



October 30, 2024

BSE Limited
Scrip code: 535755

National Stock Exchange of India Limited
Symbol: ABFRL

Sub.: Receipt of “No Observation letters” regarding the Scheme of Arrangement among Aditya Birla Fashion and Retail Limited (“Demerged Company”), Aditya Birla Lifestyle Brands Limited (“Resulting Company”) and their respective shareholders and creditors

Ref.: 1. Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)
2. Our intimation dated: April 19, 2024

Dear Sir/ Madam,

This is further to the above intimation and captioned subject, whereby we inform that Company has received observation letters from BSE Limited and National Stock Exchange of India Limited (“Stock Exchanges”) in regards to Scheme of Arrangement among Aditya Birla Fashion and Retail Limited (“Demerged Company”), Aditya Birla Lifestyle Brands Limited (“Resulting Company”) and their respective shareholders and creditors (“Scheme”), wherein Stock Exchanges have issued “No adverse Objection” and “No Objection” on the Scheme.

The effectiveness of the Scheme will be subject to the approval of National Company Law Tribunal and other necessary approvals as may be required.

The Stock Exchanges observation letters are enclosed herewith.

This is for your information.

Thanking you.

Sincerely,
For **Aditya Birla Fashion and Retail Limited**

Anil Malik
President & Company Secretary

Encl.: As above

ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered Office:

Piramal Agastya Corporate Park, Building ‘A’,
4th and 5th Floor, Unit No. 401, 403, 501, 502,
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DCS/AMAL/TL/R37/3384/2024-25

October 30, 2024

The Company Secretary,
Aditya Birla Fashion and Retail Ltd
Piramal Agastya Corporate Park, Building 'A', 4th
and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S.
Road, Kurla, Mumbai, Maharashtra, 400059

Dear Sir/ Madam,

Sub: Observation letter regarding the Scheme of Arrangement among Aditya Birla Fashion and Retail Limited (Demerged Company) and Aditya Birla Lifestyle Brands Limited (Resulting Company) and their respective Shareholders and Creditors

We are in receipt of the Scheme of Arrangement among Aditya Birla Fashion and Retail Limited (Demerged Company) and Aditya Birla Lifestyle Brands Limited (Resulting Company) and their respective Shareholders and Creditors under Section 230 to 232 of the Companies Act, 2013 as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37 & 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS Div/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated October 09, 2024 has inter alia given the following comment(s) on the draft scheme of Arrangement:

Comments in accordance with Regulation 37(1) of Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023

- TL
- a) "The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
 - b) "The Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
 - c) "The Company shall ensure compliance with SEBI circulars issued from time to time."
 - d) "The entities involved in the Scheme shall duly comply with various provisions of the SEBI master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."
 - e) "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
 - f) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
 - g) "Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to shareholders."

- h) “The Companies involved in the scheme are advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013:
- Need for the demerger and amalgamation, rationale of the scheme, synergies of business of the entities involved in the scheme, impact of the scheme on the shareholders and cost benefit analysis of the scheme.
 - Value of assets and liabilities of listed demerged company, unlisted resulting companies and demerged undertaking that are being transferred to and post-merger balance sheet of ABFRL and ABLAL.
 - Impact of scheme on revenue generating capacity of ABFRL along with the future prospects of ABFRL.
 - Copy of NCLT Order approving the ABFRL- TCNS merger scheme.
 - Clarification letter issued by Statutory Auditor dated October 22, 2024 with respect to the Accounting Treatment.
- i) “Company is advised that new equity shares proposed to be issued as part of the “Scheme” shall mandatorily be in demat form only.”
- j) “Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.”
- k) “Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”
- l) “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the Company is obliged to bring the observations to the notice of Hon’ble NCLT.”
- m) “Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
- n) “It is to be noted that the petitions are filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Comments in accordance with Regulation 59A of Master Circular No. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024

- A. “The Proposed Scheme of Arrangement among ABFRL and Aditya Birla Lifestyle Brands Limited and their respective shareholders shall be in the compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”
- B. “The entities involved in the proposed scheme shall not provide any mis-statement or furnish false information with regard to disclosures to be made in the draft scheme of amalgamation as per Chapter XII of the Operational Circular dated July 29, 2022 (updated June 30, 2023) , for listing obligations and disclosure requirements for Non- Convertible Securities, Securitized Debt Instrument and/ or Commercial Paper.”
- C. “The entities involved in the proposed shall not make any changes in the draft scheme subsequent to the filing the draft scheme with SEBI by the Stock Exchanges(s), except those mandated by the regulators/ authorities/ tribunal.”

- D. “The listed entities involved in the proposed scheme shall include information pertaining to the unlisted entity, if any, in the format specified for abridged prospectus as provided in Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021, in the notice or proposal to be sent to the holders of NCDs/ NCRPS while seeking approval for the scheme. The accuracy and adequacy of such disclosures shall be certified by SEBI registered Merchant Banker after following the due diligent process.”
- E. “The Listed Entity involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchange on its website within 24 hours of receiving the same.”
- F. “Company shall ensure that the entities involved in the proposed scheme have compiled with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars.”

Accordingly, based on aforesaid comment offered by SEBI, the Company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the Company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

However, the listing of equity shares of Aditya Birla Lifestyle Brands Limited (“Resulting Company”) shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. Further, Aditya Birla Lifestyle Brands Limited (“Resulting Company”) shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange. The Companies shall fulfil the Exchange’s criteria for listing the securities of such Companies and also comply with other applicable statutory requirements. However, the listing of shares of Aditya Birla Lifestyle Brands Limited (“Resulting Company”) is at the discretion of the Exchange. In addition to the above, the listing of Aditya Birla Lifestyle Brands Limited (“Resulting Company”) pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Aditya Birla Lifestyle Brands Limited (“Resulting Company”) in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the Companies are also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all details of Aditya Birla Lifestyle Brands Limited (“Resulting Company”) in line with the details required as per the aforesaid SEBI circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.

3. To disclose all the material information about Aditya Birla Lifestyle Brands Limited ("Resulting Company") on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
 - "The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
 - "There shall be no change in the shareholding pattern of Aditya Birla Lifestyle Brands Limited ("Resulting Company") between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **the validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

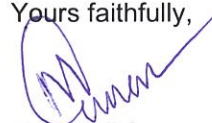
Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Marian DSouza', written over a circular stamp.

Marian DSouza
Senior Manager

A handwritten signature in blue ink, appearing to read 'Tanmayi Lele', written over a circular stamp.

Tanmayi Lele
Assistant Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/41319

October 28, 2024

The Company Secretary
Aditya Birla Fashion and Retail Limited
Piramal Agastya Corporate Park, Building 'A',
4th and 5th Floor, Unit No. 401, 403, 501, 502,
L.B.S. Road, Kurla, Mumbai - 400 070

Kind Attn.: Mr. Anil Malik

Dear Sir,

Sub: Observation Letter for Draft scheme of arrangement among Aditya Birla Fashion and Retail Limited (Demerged Company) and Aditya Birla Lifestyle Brands Limited (Resulting Company) and their respective shareholders and creditors under sections 230 to 232 and other applicable provisions of the Companies Act, 2013

We are in receipt of captioned Draft scheme of arrangement filed by Aditya Birla Fashion and Retail Limited.

Based on our letter reference no. NSE/LIST/41319 dated July 04, 2024, and August 16, 2024, submitted to SEBI pursuant to SEBI Master Circular dated June 20, 2023 read with 94(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), SEBI vide its letter dated October 25, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b) The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the listed Companies and the Stock Exchanges.*

Non-Confidential

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- c) *The Company shall ensure compliance with the SEBI circulars issued from time to time.*
- d) *The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- e) *The Company shall ensure that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- f) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- g) *The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the shareholders.*
- h) *The Companies shall disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013:*
 - i. *Need for the demerger and amalgamation, rationale of the scheme, synergies of business of the entities involved in the scheme, impact of the scheme on the shareholders and cost benefit analysis of the scheme.*
 - ii. *Value of assets and liabilities of and listed Demerged Company, unlisted Resulting Companies and Demerged Undertaking that are being transferred to and Post-Merger Balance sheet of ABFRL and ABLBL.*
 - iii. *Impact of scheme on revenue generating capacity of ABFRL along with future prospects of ABFRL.*
 - iv. *Copy of NCLT order approving the ABFRL-TCNS merger scheme.*
 - v. *Revised shareholding pattern upon the effectiveness of the ABFRL-TCNS merger scheme.*
 - vi. *Clarification letter issued by Statutory Auditor dated October 22, 2024, with respect to the Accounting Treatment.*

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- i) *The Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- j) *The Company shall ensure that the “Scheme” shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.*
- k) *The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.*
- l) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- m) *The Company shall ensure to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- n) *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

The Listed entities involved in the proposed Scheme shall disclose the No-Objection Letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

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The Company should also fulfil the Exchange's criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Aditya Birla Lifestyle Brands Limited is at the discretion of the Exchange.

The listing of Aditya Birla Lifestyle Brands Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Aditya Birla Lifestyle Brands Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited ("NSE") for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

"The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of the Aditya Birla Lifestyle Brands Limited, its promoters, its management etc."

2. To publish an advertisement in the newspapers containing all the information about Aditya Birla Lifestyle Brands Limited in line with the details required as per SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Aditya Birla Lifestyle Brands Limited to NSE on continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.

4. The following provision shall be incorporated in the scheme:

(a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."

(b) "There shall be no change in the shareholding pattern or control in Aditya Birla Lifestyle Brands Limited between the record date and the listing which may affect the status of this approval."

With reference to Part II (A) (5) of SEBI Master Circular dated June 20, 2023, Aditya Birla Lifestyle Brands Limited shall ensure that steps for listing of specified securities are completed and trading in securities commences within sixty days of receipt of the order of the Hon'ble High Court/NCLT, simultaneously on all the stock exchanges where the equity shares of the listed entity (or transfer entity)

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are/were listed. Accordingly, the company must initiate necessary steps to ensure strict adherence to said timeline.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from October 28, 2024, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Khyati Vidwans
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>