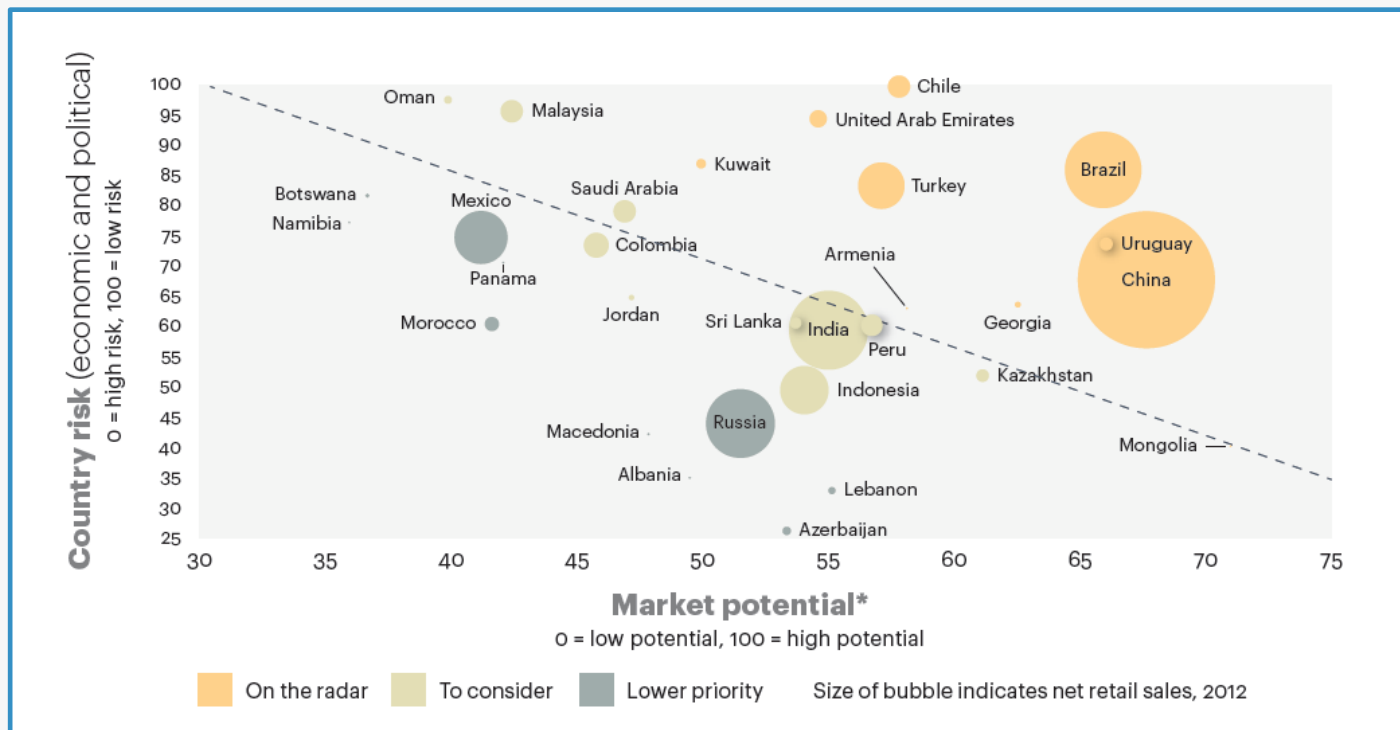
Source: AT Kearney 2013 FDI Confidence Index, Aranca Analysis

Notes: FDI - Foreign Direct Investment,

* - The FDI Confidence Index assesses the impact of political, economic and regulatory changes on FDI preferences

SECTOR'S HIGH GROWTH POTENTIAL IS ATTRACTING INVESTORS ... (2/2)

2013 GRDI country attractiveness in retail investment



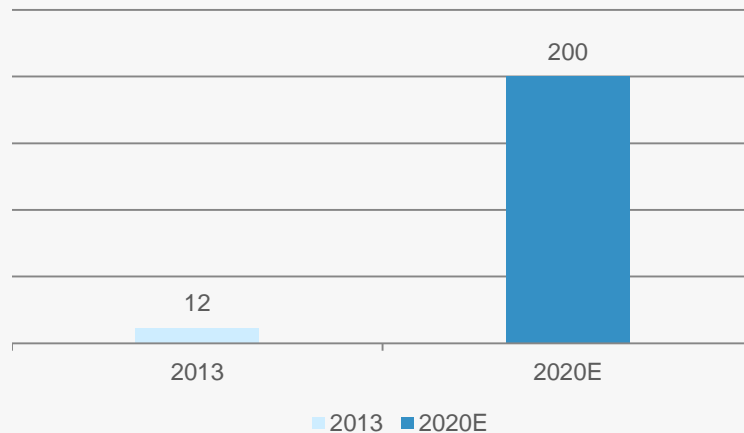
Source: 2013 Global Retail Development Index - AT Kearney, Aranca Research

Notes: GRDI - Global Retail Development Index, * - based on weighted score of market attractiveness, market saturation and time pressure of top 30 countries

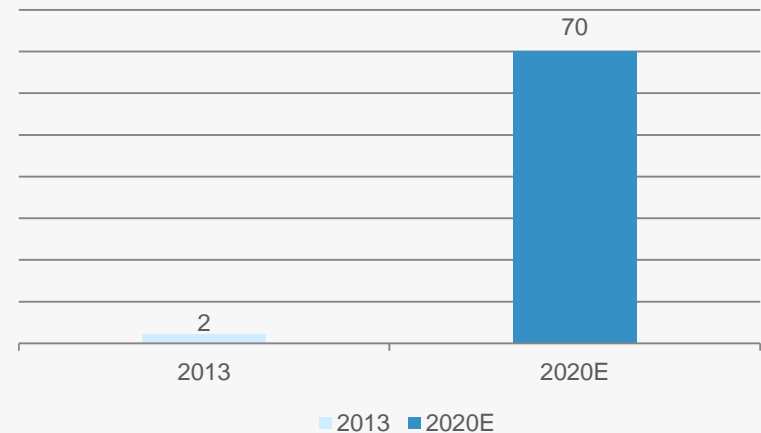
RISING PROMINENCE OF ONLINE RETAIL ... (1/2)

- * Online retail business is the next generation format which has high potential for growth in the near future. After conquering physical stores, retailers are now foraying into the domain of e-retailing
- * E-commerce is expected to be the next major area for retail growth in India. The industry is projected to touch USD200 billion by 2020
- * With growth in the e-commerce industry, online retail is estimated to reach USD70 billion by 2020 from USD2.24 billion in 2013

E-commerce industry in India (USD billion)



Online retail in India (USD billion)

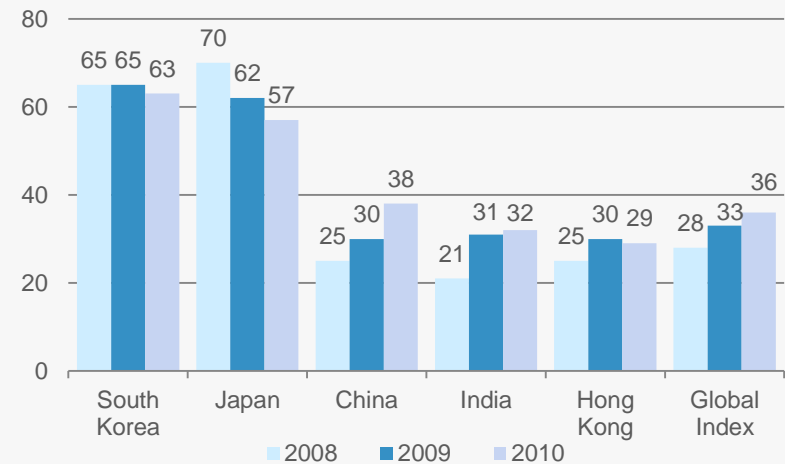


Source: MasterCard Worldwide Insights 4Q 2010, Aranca Research
Notes: APMEA - Asia/ Pacific, Middle East and Africa, E- Estimate

RISING PROMINENCE OF ONLINE RETAIL ... (2/2)

- * The key drivers of online retail are a young population aided by easier access to credit and payment options, increasing internet penetration and speed, 24-hour accessibility, and convenient and secured transactions
- * Online retailers continue promotional prices in the market, offering a significant boost to e-retailing in consumer durable sector
- * Options like cash-on-delivery and manufacturers' warranty add fuel to this rage. Cash-on-delivery is the most preferred payment option with over 30 per cent of buyers opting for it in India
- * The computer peripherals, cameras and mobiles, and lifestyle segments account for a majority of total purchases

APMEA master card regional online shopping index



Source: MasterCard Worldwide Insights 4Q2010, Aranca Research

Note: APMEA - Asia/ Pacific, Middle East and Africa



PORTERS FIVE FORCES ANALYSIS

PORTER'S FIVE FORCES ANALYSIS

Competitive Rivalry

- Entry of foreign players in the market and e-retailers have intensified competition
- Customers' low switching cost increases competition
- The Indian retail sector is highly fragmented, which increases competition

Threat of New Entrants

- Entry as a retailer is quite simple. However, players need to establish strong distribution channels and achieve economies of scale to compete

Substitute Products

- Threat of substitute products is low. However, customers may purchase products from a local store instead of purchasing from a retailer

Bargaining Power of Suppliers

- Retailers have low switching costs, which make the supplier power low. Larger retailers can easily switch to different suppliers.

Bargaining Power of Customers

- The consumers are price sensitive, and have information about the product and its price
- Low switching cost gives customers high bargaining power



Source: Aranca Research



STRATEGIES ADOPTED

STRATEGIES ADOPTED

Strong distribution and logistic network

- It is imperative for a retailer to have a strong distribution and logistic network to succeed in this sector. Players follow a distribution network that suits them the best. For example, Shoppers Stop follows a “hub-and-spoke” model for its distribution network to increase efficiency and productivity

Marketing innovation

- Companies are now adopting innovative marketing strategies for their business. For example, Shoppers Stop is the first Indian large-format retailer to have created an AUGMENTED REALITY (AR) set-up

Focus

- Certain players in this sector are focused on a particular segment. For example, Future Retail (FRL) exclusively operates hypermarkets and home retailing businesses. FRL focuses on maintaining its competitive advantage and gaining benefits of scale through focusing on efficiency and productivity

Omni-channel retailing

- Retailers are opting many channel to maximise sales, provide convenience and for enhanced productivity. Omni-channel retailing is being adopted by many retailers in India. For example, Shoppers Stop is making efforts to be an omni-channel retailer. Ezone has launched an online platform, which has led to increase in sales

Changing the perception

- Retailers benefit if consumers perceive their store brands to have consistent and comparable quality and availability in relation to branded products. For this, retailers are providing more assortments for private level brands to compete with supplier's brand. New product development, aggressive retail mix and everyday low pricing strategy help to get edge over supplier's brand

Source: Company websites, Aranca Research
Notes: R&D – Research and Development

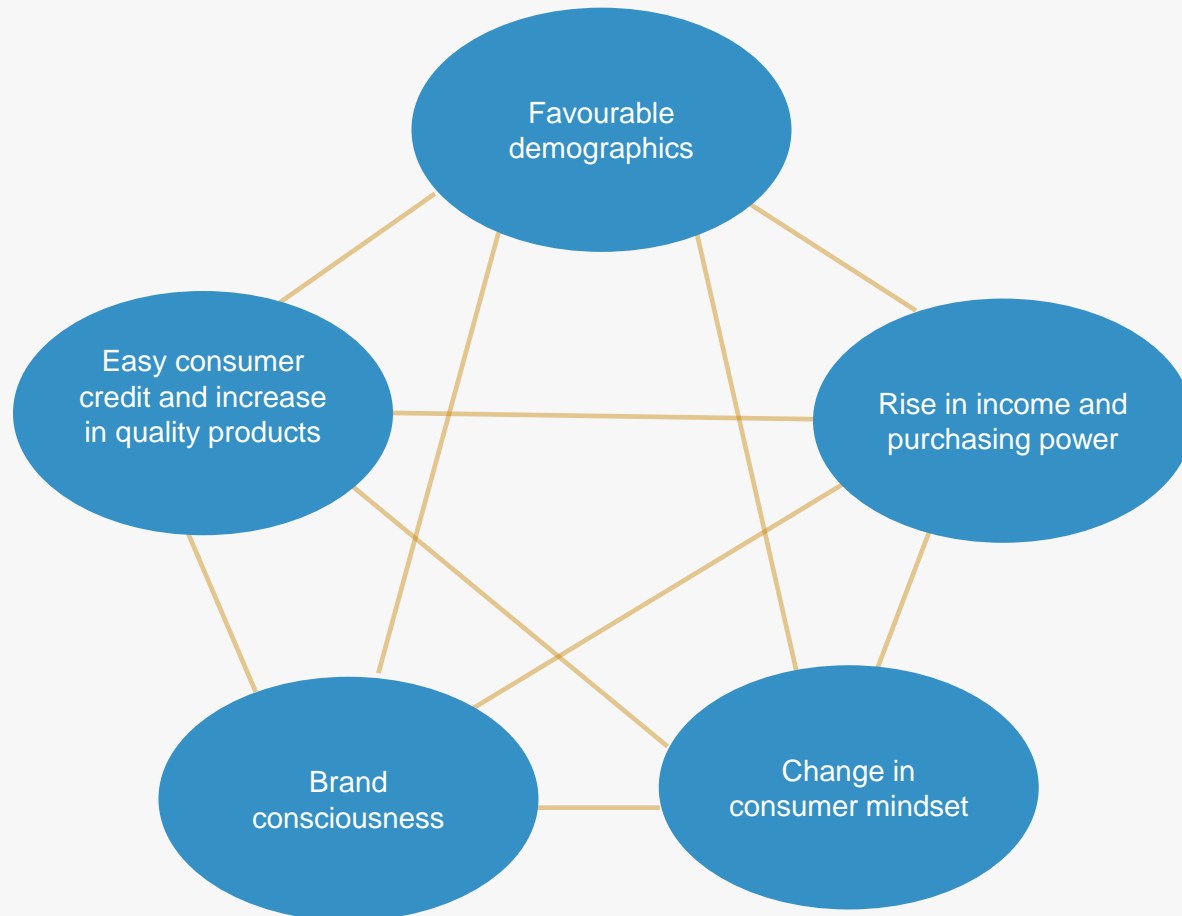
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GROWTH DRIVERS

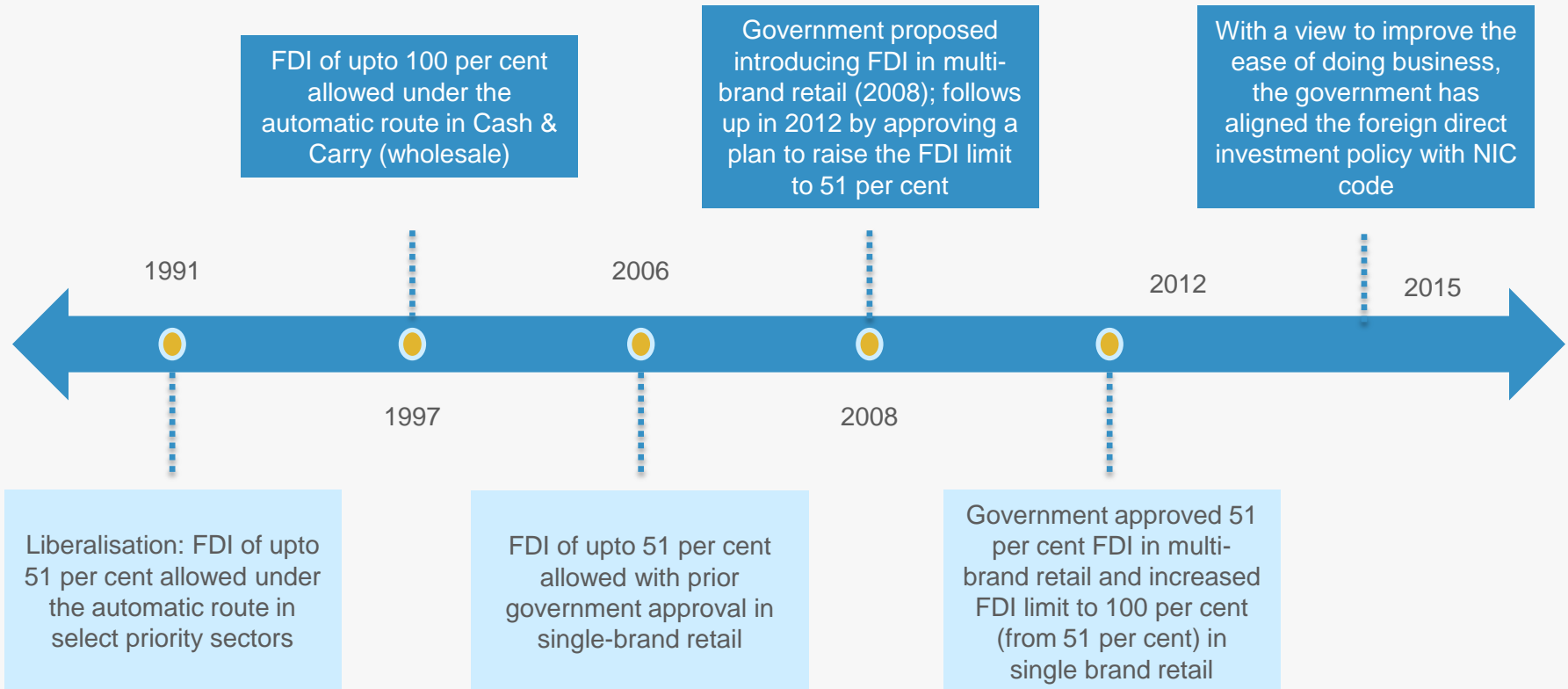
MARCH 2015

GROWTH DRIVERS FOR RETAIL IN INDIA



Source: Aranca Research

FAVOURABLE FDI POLICY ENCOURAGING INVESTMENT



Source: Aranca Research

Note: NIC - National Industrial Classification Code

INDIAN RETAIL IS SET TO BENEFIT FROM FDI POLICY

Benefits of FDI in Indian retail

Increase in employment

Infrastructure investment

Removing middlemen

Benefiting Indian manufacturers

Technological advancement

Sector

Entry route

FDI limit

Wholesale cash and carry trading

Single brand product retailing

Multi-brand, front-end retail

Automatic

Foreign Investment and Promotion Board

Foreign Investment and Promotion Board

100%

100%

51%

FDI POLICY DETAILS ON SINGLE AND MULTI-BRAND RETAIL IN INDIA

51% FDI in multi -
brand retail
Status: Policy passed



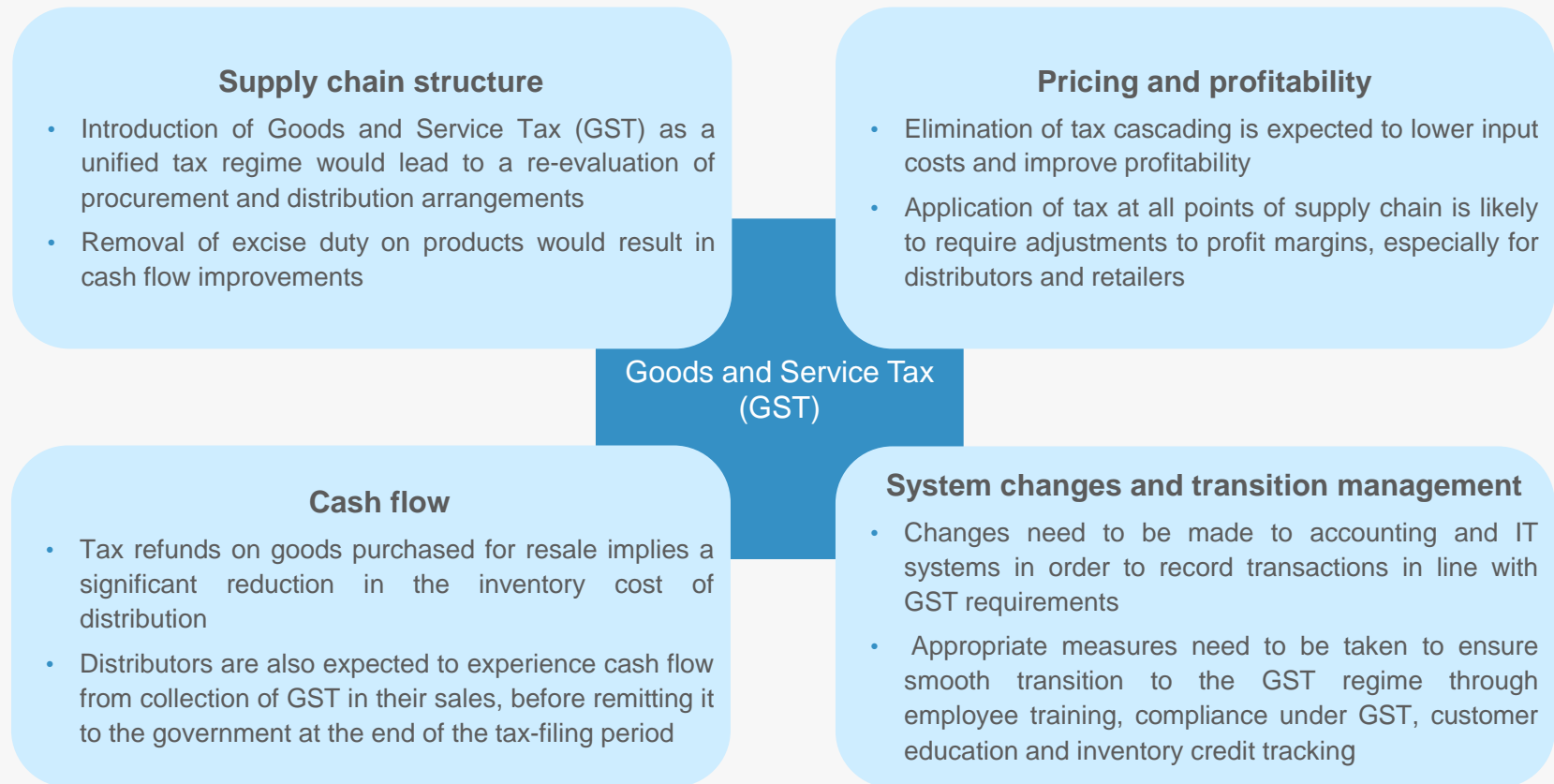
- Minimum investment cap is USD100 million
- 30 per cent procurement of manufactured or processed products must be from SMEs
- Minimum 50 per cent of total FDI must be invested in backend infrastructure (logistics, cold storage, soil testing labs, seed farming and agro-processing units)
- Removes middlemen and provides better price to farmers
- Development in retail supply chain system
- 50 per cent of jobs in retail outlet could be reserved for rural youth and a certain amount of farm produce could be required to be procured from poor farmers
- To ensure the Public Distribution System (PDS) and Food Security System (FSS), the government reserves the right to procure a certain amount of food grains
- Multi-brand retail would keep food and commodity prices under control
- Will cut agricultural waste as mega retailers would develop backend infrastructure
- Consumers will receive higher quality products at lower prices and with better service

100% FDI in single
brand retail
Status: Policy passed



- Products to be sold under the same brand internationally
- Sale of multi-brand goods is not allowed, even if produced by the same manufacturer
- For FDI above 51 per cent, 30 per cent sourcing must be from SMEs
- Consumerism of retail market
- Any additional product categories to be sold under single brand retail must first receive government approval

NEW GOODS AND SERVICE TAX (GST) WOULD SIMPLIFY TAX STRUCTURE

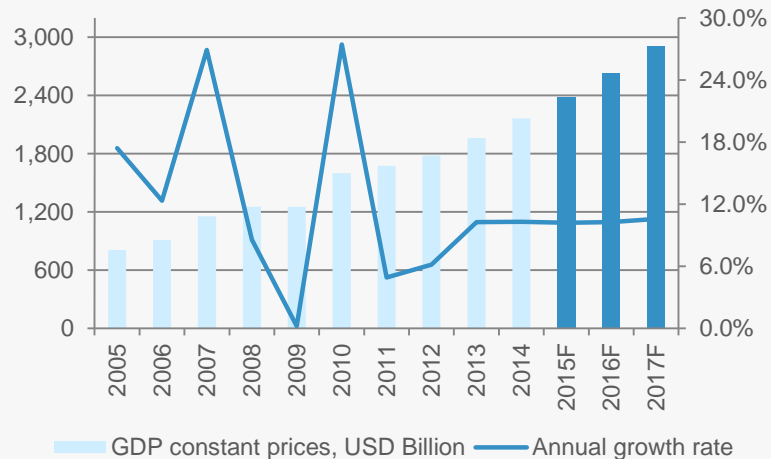


Source: Aranca Research

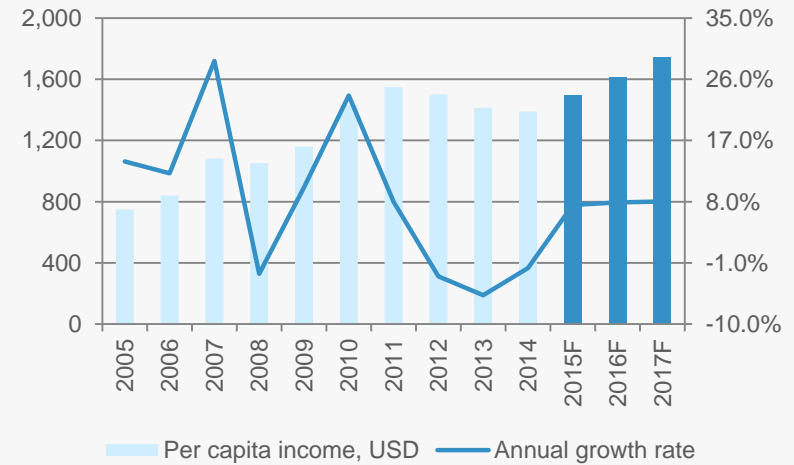
INCOME GROWTH TO DRIVE DEMAND FOR ORGANISED RETAIL

- * Multiple drivers are leading to strong growth in Indian retail through a consumption boom
- * Significant growth in discretionary income and changing lifestyles are among the major growth drivers of Indian retail
- * Easy availability of credit and use of 'plastic money' have contributed to a strong and growing consumer culture in India
- * Acceptance and usage of e-retailers by consumers are increasing due to convenience and secured financial transactions
- * Expansion in the size of the upper middle class and advertisement has led to greater spending on luxury products and high brand consciousness

Real income growth projections



Rising per capita income in India



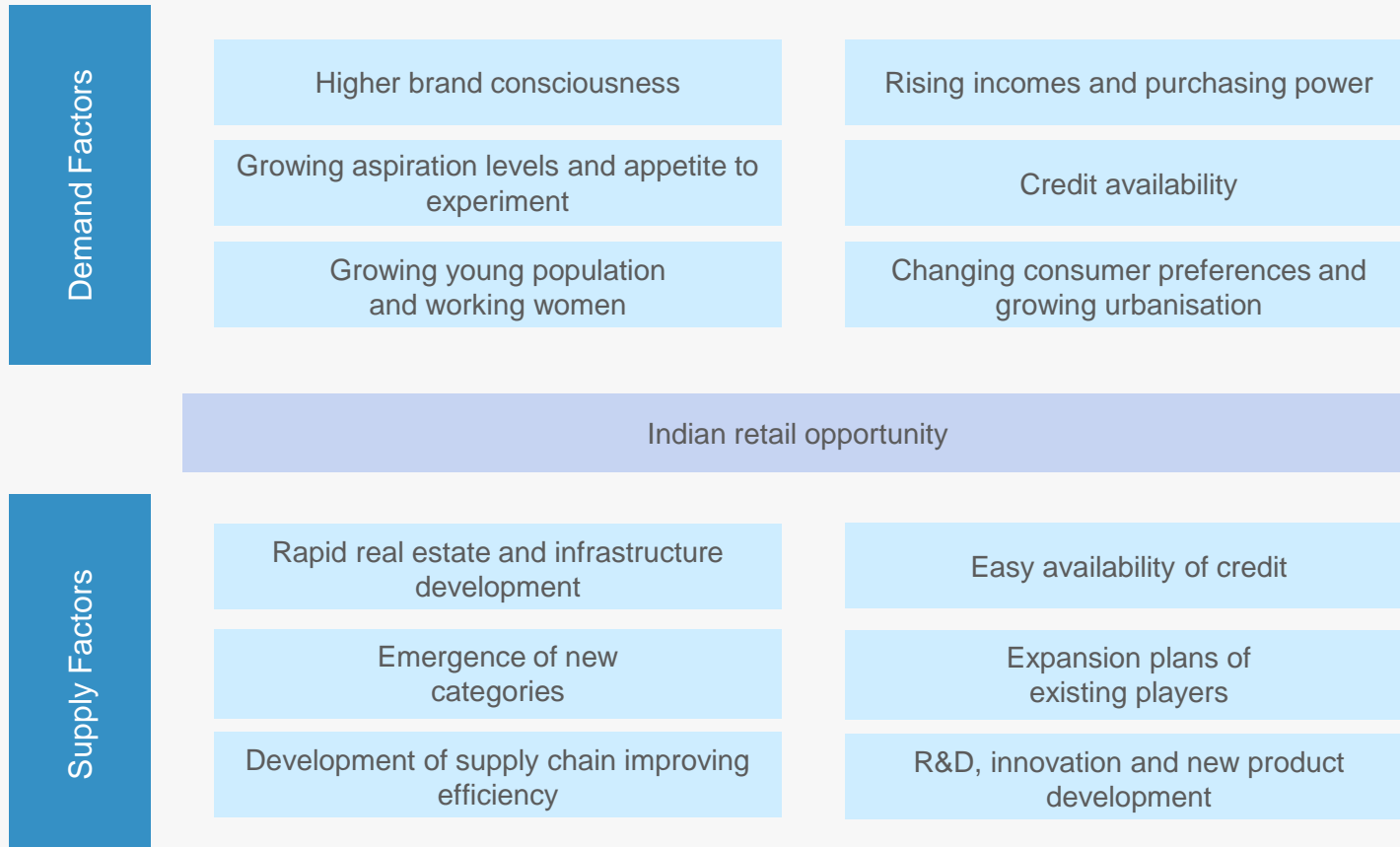
Source: Aranca Research, IMF, Aranca Research
Notes: E- Estimate, F - Forecasts

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OPPORTUNITIES

GROWTH VALUE PROPOSITION



Source: KPMG International 2011, Aranca Research

AMPLE GROWTH OPPORTUNITIES IN INDIAN RETAIL INDUSTRY

Large number of retail outlets

- India is the fifth largest preferred retail destination globally
- The sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in Tier-II and Tier-III cities

Rural markets offer significant growth potential

- FMCG players are focusing on rural market as it constitutes over 33 per cent of FMCG consumer base in India
- With increasing investment in infrastructure, retailers would be able to increase their access to high-growth potential rural markets

Private label opportunities

- The organised Indian retail industry has begun experiencing an increased level of activity in the private label space
- Private label strategy is likely to play a dominant role as its share in the US and the UK markets is 19 per cent and 39 per cent, respectively, while its share in India is just 6 per cent

Sourcing base

- India's price competitiveness attracts large retail players to use it as a sourcing base
- Global retailers such as Walmart, GAP, Tesco and JC Penney are increasing their sourcing from India and are moving from third-party buying offices to establishing their own wholly-owned/wholly-managed sourcing and buying offices

Luxury retailing

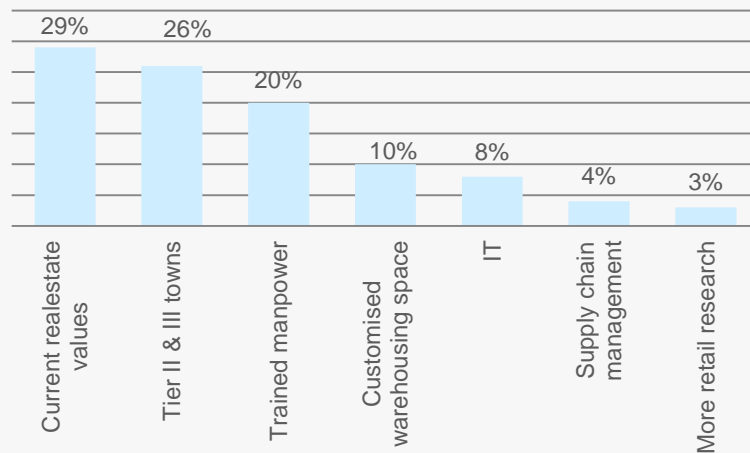
- Luxury retailing is gaining importance in India. This includes fragrances, gourmet retailing, accessories, and jewellery among many others. The Indian consumer is ready to splurge on luxury items and is increasingly doing so.
- The Indian luxury market is expected to grow at a CAGR of 25 per cent. This will make India the 12th largest luxury retail market in the world by 2020

Source: Aranca Research

Note: FMCG - Fast Moving Consumer Goods

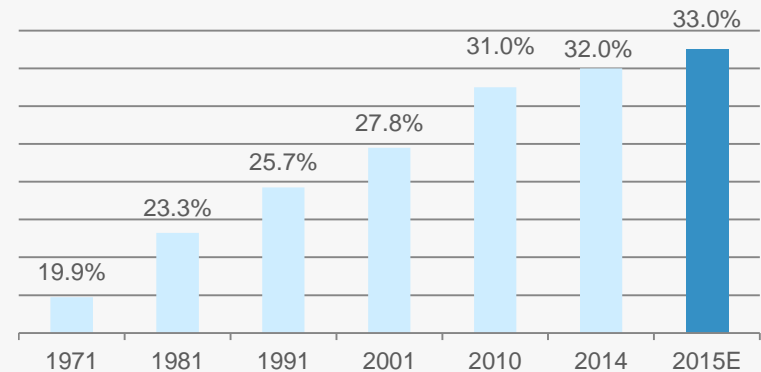
ATTRACTIVE INVESTMENT SEGMENTS

Investment options in organised retail India



- * Real estate's retail component is an attractive opportunity, which is currently attracting 29 per cent of total investment in real estate
- * Of the overall investors, 26 per cent are interested in investing in Tier II and III cities
- * Training and warehouse spacing are the other viable options for investments

Migration trend towards urban areas
(urban population as share of total) (2014)



- * Employment opportunities, increased urban amenities and better lifestyle opportunities are attracting rural population towards cities every year
- * In 2014, the urban-rural migration was at 32.0 per cent, up from 31.0 per cent in 2010
- * This could be a major driver for the organised retail sector as the working population would consequently increase

Source: Indian Retail Market September 2011, Deloitte, Winning in India's Retail Sector, PwC, Cushman & Wakefield, Aranca Research
Note: E - Estimate

STRONG GROWTH POTENTIAL ATTRACTING HIGH FOREIGN INVESTMENT

Reliance Industries Limited	<ul style="list-style-type: none">• Partnership arrangement with Marks & Spencer to open 50 stores• Reliance would open 2,000 exclusive outlets to sell telecom products
Future Group	<ul style="list-style-type: none">• Partnership with Clarks International UK to sell premium footwear label• Future Group is planning to take over southern supermarket chain Nilgiris
Metro	<ul style="list-style-type: none">• Metro AG plans to have 50 wholesale stores in India by 2020
Walmart	<ul style="list-style-type: none">• It has planned to open 50 wholesale stores in India over 4-5 years
Tesco	<ul style="list-style-type: none">• It has plans to open six to eight outlets in Maharashtra and Karnataka under Star Bazaar, Star Market and Star Daily formats in FY14
Columbia Sportswear	<ul style="list-style-type: none">• US-based outdoor and adventure wear retailer Columbia Sportswear Company will open 25 stores by April 2015 in India
Tata Group	<ul style="list-style-type: none">• Tesco signed a deal worth USD115 million with the retail arm of Tata Group, wherein the former would supply products, services and expertise to the latter's hypermarket business Star Bazaar

Source: KPMG International 2011, Aranca Research

RECENT M&A DEALS IN THE INDIAN RETAIL SECTOR

- * In 2013, the M&A deal value in retail stood at USD3.5 billion due to Unilever's USD3 billion deal; along with that, the food segment attracted PE investment worth USD200 million
- * The total number of deals was 26 in 2013

Acquirer name	Target name	Year	Deal type
Kalyan Jewellers India Pvt Ltd	Warburg Pincus	Oct 2014	Private Equity
Celio	Future Lifestyle Fashions Limited	Oct 2014	Private Equity
Warburg Pincus	Biba Apparels	Dec 2013	Private Equity
Hassan Food Co	Bush Foods Overseas Pvt Ltd	Apr 2013	Acquisition
Trent Ltd	Landmark Ltd	Feb 2013	Acquisition
Future Venture India Ltd	Big Apple (convenience store)	Sep 2012	Acquisition
Peter England Ltd	Pantaloons Retail India Ltd	Sep 2012	Acquisition
Pantaloons Retail India Ltd	R&R salons	May 2012	Private Equity
Phoenix Mills Ltd	Classic Housing Projects Pvt Ltd	Mar 2012	Acquisition
Flipkart online services Pvt Ltd	eTree Marketing Pvt Ltd	Feb 2012	Acquisition
Gitanjali Gems Ltd	Crown Aim, China	Dec 2011	Acquisition
Shoppers Stop Ltd	Gateway Multichannel Retail India Ltd	Jun 2011	Acquisition
TTK Prestige Ltd	Triveni Bialetti Pvt Ltd	Sep 2011	Acquisition

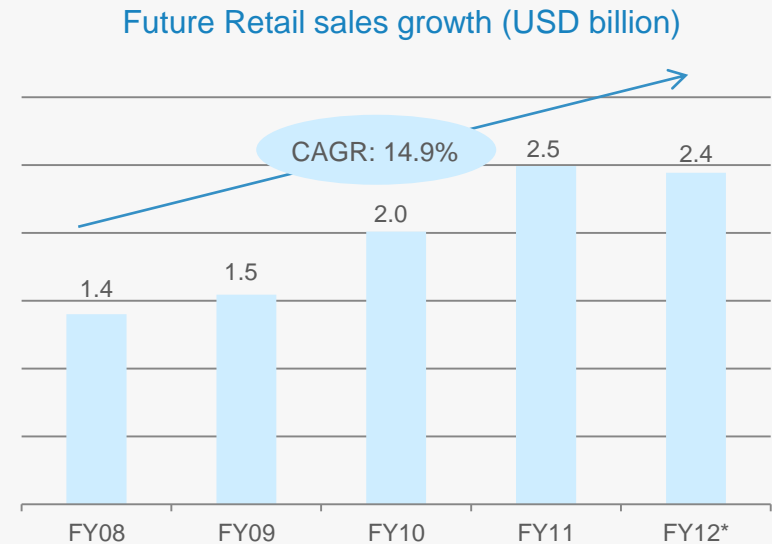
Source: Bloomberg and Thomson ONE Banker, Aranca Research



SUCCESS STORIES

FUTURE RETAIL: INDIA'S LEADING RETAILER IN MULTIPLE RETAIL FORMATS ... (1/2)

- * Revenues expanded at a CAGR of 14.9 per cent during FY08–12
- * Hypermarket and supermarket formats have a network of nearly 315 stores, encompassing an area of over 11 million square feet
- * Under Future Fashion, the company owns a portfolio of 24 leading brands and covers more than 121 cities
- * Big Bazaar is ranked the third most trusted brand and the most trusted retailer of 2012 for providing quality services

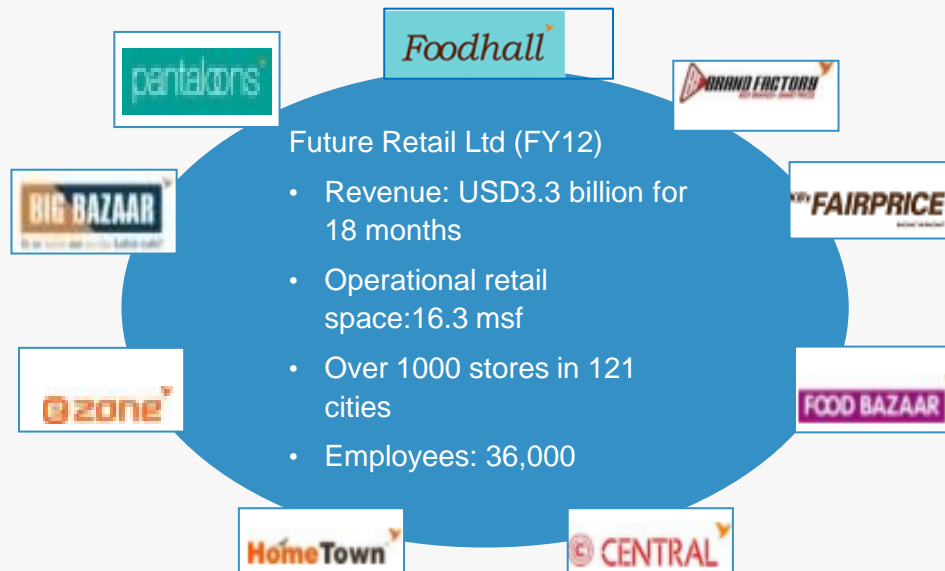


Source: Reuters Knowledge, Aranca Research
 Notes: FY – Jul to Jun, *Jan to Dec
 The company changed its financial year from Jul – Jun to Jan – Dec,
 CAGR - Compound Annual Growth Rate

FUTURE RETAIL: INDIA'S LEADING RETAILER IN MULTIPLE RETAIL FORMATS ... (2/2)



Has a good understanding of the Indian retail sector and its customers

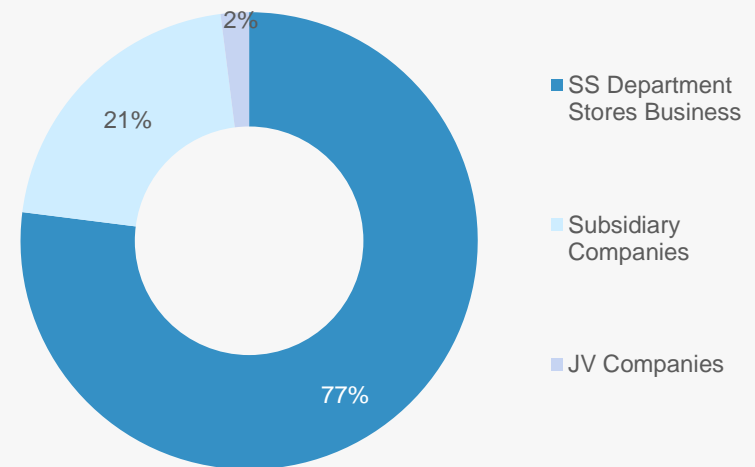


Source: Company Annual Report, Aranca Research
Note: msf - Million Square Feet

SHOPPERS STOP: THE LEADER IN DIVERSIFIED MARKET STRATEGY ... (1/3)

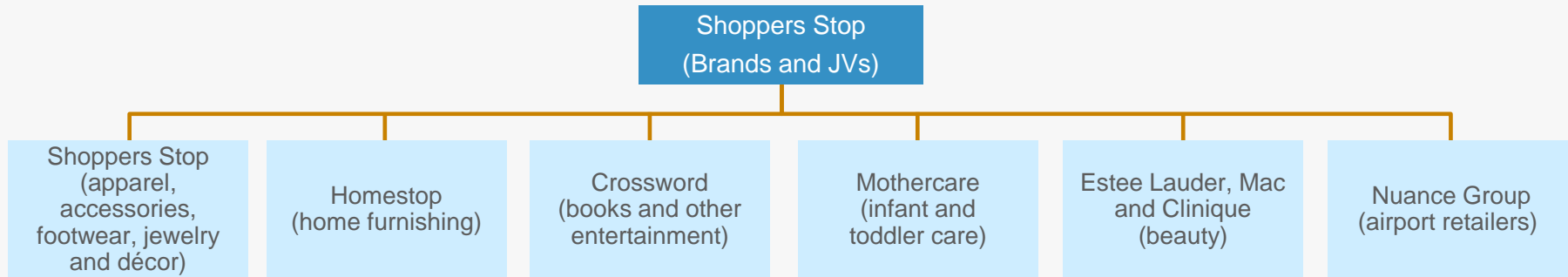
- * The company owns 172 stores in 25 cities with 4.81 million sq ft space across eight store formats
- * Successfully introduced a number of international brands
- * Improved product mix and brand profiles to attract new customers
- * Over 3.3 million customers are a part of the First Citizen Loyalty Programme
- * Won best loyalty programme award at the Loyalty Summit 2014 in large format retail category

Shoppers Stop business format (2011)

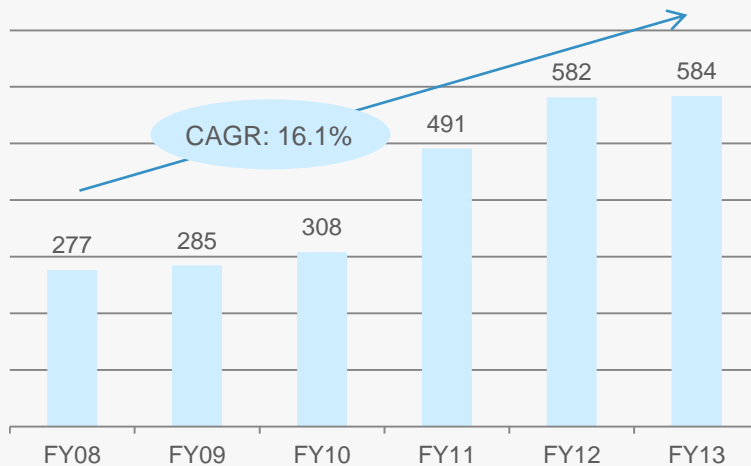


Source: Company Annual Report, Aranca Research
 Note: First Citizen Loyalty Programme is a membership scheme for its members to avail discounts and promotional offers

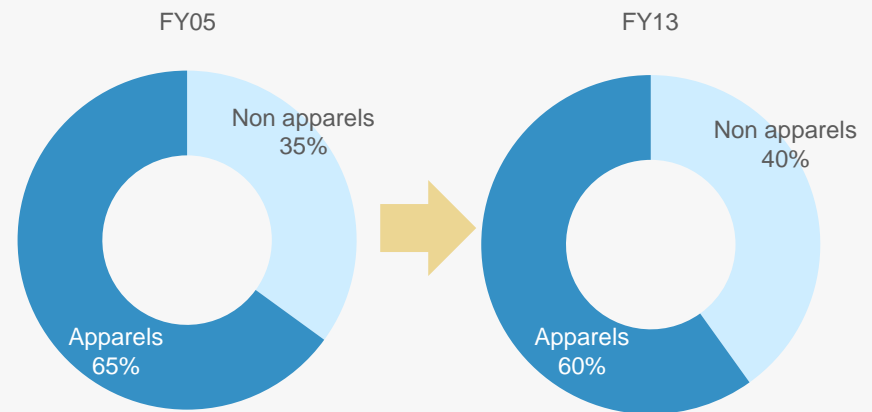
SHOPPERS STOP: THE LEADER IN DIVERSIFIED MARKET STRATEGY ... (2/3)



Shoppers Stop's sales growth (USD million)



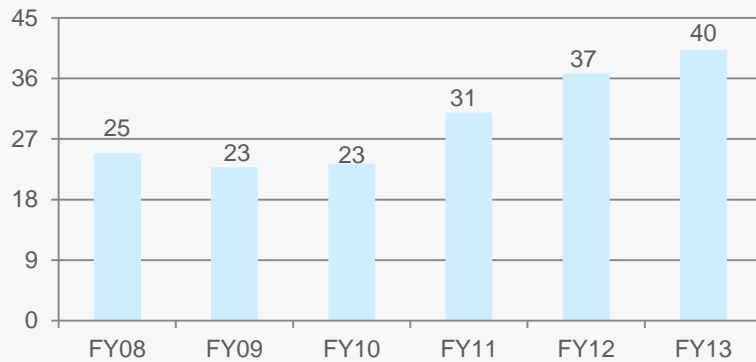
Shoppers Stop's diversified portfolio



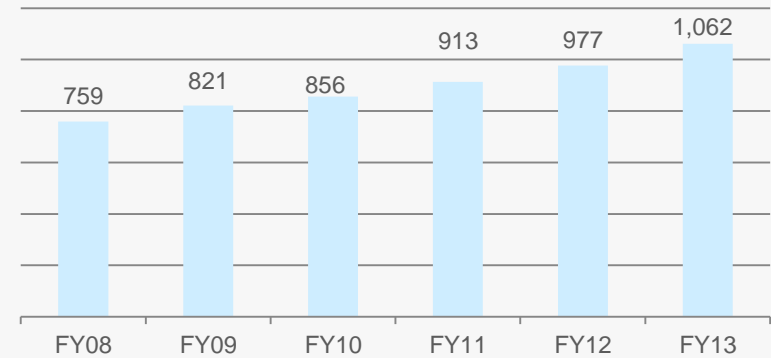
Source: Company Annual Report, Aranca Research
Note: CAGR - Compound Annual Growth Rate

SHOPPERS STOP: LEADER IN DIVERSIFIED MARKET STRATEGY ... (3/3)

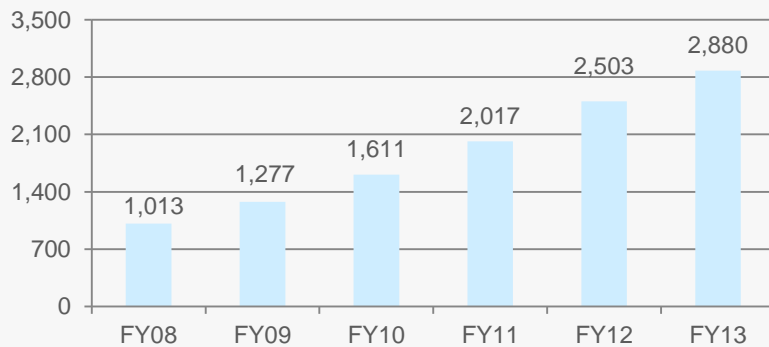
Footfalls (in million)



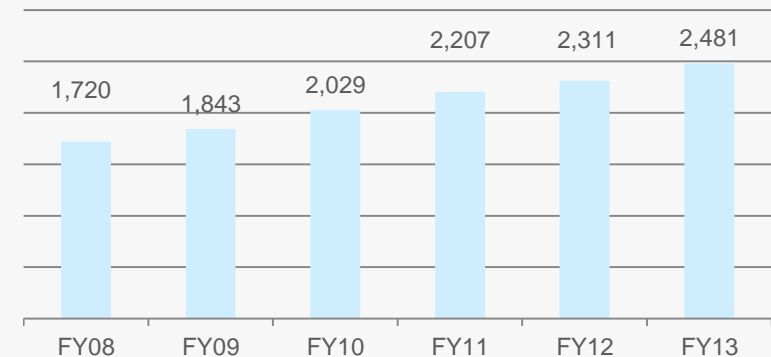
Average selling price (INR)



Members ('000)



Average transaction size (INR)



Source: Company Annual Report, Aranca Research



USEFUL INFORMATION

INDUSTRY ASSOCIATIONS

Retailers Association of India

111/112, Ascot Centre,
Next to Hotel Le Royal Meridien, Sahar Road, Sahar,
Andheri (E),
Mumbai – 400099.
Tel: 91- 22 - 28269527 - 28
Fax: 91- 22- 28269536
E-mail: info@rai.net.in
Website: www.rai.net.in

The Franchising Association of India

A-13, Kailash Colony
New Delhi – 110048
Tel: 91- 11- 2923 5332
Fax: 91- 11- 2923 3145
Website: www.fai.co.in

- * **FDI:** Foreign Direct Investment
- * **FMCG:** Fast Moving Consumer Goods
- * **FY:** Indian Financial Year (April to March)
 - * So FY10 implies April 2009 to March 2010
- * **IT:** Information Technology
- * **MoU:** Memorandum of Understanding
- * **MT:** Million Tonnes
- * **MTPA:** Million Tonnes Per Annum
- * **SEZ:** Special Economic Zone
- * **USD:** US Dollar
- * Wherever applicable, numbers have been rounded off to the nearest whole number

EXCHANGE RATES

Exchange rates (Fiscal Year)

Year	INR equivalent of one USD
2004–05	44.81
2005–06	44.14
2006–07	45.14
2007–08	40.27
2008–09	46.14
2009–10	47.42
2010–11	45.62
2011–12	46.88
2012–13	54.31
2013–14	60.28

Exchange rates (Calendar Year)

Year	INR equivalent of one USD
2005	43.98
2006	45.18
2007	41.34
2008	43.62
2009	48.42
2010	45.72
2011	46.85
2012	53.46
2013	58.44
Q12014	61.58
Q22014	59.74
Q32014	60.53

Average for the year

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