

FUTURE RETAIL



Future Retail Limited is a public limited liability company registered in India under the Companies Act, 2013. The company is engaged in the business of retail operations. The company's registered office is located at Knowledge House, Shyam Nagar, Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060. The company's CIN is L52399MH1987PLC044954. The company's website is www.futureretail.co.in. The company is listed on the Bombay Stock Exchange Limited (BSE) under the scrip code 523574 / 570002. The company is also listed on the National Stock Exchange of India Limited (NSE) under the scrip code 947649 / 949020 / 946840 / 949039 / 952008 / 952009 / 952010 / 952045 / 952046 / 952053 / 952054.

To
**General Manager, Dept. of Corporate
Services, Listing Department**
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
BSE - Scrip Code: 523574 / 570002,
Scrip Code of Debt: 947649 / 949020 /
946840 / 949039 / 952008 / 952009 / 952010
/ 952045 / 952046/952053/952054

Dear Ma'am,

Kind Attention : Ms. Usha Sharma / Ms. Tina Jain

Sub: Clarifications on News item appearing in CNBC TV 18 dated 04 May, 2015

This is with reference to your letter ref. no. L/DOSS/ONL/RV/JP/2015-16/17 dated 04 May 2015.

With regard to point no. 1 and 2 in the said Letter, we would like to submit that:

The Company explores such proposal in the ordinary course of business. However, the Company has been disclosing all events, information etc. that have bearing on the operation/performance of the Company, pursuant to the final decisions taken by the Board of Directors of the Company from time to time.

As per the practices followed by the Company any such event/information, relating the Company, that may be deliberated and approved by the Board of Directors, shall follow the necessary disclosure and other requirements prescribed under the applicable laws and will be communicated accordingly.

Accordingly, based on the recommendation of the Audit Committee meeting held today, the Board of Directors at its Meeting held today, have analysed and considered a proposal for consolidation and realignment of retail operations of the Company with Bharti Retail Limited ('BRL') and approved the same.



Future Retail Limited (Formerly Pantaloon Retail (India) Limited)

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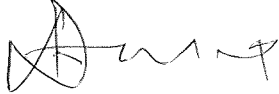
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In terms of the Clause 36, upon approved by the Board, the same has immediately been disclosed to the Stock Exchanges. A copy of the said disclosure is attached herewith for your reference and record.

Yours faithfully,

For Future Retail Limited

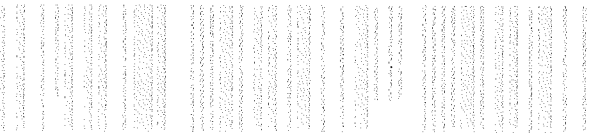


Name: Deepak Tanna
Designation: Company Secretary
Date: May 4, 2015

Encl. – a/a



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To General Manager, Dept. of Corporate Services, Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 BSE - Scrip Code: 523574 / 570002, Scrip ID – FRL / FRLDVR Scrip Code of Debt: 947649 / 949020 / 946840 / 949039 / 952008 / 952009 / 952010 / 952045 / 952046/952053/952054	To Listing Department The National Stock Exchange Limited of India Limited Bandra Kurla Complex Bandra East Mumbai – 400051 Scrip Code – FRL / FRLDVR
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Dear Sir(s) / Ma'am,

Sub: Board Meeting Decisions

A meeting of Board of Directors of the Company was held today, the 4th May, 2015 and the Board *inter alia* has approved the following:

The Board considered and approved the consolidation and realignment of retail operations of the Company with Bharti Retail Limited ('BRL').

The proposed consolidation and realignment would be carried out vide a Composite Scheme of Arrangement between Future Retail Limited (FRL) and Bharti Retail Limited (BRL) and their respective shareholders and creditors ('the Scheme') under Sections 391-394 read with Sections 100-104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 / Companies Act, 2013. The Scheme would *inter-alia* involve the following:

- (a) Re-organization of paid-up of share capital of BRL;
- (b) Demerger of Retail Undertaking of FRL into BRL (to be renamed post demerger); post demerger, this company will have retail operating business, and;
- (c) Demerger of Retail Infrastructure Undertaking of BRL into FRL (to be renamed post demerger); post demerger, this company will have business of retail infrastructure and Investments, and.

The paid up equity share capital of BRL will be reduced to 4,34,78,261 equity shares of face value of Rs. 2/- each, fully paid up.



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In consideration for the demerger of Retail Business Undertaking of FRL into BRL in terms of the Scheme and based on share entitlement ratio recommended by M/s SSPA & Co., Independent Chartered Accountants and Edelweiss Capital Services Private Limited, a Category I Merchant Banker, BRL will issue 1 (One) fully paid equity share of Rs. 2/- (Rupees Two) each, fully paid up of BRL to the equity shareholders / DVR shareholders of FRL (on a fully diluted basis) as on the Record Date (as may be determined in terms of the Scheme) for every 1 (One) fully paid-up equity share / DVR of Rs. 2/- (Rupees Two) each of FRL. 42,76,96,002 equity shares having a face value of Rs. 2/- each, fully paid up of BRL, will be issued on demerger to the equity shareholders / DVR shareholders of FRL (on a fully diluted basis).

In consideration for the demerger of Retail Infrastructure Business Undertaking of BRL into FRL in terms of the Scheme and based on share entitlement ratio recommended by M/s SSPA & Co., Independent Chartered Accountants and Edelweiss Capital Services Private Limited, a Category I Merchant Banker, FRL will issue 1 (One) fully paid equity share of Rs. 2/- (Rupees Two) each of FRL to the equity shareholders of BRL as on the Record Date (as may be determined in terms of the Scheme) for every 1 (One) fully paid-up equity share of Rs. 2/- (Rupees Two) each of BRL. 4,34,78,261 equity shares having a face value of Rs. 2/- each, fully paid up of FRL, will be issued on demerger to the equity shareholders of BRL.

The existing holders of Optionally Convertible Debentures ('OCDs') of BRL aggregating to Rs. 250 crores shall, consequent to the aforesaid demerger, hold OCDs in BRL and FRL aggregating to Rs. 250 crores. These OCDs would be convertible into equity shares of the respective companies, at the option of the company, at the price prescribed under SEBI (ICDR) Regulations, 2009 for Preferential Issue of securities on the date of conversion.

The shareholders and OCD holders of Bharti Group have agreed to share with the respective companies an upside on the realization out of the shares of the two companies, subject to certain broad terms and conditions as per the Annexure.

The Board also authorised Committee of Directors to take necessary actions for completing the requirements in this regard and to do all acts and deeds as may be necessary.

The equity shares of BRL issued to the shareholders of FRL pursuant to the Scheme shall be listed on the stock exchanges (subject to trading permission being granted by the stock exchanges). The Scheme would be subject to approval of Competition Commission of India, relevant Hon'ble High Courts and various statutory approvals, including those from the shareholders and the lenders / creditors of FRL.



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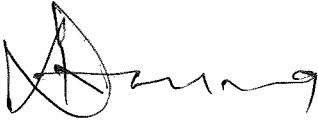
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Yours faithfully
For Future Retail Limited



Name: Deepak Tanna
Designation: Company Secretary
Date: May 4, 2015

Encl. – a/a



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Annexure

On sale of the equity shares (including OCD converted shares or the redemption amount) of FRL and BRL by Shareholders and OCD holders of Bharti Group have agreed to an upside sharing arrangement with FRL and BRL as follows :

- a) If the sale proceeds are between Rs. 950 Crores and Rs. 1450 Crores, the amount shall be 50% of the amount above Rs. 950 Crores;
- b) If the sale proceeds are between Rs. 1450 Crores and Rs. 1950 Crores the amount shall be 60% of the amount above Rs. 1450 Crores; and
- c) If the sale proceeds are greater than Rs. 1950 Crores the amount shall be 75% of the amount above Rs. 1950 Crores.



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