

FUTURE RETAIL

19th January, 2018

To,
Dept. of Corporate Services (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Listing Department
The National Stock Exchange Limited of India Limited
Bandra Kurla Complex, Bandra East,
Mumbai – 400 051

Scrip Code: 540064

Symbol: FRETAIL

Dear Sir / Madam,

Ref: Intimation under Regulation 30 and other applicable regulations of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations") we hereby inform that the Company has approved the acquisition of entire equity share capital of M/s Travel News Services (India) Private Limited ("TNSI") from its existing shareholders (hereinafter collectively referred to as the "Sellers"), (the "Proposed Transaction") and also executed share purchase agreement and related documents ("the SPA") for the Proposed Transaction.

Subject to the compliance of conditions precedent and other terms and conditions as provided in SPA, the consideration amounting to Rs. 85 crore shall be payable to the Sellers in proportion to their holding in TNSI for acquisition of shares. Further, additional consideration of Rs.15 crore (*subject to the fulfilment of other specified obligations as provided in other documents to be fulfilled by the majority shareholders of TNSI*) shall be payable as provided in the document.

Consequent to acquisition of the entire share capital, TNSI will become a wholly owned subsidiary of the Company. By virtue of said acquisition, the following subsidiary companies of TNSI will also become step down subsidiary of the Company:

- ❖ TNSI Retail Private Limited ("TNSI Retail"), a wholly owned subsidiary of TNSI.
- ❖ Welcome Retail Private Limited ("WRPL"), a joint venture of TNSI into which TNSI holds 51% of the share capital.

The details as required under Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 09th September, 2015 with respect to Acquisition of shares of TNSI is enclosed as Annexure A to this letter.

The above is for your information and record, please.

Yours faithfully,
For Future Retail Limited



Virendra Samani
Dy. Company Secretary



Encl. : as above.

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Annexure A

Acquisition (including agreement to acquire):

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.;	<p><u>Name of the Target Entity:</u></p> <p>Travel News Services (India) Private Limited ("TNSI")</p> <ul style="list-style-type: none"> ❖ Consolidated Turnover during the financial year 2016-17 : Rs 131.9 crore. <p>By virtue of said acquisition, the following subsidiary companies of TNSI will also become step down subsidiary of the Company:</p> <ul style="list-style-type: none"> ❖ TNSI Retail Private Limited ("TNSI Retail"), a wholly owned subsidiary of TNSI; ❖ Welcome Retail Private Limited ("WRPL"), a joint venture of TNSI into which TNSI holds 51% of the share capital.
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length";	<ul style="list-style-type: none"> ❖ The transaction would not fall within related party transaction; ❖ The promoter / promoter group do not have any interest in the business / entity being acquired.
3.	Industry to which the entity being acquired belongs;	Retail Industry
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	<ul style="list-style-type: none"> ❖ The line of business of entity/ies to be acquired is same as of listed entity, viz "Retail". ❖ The proposed acquisition would result in further consolidation of retail business of FRL and would help FRL to expand its presence at Airports, Metro Stations and Universities where the majority of retail outlets of TNSI & TNSI Retail are operating; ❖ The Company would also have access to globally renowned retail brand "WH Smith", license which is being held by TNSI.



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Sr. No.	Particulars	Details
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	Approval required from various airport authorities and metro authorities for change of control in respect of various stores of TNSI and TNSI Retail operating from airports and metro areas under control of such regulators.
6.	Indicative time period for completion of the acquisition;	12 - 16 weeks
7.	Nature of consideration - whether cash consideration or share swap and details of the same;	The consideration for acquisition of shares of TNSI would be paid in cash and no separate consideration is required to be paid for TNSI Retail and WRPL.
8.	Cost of acquisition or the price at which the shares are acquired;	Subject to the compliance of conditions precedent and other terms and conditions as provided in SPA, the consideration amounting to Rs. 85 crore shall be payable to the Sellers in proportion to their holding in TNSI for acquisition of shares. Further, additional consideration of Rs.15 crore (subject to the fulfilment of other specified obligations as provided in other documents to be fulfilled by the majority shareholders of TNSI) shall be payable to such shareholder as provided in the document.
9.	Percentage of shareholding / control acquired and / or number of shares acquired;	Number of equity shares acquired : 41,44,211 (100% of the paid up equity share capital of TNSI)
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief).	<ul style="list-style-type: none"> ❖ TNSI originally incorporated on 29th June, 2009, is mainly into Travel Retail Business format and operates stores under the brand name "WH Smith". ❖ TNSI Retail, incorporated on 4th June, 2010, operates "WH Smith Stores" under licensing arrangement in Delhi metro. WRPL, incorporated on 2nd September 2016, holding lease rights at one of the Airport. ❖ Product categories / line : Confectionery, Books, Toys, Food & Beverage, Souvenirs and Travel Solutions etc. ❖ Consolidated Turnover for last three years (of TNSI): <ul style="list-style-type: none"> ❖ FY 2016-17 - Rs. 131.9 crore; ❖ FY 2015-16 - Rs. 129.8 crore; ❖ FY 2014-15 - Rs. 101.0 crore. ❖ No. of operating stores as on date: 84 stores of both TNSI and TNSI Retail.

Future Retail Limited (Formerly known as Bharti Retail Limited)

Registered Office: Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 050

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