

# FUTURE RETAIL



29th August, 2020

To,  
Dept. of Corporate Services (CRD)  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
**Scrip Code: 540064**  
**Scrip Code of Debt : 958809, 958810 & 959518**

Listing Department  
**National Stock Exchange Limited of India Limited**  
Bandra Kurla Complex,  
Bandra East,  
Mumbai – 400 051  
**Symbol: FRETAIL**

Dear Sir / Madam,

**Ref: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

**Sub: Outcome of Board Meeting held on 29th August, 2020**

Pursuant to Regulation 30 of SEBI Listing Regulations, we hereby inform that based on the recommendation of Audit Committee, the Board of Directors of the Company at its meeting held today, i.e. on 29th August, 2020 has *inter-alia*, considered and approved the amalgamation of Future Retail Limited (“FRL” or “the Company”) along with other Transferor Companies as mentioned in **Annexure A** with Future Enterprises Limited. The proposed amalgamation would be carried out vide a Composite Scheme of Arrangement between FRL along with other Transferor Companies as mentioned in Annexure A with Future Enterprises Limited (“Transferee Company” or “FEL”) and their respective Shareholders and Creditors (“The Composite Scheme of Arrangement”/ “Scheme”), pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (“the Act”).

The salient features of the Scheme are as follows:

- Amalgamation of the Company along with other Transferor companies as mentioned below in Annexure A, with FEL;
- Transfer and vesting of the Logistics & Warehousing Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail Ventures Limited (“RRVL”);
- Transfer and vesting of the Retail & Wholesale Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail and Fashion Lifestyle Limited, a wholly owned subsidiary of RRVL (“RRVL WOS”); and
- Preferential allotment of equity shares and warrants of FEL to RRVL WOS.

Further, pursuant to the Scheme and based on share entitlement report issued by M/s. B S R & Associates LLP - Chartered Accountants and M/s. BDO Valuation Advisory LLP – a registered valuer and fairness opinion provided by M/s. ICICI Securities Limited, a Category I Merchant Banker, FEL will issue 101 (One Hundred One) fully paid up equity shares of Rs. 2/- each to the equity shareholders of FRL as on the Record Date (as may be determined in terms of the Scheme) for every 10 (Ten) fully paid up equity share of Rs. 2/- each of FRL.

Please note that fractional shares arising out of the above entitlement would be consolidated and dealt with as provided in the Scheme and proceeds would be distributed to all such shareholders who were originally entitled to such fractional shares.

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In the event, any or all of the concerned companies restructure their share capital by way of share split / consolidation / issue of bonus shares etc., during the pendency of the Scheme, the share exchange ratio stated above shall be adjusted (including stock options) accordingly, to consider the effect of any such corporate actions undertaken by such entity.

Please note that the equity shares of FEL are listed on BSE Limited and National Stock Exchange of India Limited. The new shares to be issued to the shareholders of FRL in terms of aforesaid share entitlement ratio shall rank *pari passu* in all respects with the existing equity shares of the FEL and accordingly be listed on the aforesaid stock exchanges, subject to obtaining necessary regulatory approvals.

The said Scheme would be subject to requisite approvals of the National Company Law Tribunal, BSE Limited, National Stock Exchange of India Limited, Securities and Exchange Board of India, Competition Commission of India and other statutory / regulatory authorities, including those from the shareholders and creditors of the Transferor Companies and Transferee Company and applicable contractual approvals.

The Board has also authorised and empowered the Committee of Directors to take all necessary steps and to do all such acts, deeds, matters and things, as may be necessary to give effect to the Scheme.

The information pursuant to Regulation 30 of the SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 09th September, 2015 is also enclosed herewith as Schedule I.

The above is for your information and record, please.

Thanking you,

Yours faithfully,  
For **Future Retail Limited**

**Virendra Samani**  
**Company Secretary**

Encl.: as above.

CC:  
**Singapore Exchange Securities Trading Limited**  
2, Shenton Way, #02-02, SGX Centre 1.  
Singapore - 068 804

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## Schedule I

Disclosure of information pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular No. CIR/CFD/CMD/4/2015 dated 09th September, 2015

Particulars	Remarks
Name of the entity(ies) forming part of the Scheme, details in brief such as, size, turnover etc.	Details of the entities forming part of the Scheme are provided in Annexure "A".
Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	<p>Yes.</p> <p>The transaction contemplated in the proposed Scheme are at arms' length basis. The consideration for the merger being the share exchange ratio is based on the valuation report provided by M/s. B S R &amp; Associates LLP, Chartered Accountants and M/s. BDO Valuation Advisory LLP – a registered valuer.</p> <p>ICICI Securities Limited - registered merchant banker, has issued its fairness opinion on the share exchange ratio.</p>
Area of business of the entity(ies);	Details of area of business of the entities forming part of the Scheme are provided in Annexure "A".
Rationale for the Scheme;	<p><u>RATIONALE</u></p> <ul style="list-style-type: none"> <li>The Reliance group, in order to expand its retail and wholesale footprint, is desirous of acquiring the logistics &amp; warehousing and retail &amp; wholesale businesses and related assets housed in various Transferor Companies as a <i>going concern</i> on Slump Sale basis in the manner provided in this Scheme.</li> <li>To facilitate the above acquisition by Reliance group, the Future group, as a first step, is desirous of consolidating the logistics &amp; warehousing and retail &amp; wholesale businesses and related assets housed in various Transferor Companies in the Transferee Company.</li> <li>The Reliance group proposes to acquire a minority interest in the business which is remaining with the Transferee Company which will be carried on by the Transferee Company post the Scheme and accordingly, is desirous of subscribing to (by way of preferential issue) equity shares and warrants to be issued by the Transferee Company.</li> </ul>

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Particulars	Remarks
	The Scheme is in the best interests of the shareholders, employees and the creditors of each of the entities which are a party of the Scheme.
In case of cash consideration – amount or otherwise share exchange ratio;	FEL will issue 101 (One Hundred One) fully paid up equity shares of Rs. 2/- each to the equity shareholders of FRL as on the Record Date (as may be determined in terms of the Scheme) for every 10 (Ten) fully paid up equity share of Rs. 2/- each of FRL.
Brief details of change in shareholding pattern (if any) of listed entity.	Upon the proposed Scheme become effective, the Company will stand dissolved without winding up and the equity shareholders of the Company will get the shares of FEL based on the share exchange ratio as mentioned herein above.

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## Annexure A

Sl. No.	Name of the companies forming part of the Scheme	Size/Net worth as at 31st March, 2020 (Rs. in crs)	Turnover for Financial Year 2019-20 (Rs. in crs)	Area of Business
<b>Transferee Company</b>				
1.	Future Enterprises Limited	3,968.54 (As at 31st December, 2019)	3,719.62 (for nine months ended 31st December, 2019)	Manufacturing and sourcing of fashion products, renting of retail infrastructure and investment
<b>Transferor Companies</b>				
1.	Future Consumer Limited	973.61	3,026.09	Sourcing, manufacturing, branding, marketing and distribution of fast moving consumer goods, food and processed food products across urban and rural India.
2.	Future Lifestyle Fashions Limited	1,135.94	6,050.40	Retailing of fashion products through departmental and neighbourhood stores under various formats across the country.
3.	Future Market Networks Limited	168.10	170.60	Building capacity; creating network of new markets for modern wholesale trade; and enabling the retail and logistics infrastructure for future markets in a more efficient and cost effective manner.
4.	Future Retail Limited	4,953.36 (As at 31 December 2019)	15,717.09 (for nine months ended 31 December 2019)	Retailing of fashion, household and consumer products through departmental and neighbourhood stores under various formats across the country.
5.	Future Supply Chain Solutions Limited	743.16	1,140.55	An integrated and IT enabled end-to-end supply chain and logistics company with capabilities in handling modern warehousing, express logistics, cold chain logistics, etc.
6.	Futurebazaar India Limited	-1.54	0.07	Online retailing of consumer goods and products.
7.	Acute Retail Infra Private Limited	-9.58	1.14	Ownership of retail mall & renting of retail space and in store retail infrastructure
8.	Basuti Sales & Trading Private Limited	-90.18	205.19	Wholesale trade and renting of in store retail infrastructure

**Future Retail Limited** (Formerly known as Bharti Retail Limited)

Registered Office: Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060

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CIN: L51909MH2007PLC268269

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Sl. No.	Name of the companies forming part of the Scheme	Size/Net worth as at 31st March, 2020 (Rs. in crs)	Turnover for Financial Year 2019-20 (Rs. in crs)	Area of Business
9.	Brattle Foods Private Limited	9.22	24.34	Ownership of warehouses and cold storage facilities, renting of supply chain infrastructure.
10.	Chirag Operating Lease Co Private Limited	-0.15	-	Investments in retail mall property and rental of in store retail infrastructure.
11.	Hare Krishna Operating Lease Private Limited	-18.61	-	Renting of instore retail infrastructure.
12.	Nice Texcot Trading & Agency Private Limited	-78.46	2.58	Renting of instore retail infrastructure.
13.	Nishta Mall Management Company Private Limited	-3.24	8.38	Ownership of retail mall & renting of retail space and in store retail infrastructure
14.	Ojas Tradelease and Mall Management Private Limited	-164.96	4.50	Ownership of retail mall & renting of retail space and in store retail infrastructure
15.	Precision Realty Developers Private Limited	1.14	2.11	Ownership of warehouses, renting of supply chain infrastructure. & in store retail infrastructure
16.	Rivaaz Trade Ventures Private Limited	-0.57	25.37	Information technology and IT enabled services and renting of instore retail infrastructure.
17.	Syntex Trading & Agency Private Limited	64.60	5.10	Renting of in store retail infrastructure, and investments in retail property
18.	Taquito Lease Operators Private Limited	-7.35	-	Providing real estate solutions with own or leased property and leases assets conducive to the business of operating retail stores.
19.	Unique Malls Private Limited	-3.85	0.50	Ownership of retail mall & renting of retail space and in store retail infrastructure
<b>Buyer companies in the slump sale</b>				
1.	Reliance Retail Ventures Limited	7,006.22	192.52	Supply chain management business for retail
2.	Reliance Retail and Fashion Lifestyle Limited	0.01	NA (New incorporated company)	Retail & Wholesale business

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