

15th March, 2013

To
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
NSE Scrip Symbol: PANTALONR / PRETAILDVR (DVR)

Dear Sirs,

Ref: Clause 24(f) of the Listing Agreement

Sub: Scheme of Amalgamation of Future Value Retail Limited ("FVRL" or "the Transferor Company") with Pantaloon Retail (India) Limited ("PRIL" or "the Transferee Company") and their respective Shareholders and Creditors.

1. We refer to our letter dated 15th March, 2013, intimating about our Board of Directors, having approved the amalgamation of Future Value Retail Limited ("FVRL" or "the Transferor Company") with Pantaloon Retail (India) Limited ("PRIL" or "the Transferee Company") and their respective shareholders and creditors subject to requisite statutory and regulatory approvals.
2. Pursuant to Clause 24(f) of the Listing Agreement, we herewith submit, for your approval, the Scheme of Amalgamation ('the Scheme') of FVRL with PRIL and their respective Shareholders and Creditors, under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956. The Scheme has been approved by the Board of Directors of FVRL and PRIL at their respective meetings. Copy of the resolution passed by the Board of Directors of FVRL and PRIL, approving the Scheme, at their meeting held on 15th March, 2013, is attached herewith and marked as **Annexure 'A1' and 'A2'**.
3. The Scheme, inter alia, provides for the merger of FVRL with PRIL with Appointed Date as 01st July, 2012. The Effective Date shall mean the later of the dates on which the certified copies of the Orders sanctioning the Scheme, passed by the High Court, or such other competent authority, as may be applicable, are filed with the Registrar of Companies, at Mumbai by FVRL and PRIL.



4. Clause 24(f) of the Listing Agreement requires a company to file a Scheme / Petition, proposed to be filed before any Court / Tribunal with the Stock Exchange for approval at least one month before it is presented to the Court / Tribunal.

5. Pursuant to the Clause 24(f) as well as sub-clauses (g) and (h) we state / submit as under:

- a) Draft copy of the Scheme proposed to be filed with the Bombay High Court is enclosed as **Annexure 'B'**.
- b) An undertaking from the Company Secretary of PRIL on the various matters is attached herewith and marked **Annexure 'C'**.
- c) PRIL further undertakes that 3 copies of notices along with the explanatory statement and other Annexures for the meetings to be convened pursuant to provisions of Section 391 of the Companies Act, 1956 shall be forwarded to the Stock Exchange at the same time as they are sent to the shareholders / creditors, etc.

6. Further, we enclose the following information / documents in respect of the Scheme:

a) **Brief history of the Company seeking approval**

- Pantaloon Retail (India) Limited is engaged in business of financial services, insurance, media and other businesses through itself and its subsidiaries.
- It is listed on BSE Limited and National Stock Exchange of India Limited

b) **Rationale of the proposed Scheme of Arrangement**

- PRIL is a public listed company which, through itself and its subsidiaries, is a diversified retail player and also has interests in financial services, insurance, media and other businesses.
- FVRL is, inter alia, in the business of operating retail formats like Big Bazaar and Food Bazaar.
- The amalgamation of FVRL with PRIL would, inter-alia, have the following benefits:



Cost savings in terms of economies of scale, sourcing benefits, vendor rationalization, more focused operational efforts, rationalisation, standardisation and simplification of business processes and productivity improvements;

- The synergies that exist between the two entities can be put to the best advantage of all stakeholders;
- Greater size, scale, integration and greater financial strength and flexibility for the restructured entity;
- The consolidated entity will benefit from improved organizational capability and leadership, arising from the combination of people from FVRL and PRIL who have the diverse skills, talent and vast experience to compete successfully in increasingly competitive environment;
- Removing multiple layer hindrances;

7. **Audit Committee Report**

- Report from the Audit Committee recommending the scheme are attached herewith as Annexure 'D'

8. **Compliance Report**

- Compliance Report as per clause 49 of the listing agreement attached herewith as Annexure 'E'

9. **Brief details of PRIL and FVRL**

- Brief details of PRIL and FVRL are attached herewith as Annexure 'F'.

10. **Listing status of PRIL and FVRL**

- PRIL is listed on the BSE Limited and National Stock Exchange of India Limited while FVRL is an unlisted company.



11. **Swap Ratio**

- Since the entire paid up capital of FVRL is held by PRIL, no shares would be issued by PRIL pursuant the Scheme
- PRIL shall issue its Compulsorily / Optionally Convertible Debentures in lieu of Convertible Debentures held in FVRL of face value equivalent to face value of such debentures held in FVRL. The same shall be convertible into equity shares of PRIL as per the terms specified in the Scheme.

12. **Shareholding pattern of PRIL and FVRL pre and post restructuring as per Clause 35 of the Listing Agreement**

The details of the pre and post arrangement shareholding pattern of PRIL and pre arrangement shareholding of FVRL are enclosed herewith as **Annexure 'G1' and 'G2'**.

There would be no change in shareholding of PRIL pursuant to merger

13. **The category-wise list of shareholders holding more than 0.5% shares in PRIL and FVRL the companies**

The same is attached herewith as **Annexure 'H1' and 'H2'**.

14. **Capital evolution details**

The capital evolution detail of PRIL and FVRL is enclosed as **Annexure 'I1' and 'I2'**.

15. **Details of capital issued but not listed in the listed company, if any, with reasons for the same**

None

16. **Financial details of PRIL and FVRL**

A synopsis of financials of PRIL and FVRL for last three years is enclosed as **Annexure 'J1', and 'J2'**.

The annual accounts of PRIL and FVRL for last three years are enclosed as **Annexure 'K1' and 'K2'**.

17. **Details of Directors of the companies, pre and post demerger**

The details of Directors of PRIL and FVRL, pre and post restructuring are provided in **Annexure 'L1'** and **'L2'** respectively.

There will be no change in management control in PRIL post restructuring. No change in the Board of PRIL is contemplated pursuant to the proposed restructuring.

18. **Details about the cross holdings between the companies**

Presently PRIL holds the entire share capital of FVRL.

19. **The provisional net worth certificate of PRIL and FVRL, pre and post restructuring**

The provisional net worth certificate of PRIL and FVRL pre and post restructuring are enclosed as **Annexure 'M1'** and **'M2'**.

20. **Certificate issued by the Statutory Auditor of the Company has been obtained with respect to accounting treatment and the same as enclosed herewith as Annexure 'N'.**

21. **Processing Charges cheque**

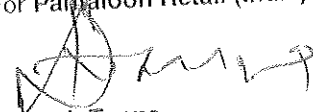
Enclosed herewith cheque bearing no. 182804 of IDBI Bank Limited dated 14th March, 2013 of Rs. 33,877/- (Rupees Thirty Three Thousand Eight Hundred and Seventy Seven only.)

We request to take the above on record and oblige. We request you to provide necessary **"No Objection"** at the earliest so as to enable us to file the Scheme with the Hon'ble High Court.

If you require any further clarifications / information, we would be happy to provide the same.

Thanking you,

Yours faithfully,
For Pantaloon Retail (India) Limited


Deepak Tanna
Company Secretary
Encl.: As above

