



ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered office: Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor,
Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400070

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NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF ADITYA BIRLA FASHION AND RETAIL LIMITED PURSUANT TO ORDER DATED APRIL 26, 2024 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

MEETING DETAILS	
Day	Wednesday
Date	June 5, 2024
Time	11:30 a.m. (IST)
Mode of Meeting	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
Cut-off date for e-voting	Wednesday, May 29, 2024
Remote e-voting start date and time	Friday, May 31, 2024 at 9:00 a.m. (IST)
Remote e-voting end date and time	Tuesday, June 4, 2024 at 5:00 p.m. (IST)

E-VOTING DURING THE MEETING:

E-Voting during the meeting would be available for those Equity Shareholders who had not voted through remote e-voting, and would commence post the discussion pertaining to the business mentioned in the Notice is concluded and this facility would be available for 30 minutes thereafter.

Sr. No.	INDEX	PAGE NOS.
1	Notice convening the meeting of the Equity Shareholders of Aditya Birla Fashion and Retail Limited under the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench	3
2	Explanatory Statement under Sections 102, 230-232 and other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, National Company Law Tribunal, Mumbai Bench Order dated April 26, 2024 (" NCLT Order "), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable circulars issued by SEBI .	14
3	Annexure 1 Scheme of Amalgamation (by way of Merger by Absorption) among Aditya Birla Fashion and Retail Limited and TCNS Clothing Co. Limited and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.	30
4	Annexure 2 Copy of joint valuation report dated May 4, 2023 issued by M/s Bansi S. Mehta Valuers LLP, Registered Valuer and M/s GT Valuation Advisors, Private Limited, Registered Valuer (" Joint Valuation Report ").	60
5	Annexure 3 Copy of Fairness Opinion dated May 5, 2023, issued by ICICI Securities Limited to Board of Directors of TCNS Clothing Co. Limited.	80

Sr. No.	INDEX	PAGE NOS.
6	Annexure 4 Copy of Fairness Opinion dated May 5, 2023, issued by Axis Capital Limited to the Board of Directors of Aditya Birla Fashion and Retail Limited.	85
7	Annexure 5 No Complaint Reports dated June 16, 2023 and January 22, 2024 and No Complaint Reports dated July 03, 2023 and January 22, 2024 submitted by Aditya Birla Fashion and Retail Limited to BSE Limited (" BSE ") and National Stock Exchange of India Limited (" NSE ") respectively.	92
8	Annexure 6 No Complaint Reports dated June 16, 2023 and January 23, 2024 and No Complaint Reports dated June 30, 2023 and January 23, 2024 submitted by TCNS Clothing Co. Limited to BSE and NSE respectively.	95
9	Annexure 7 Copies of the No-Objection Letters dated March 14, 2024 issued by BSE to Aditya Birla Fashion and Retail Limited and TCNS Clothing Co Limited.	98
10	Annexure 8 Copy of the No-Objection Letter dated March 15, 2024 issued by NSE to Aditya Birla Fashion and Retail Limited and TCNS Clothing Co Limited.	104
11	Annexure 9 Summary of the Joint Valuation Report including the basis of such Joint Valuation Report.	108
12	Annexure 10 Report adopted by the Board of Directors of Aditya Birla Fashion and Retail Limited on May 5, 2023, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013.	109
13	Annexure 11 Report adopted by the Board of Directors of TCNS Clothing Co. Limited on May 5, 2023, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013.	116
14	Annexure 12 Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against TCNS Clothing Co. Limited.	120
15	Annexure 13 Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against Aditya Birla Fashion and Retail Limited.	125
16	Annexure 14 Certificates of Chartered Accountant on assets, liabilities, revenue and net worth of TCNS Clothing Co. Limited and Aditya Birla Fashion and Retail Limited.	129
17	Annexure 15 Letter dated October 25, 2023 submitted by Aditya Birla Fashion and Retail Limited to BSE and NSE.	137
18	Annexure 16 Unaudited Financial Results (limited reviewed) of TCNS Clothing Co. Limited for the quarter ended December 31, 2023.	172
19	Annexure 17 Unaudited Financial Results (limited reviewed) of Aditya Birla Fashion and Retail Limited for the quarter ended December 31, 2023.	176

The Notice of the Meeting, Statement under Sections 102, 230-232 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangement and Amalgamations) Rules, 2016 and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with applicable SEBI circulars and Annexure 1 to Annexure 17 constitute a single and complete set of documents and should be read together as they form an integral part of this document.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

MUMBAI BENCH

COMPANY SCHEME APPLICATION NO. C.A (CAA)/54/MB-I/2024

In the matter of Sections 230-232 read with other applicable provisions of the Companies Act, 2013

AND

In the matter of Scheme of Amalgamation (By way of Merger by Absorption)

AMONG

TCNS Clothing Co. Limited ("Transferor Company"/ "Applicant Company No. 1")

AND

Aditya Birla Fashion and Retail Limited ("Transferee Company"/ "Applicant Company No. 2")

AND

their respective shareholders and creditors

ADITYA BIRLA FASHION AND RETAIL LIMITED, CIN No.

- L18101MH2007PLC233901, a company incorporated under the Companies Act, 1956 having its registered office at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla Mumbai Maharashtra 400070

....Transferee Company / Applicant Company No. 2

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF ADITYA BIRLA FASHION AND RETAIL LIMITED

To,

The Equity Shareholders of Aditya Birla Fashion and Retail Limited:

NOTICE is hereby given that in accordance with the order dated April 26, 2024 in the above mentioned joint company scheme application (hereinafter referred to as the "**NCLT Order**"), the Mumbai Bench of the Hon'ble National Company Law Tribunal (hereinafter referred to as "**NCLT**") has directed convening of a meeting of the equity shareholders (hereinafter referred to as the "**Equity Shareholders**") of Aditya Birla Fashion and Retail Limited (hereinafter referred to as the "**Transferee Company**"/ "**Applicant Company No. 2**") for the purpose of considering, and if thought fit, approving the arrangement embodied in the Scheme of Amalgamation among the Transferee Company and TCNS Clothing Co. Limited (hereinafter referred to as the "**Transferor Company**"/ "**Applicant Company No. 1**") and their respective shareholders and creditors, which envisages amalgamation of the Transferor Company into and with the Transferee Company (hereinafter referred to as the "**Scheme**") pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as the "**Companies Act**") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**CAA Rules**") and the other applicable provisions thereof and applicable rules thereunder.

In pursuance of the NCLT Order and as directed therein further, the meeting of the Equity Shareholders of the Transferee Company will be held on Wednesday, June 5, 2024 at 11:30 a.m. India Standard Time ("**IST**") through Video Conferencing or Other Audio Visual Means ("**VC/OAVM**") (hereinafter referred to as the "**Meeting**") in compliance with the applicable provisions of the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, General Circulars No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ("**MCA**"), Government of India and the Securities and Exchange Board of India ("**SEBI**") vide its Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 (collectively referred to as "**Relevant Circulars**"), and Secretarial Standard - 2 on General Meetings as issued by Institute of Company Secretaries of India ("**SS-2**"), each as amended from time to time, to transact the following business:

To consider and if thought fit, to pass, the following resolution for approval of the Scheme by requisite majority with or without modification(s):

"RESOLVED THAT pursuant to and in accordance with the provisions of Sections 230 - 232 and other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other rules,

circulars and notifications made thereunder (including any amendment, statutory modification, variation or re-enactment thereof) as may be applicable; Section 2(1B) of the Income-tax Act, 1961; the Securities and Exchange Board of India Act, 1992 and the regulations thereunder including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; Competition Act, 2002; as may be applicable; and any other applicable laws and regulations, SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 read with SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/003 dated January 3, 2022, including such other directions, circulars, guidelines or regulations issued/notified by the Securities and Exchange Board of India (“SEBI”) which may be applicable, any and all of which as notified or as may be amended from time to time and including any statutory replacement or re-enactment thereof for the time being in force, if any; the no adverse observations letter/No-objection letter issued by BSE Limited and the National Stock Exchange of India Limited, dated March 14, 2024 and March 15, 2024 respectively; and subject to the provisions of the Memorandum of Association and Articles of Association of Aditya Birla Fashion and Retail Limited (“Company”); and subject to the approval of Hon’ble National Company Law Tribunal, Mumbai Bench (“NCLT”); and subject to receipt of all statutory, governmental, permissions and third party consents as may be required including the Competition Commission of India, SEBI and such other approvals, permissions and sanctions of regulatory and other authorities or tribunals, as may be necessary; and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”), which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution, the arrangement embodied in the Scheme of Amalgamation among Aditya Birla Fashion and Retail Limited (“Transferee Company”/“Applicant Company No. 2”) and TCNS Clothing Co. Limited (“Transferor Company”/“Applicant Company No. 1”) and their respective shareholders and creditors (“Scheme”) the draft of which was circulated along with this Notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any regulatory or other authorities, as may be required for the purpose of resolving any questions or doubts or difficulties that may arise or meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.

RESOLVED FURTHER THAT the Board may delegate all or any of its powers herein conferred to any Director(s), Key Managerial Personnel(s) and/or officer(s) of the Company, to give effect to this resolution, if required, as it may in its absolute discretion deem fit, necessary or desirable, without any further approval from equity shareholders of the Company.”

TAKE FURTHER NOTICE that:

1. pursuant to the NCLT Order and in compliance with the Relevant Circulars, this Meeting is held through VC/OAVM. Therefore, the physical attendance of the Equity Shareholders has been dispensed with. Accordingly, voting by Equity Shareholders of the Transferee Company to the resolution contained in this Notice shall be carried out only (a) through e-voting system available during the Meeting and (b) by remote e-voting during the period as below:

Commencement of remote e-voting period	Friday, May 31, 2024 at 9:00 a.m. (IST)
End of remote e-voting period	Tuesday, June 4, 2024 at 5:00 p.m. (IST)

2. the NCLT has appointed Ms. Seema Khorana Patra (Retired IRS) to be the Chairperson of the Meeting including for any adjournment or adjournments thereof.
3. the NCLT has appointed Mr. Mitesh Shah, a Practicing Company Secretary (Membership Number: F10070, COP: 12891) as scrutinizer to scrutinize the e-voting during the Meeting and remote e-voting process in a fair and transparent manner.
4. at least one independent director of the Transferee Company and the authorized representative of the Statutory Auditors of the Transferee Company shall be attending the Meeting through VC/OAVM.
5. the Transferee Company has engaged the services of Link Intime India Private Limited (“Link Intime”) for the purpose of providing facility of VC/OAVM, voting by remote e-voting and e-voting during the Meeting so as to enable the Equity Shareholders, to cast their votes on the aforesaid resolution.
6. the Scheme shall be considered approved by the Equity Shareholders of the Transferee Company if the resolution mentioned in this Notice has been approved by majority of persons representing three-fourth in value of the Equity Shareholders through remote e-voting and e-voting during the Meeting, in terms of the provisions of Sections 230 - 232 of the Companies Act.

7. the Scheme, if approved by the Equity Shareholders at the Meeting, will be subject to the subsequent approval of NCLT and other approvals, permissions and sanctions of statutory or regulatory or other authorities, as may be required.
8. in compliance with the Relevant Circulars issued by MCA, SEBI and the NCLT Order, the aforesaid Notice, the explanatory statement and the Annexures (including the Scheme) as indicated in the Index (collectively referred to as "**Particulars**"), are being sent to all the Equity Shareholders whose names appear in the register of members/list of beneficial owners on Friday, April 26, 2024.
9. The cut-off date for determining the eligibility of Equity Shareholders to vote and attend the Meeting shall be Wednesday, May 29, 2024 ("**Cut-off date**"). The votes cast by the said Equity Shareholders shall be reckoned with reference to such Cut-off date.

Seema Khorana Patra (Retired IRS)
Chairperson appointed for the Meeting

Date: May 3, 2024

Place: New Delhi

Registered office:

Piramal Agastya Corporate Park, Building A,
4th and 5th Floor, Unit No. 401, 403, 501, 502,
L.B.S Road, Kurla Mumbai, Maharashtra - 400070

Notice:

1. In pursuance of the NCLT Order and in compliance with the applicable provisions of the Companies Act and Relevant Circulars, the Transferee Company is permitted to hold the meeting of the Equity Shareholders through VC/OAVM without the physical presence of the Equity Shareholders at a common venue. The deemed venue for the Meeting shall be the registered office of the Transferee Company.
2. Since, the Meeting is being held pursuant to NCLT Order and Relevant Circulars through VC/OAVM, physical attendance of the Equity Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Equity Shareholders will not be available for the Meeting, and hence the proxy form, attendance slip and route map are not annexed hereto. In pursuance of Section 113 of the Companies Act, institutional/corporate members intending to participate and vote during the Meeting and/or to vote through remote e-voting, are requested to send a certified copy of the board resolution authorising their representative(s) to attend the Meeting through VC on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting, to the scrutinizer through e-mail at mitesh@mjshah.com with a copy marked to enotices@linkintime.co.in by quoting the concerned DP ID and Client ID or Folio Number, at least 48 hours before the remote e-voting or e-voting during the Meeting, as the case may be. The said documents can also be uploaded under "Upload Board Resolution/Authority Letter" displayed under "e-voting" tab. The value and number of the shares of each member / shareholder shall be in accordance with the books/ register of the Company or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the Meeting shall determine the value for the purpose of the aforesaid Meeting and her decision in that behalf would be final.
3. The quorum of the Meeting of the Equity Shareholders of the Transferee Company shall be 30 (Thirty) Equity Shareholders, as per the NCLT Order. The members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act. In case the required quorum as stated above is not present at the commencement of the Meeting, the Meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.
4. The Notice convening the Meeting will be published through advertisement in (i) 'Business Standard' in English language; and (ii) Marathi translation thereof in 'Navshakti' having circulation in the State of Maharashtra.
5. The NCLT has appointed Mr. Mitesh Shah, a Practicing Company Secretary (Membership Number: F10070, COP: 12891) to scrutinize the e-voting during the Meeting and remote e-voting process in a fair and transparent manner.
6. The Transferee Company has engaged the services of Link Intime for the purpose of providing facility of voting by remote e-voting and e-voting during the Meeting so as to enable the Equity Shareholders, to cast their votes on the aforesaid resolution. The remote e-voting will commence from Friday May 31, 2024 at 9:00 a.m. (IST) to Tuesday, June 4, 2024 at 5:00 p.m. (IST) and shall be disabled for voting by Link Intime thereafter.
7. The Transferee Company has enabled the members to participate at the Meeting through the VC/ OAVM facility provided by Link Intime. The instructions for participation by members are given in the subsequent paragraphs. The link for joining the meeting through VC/OAVM will be activated 30 minutes before the time scheduled for the Meeting.

8. The voting rights of Equity Shareholder shall be in proportion to their shares of the paid-up equity share capital of the Transferee Company as on Wednesday, May 29, 2024 being the Cut-off date. A person, to whom the Notice of the Meeting was served but who is not an Equity Shareholder as on the Cut-off date for e-voting should treat this Notice solely for information purposes. Once the vote on the resolution is cast by the member, the member shall not be allowed to change it subsequently.
9. The scrutinizer shall after the conclusion of e-voting at the Meeting, first download the votes cast during the Meeting and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and submit his combined report to the Chairperson of the Meeting. The scrutinizer's decision on the validity of the votes shall be final. The results of the votes cast through remote e-voting and e-voting during the Meeting will be announced within two working days from the conclusion of the Meeting i.e. on or before Friday, June 7, 2024. The results, together with the scrutinizer's report, will be displayed at the registered office and on the website of the Transferee Company i.e. www.abfirl.com, and on the website of Link Intime at <https://instavote.linkintime.co.in>. and shall be communicated to BSE and NSE.
10. The result shall be reported to the NCLT by the Chairperson within the time fixed by NCLT (i.e., within 30 days of conclusion of Meeting), as directed in the NCLT Order.
11. The Explanatory Statement setting out the material facts and reasons, in respect of this Notice, is annexed herewith and the same should be taken as part of this Notice. The Meeting will be conducted in compliance with the applicable provisions of the NCLT Order, SEBI Listing Regulations, the Companies Act, SS-2 and other applicable laws.
12. The Notice, the Explanatory Statement and the Annexures as indicated in the Index (collectively referred to as "**Particulars**"), are being sent through electronic mode to those Equity Shareholders whose e-mail IDs are registered with Link Intime and/or with concerned depositories whose names appear in the register of members/list of beneficial owners as on Friday, April 26, 2024.
13. Equity Shareholders whose email address are not available, shall be provided an opportunity by way of an advertisement to register their e-mail address to receive the Particulars and also to provide access to download the Particulars from the website of the Company.
14. The Equity Shareholders may note that the aforesaid Particulars will be available on the Transferee Company's website i.e. www.abfirl.com, websites of the Stock Exchanges i.e. BSE Limited, the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, website of SEBI at www.sebi.gov.in, and on the website of Link Intime at <https://instavote.linkintime.co.in> Copies of the aforesaid Particulars can be obtained free of charge, between 11:00 a.m. to 4:00 p.m. (IST) on all working days, up to the date of the Meeting, from the registered office of the Transferee Company or by sending a request along with details of your shareholding by email at secretarial@abfirl.adityabirla.com.
15. All the documents referred to in the accompanying Explanatory Statement will be made available for inspection through electronic mode or physical mode, basis the request being sent from their registered email ID on secretarial@abfirl.adityabirla.com. Further, all the documents referred to in the accompanying Explanatory Statement shall also be open for inspection by the Equity Shareholders at the registered office of the Transferee Company between 11:00 a.m. to 4.00 p.m. IST on all working days up to the date of the Meeting.

16. THE PROCEDURE AND INSTRUCTIONS FOR MEMBERS FOR VOTING AND JOINING MEETING THROUGH VC/ OAVM ARE AS UNDER:

In terms of NCLT order, Section 108 and other applicable provisions, if any, of the Companies Act, read with the Companies (Management and Administration) Rules, 2014 and other relevant rules made thereunder, as amended, Regulation 44 of the SEBI Listing Regulations and MCA Circulars read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 read with read with SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/003 dated January 3, 2022 ("**SEBI Circulars**"), the Transferee Company is pleased to provide the facility of remote e-voting and e-voting during the Meeting to its Members holding shares in physical or dematerialised form, as on the Cut-off date to exercise their right to vote through electronic means on the business specified in this Notice.

The Transferee Company has engaged the services and made necessary arrangements with Link Intime for facilitating voting through electronic means, as authorized e-voting agency. The remote e-voting period commences on Friday, May 31, 2024 at 9:00 a.m. (IST) and ends on Tuesday, June 4, 2024 at 5:00 p.m. (IST). The e-voting module shall be disabled by Link Intime for voting thereafter. A person who is not a Member as on the Cut-off date should treat this Notice for information purpose only. Those Members, who will be present in the Meeting through VC/ OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the Meeting. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend/ participate in the Meeting through VC/ OAVM but shall not be entitled to cast their vote again. The voting rights of the Members shall be in proportion to their shares of the paid-up

equity share capital of the Transferee Company as on the Cut-off date. Only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Link Intime as on the Cut-off date, shall be entitled to avail the facility of remote e-voting or casting vote through e-voting system during the Meeting.

THE PROCEDURE AND INSTRUCTIONS FOR MEMBERS FOR E-VOTING AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

URL for remote e-voting

Type of shareholder	E-voting link
Individual Shareholders holding securities in Demat mode with National Securities Depository Limited	: https://eservices.nsdl.com or directly through your depository participant
Individual Shareholders holding securities in Demat mode with Central Depository Services (India) Limited	: https://web.cdslindia.com/myeasitoken/home/login or directly through your depository participant
Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in Demat mode	: https://instavote.linkintime.co.in/

REMOTE E-VOTING: PROCEDURE

(1) Depository: For Individual Shareholders holding securities in demat mode

Step No.	For Shareholders holding securities with NSDL	For Shareholders holding securities with CDSL
Registered User		
1.	The URL for users to login for NSDL IDeAS facility: https://eservices.nsdl.com either on a personal computer or on a mobile.	The URL for users to login to Easi / Easiest facility is www.cdslindia.com and click on login icon & New System Myeasi Tab.
2.	Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.	Login through their user id and password.
3.	After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page.	After successful login of Easi/ Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
4.	Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.	Click on e-Voting service provider name and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
First time user		
5.	Option to register is available at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp	Option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or www.cdslindia.com
Alternative Method		
6.	Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.	The user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page.
7.	Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.	(Skip step)

8.	A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.	(Skip step)
9.	After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.	(Skip step)
10	Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Pursuant to Section 108 of the Act, Rule 20 of the Rules, as amended, Regulation 44 of the Listing Regulations and the Circulars, the Company is pleased to provide the facility to the Members to exercise their right to vote, on the resolution proposed to be passed by Postal Ballot, by electronic means. As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" for casting your vote during the remote e-Voting period.

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk Details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

- (2) **InstaVote: For Individual Shareholders holding securities in physical mode/ Non- Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of LINKINTIME is given below:**

Step No.	For first time users of InstaVote OR shareholders holding shares in physical mode	For shareholders holding shares in demat form and existing user of InstaVote
1.	Open the internet browser and launch the URL: https://instavote.linkintime.co.in	

Step No.	For first time users of InstaVote OR shareholders holding shares in physical mode	For shareholders holding shares in demat form and existing user of InstaVote												
2.	<p>Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -</p> <p>A. User ID: Enter your User ID</p> <table border="1" data-bbox="339 338 898 775"> <tr> <td data-bbox="339 338 395 472">(i)</td> <td data-bbox="395 338 898 472">For members : 16 digits holding shares in beneficiary ID, demat account held with CDSL</td> </tr> <tr> <td data-bbox="339 472 395 607">(ii)</td> <td data-bbox="395 472 898 607">For members : 8 Character DP ID holding shares in followed by 8-digit demat account client ID, held with NSDL</td> </tr> <tr> <td data-bbox="339 607 395 775">(iii)</td> <td data-bbox="395 607 898 775">For members : EVEN (240164) holding shares in followed by the physical form Folio number registered with the Company</td> </tr> </table> <p>B. Permanent Account Number (PAN): Enter your 10-digit PAN (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</p> <p>C. Date of Birth (DOB)/ Date of Incorporation (DOI): Enter the DOB/ DOI (As recorded with your DP/ Company - in DD/MM/YYYY format)</p> <p>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <table border="1" data-bbox="339 1249 898 1682"> <tr> <td data-bbox="339 1249 395 1384">(i)</td> <td data-bbox="395 1249 898 1384">For members : Shall provide holding shares in either ‘C’ or ‘D’, demat account above held with CDSL</td> </tr> <tr> <td data-bbox="339 1384 395 1518">(ii)</td> <td data-bbox="395 1384 898 1518">For members : Shall provide ‘D’ holding shares in above demat account held with NSDL</td> </tr> <tr> <td data-bbox="339 1518 395 1682">(iii)</td> <td data-bbox="395 1518 898 1682">For members : Shall provide their holding shares in folio number in ‘D’ physical form but above have not recorded ‘C’ and ‘D’ above</td> </tr> </table>	(i)	For members : 16 digits holding shares in beneficiary ID, demat account held with CDSL	(ii)	For members : 8 Character DP ID holding shares in followed by 8-digit demat account client ID, held with NSDL	(iii)	For members : EVEN (240164) holding shares in followed by the physical form Folio number registered with the Company	(i)	For members : Shall provide holding shares in either ‘C’ or ‘D’, demat account above held with CDSL	(ii)	For members : Shall provide ‘D’ holding shares in above demat account held with NSDL	(iii)	For members : Shall provide their holding shares in folio number in ‘D’ physical form but above have not recorded ‘C’ and ‘D’ above	(Skip step)
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(ii)	For members : Shall provide ‘D’ holding shares in above demat account held with NSDL													
(iii)	For members : Shall provide their holding shares in folio number in ‘D’ physical form but above have not recorded ‘C’ and ‘D’ above													
3.	Set the password of your choice [The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter].	(Skip step)												
4.	Click on ‘confirm’ and your password will be generated.	(Skip step) [Use your existing password]												
5.	Click on ‘Login’ under the ‘ SHAREHOLDER ’ tab													
6.	Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘ Submit ’.													
7.	After successful login, you will be able to see the notification for e-voting.													
8.	Select ‘ View ’ icon and the e-voting page will appear.													

Step No.	For first time users of InstaVote OR shareholders holding shares in physical mode	For shareholders holding shares in demat form and existing user of InstaVote
9.	Refer the Resolution description and cast your vote by selecting your desired option ' Favour/ Against '. (If you wish to view the entire Resolution details, click on the ' View Resolution ' file link).	
10	After selecting the desired option i.e. Favour/ Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on ' Yes ', else to change your vote, click on ' No ' and accordingly modify your vote.	
11.	Once the vote on a resolution is cast by the member, such member shall not be allowed to change it subsequently.	

(3) Remote e-voting: Points to remember

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in/> and register themselves as '**Custodian/ Mutual Fund/ Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the '**Custodian/ Mutual Fund/ Corporate Body**' login for the Scrutinizer to verify the same.
- If you have forgotten the password:
 - Click on '**Login**' under 'SHARE HOLDER' tab and further Click '**forgot password?**'
 - Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid e-mail address, Password will be sent to his/ her registered e-mail address.
- Shareholders can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/ DOI, Bank Account Number (last four digits) etc.
- The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders/ members holding multiple folios/ demat account shall choose the voting process separately for each of the folios/ demat account.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ("FAQs") and InstaVote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or send an e-mail to enotices@linkintime.co.in or contact on: Tel: 022-4918 6000.

(4) Attending the Meeting through InstaMeet

Shareholder will be provided with a facility to attend the Meeting through VC/ OAVM through InstaMeet. The Meeting shall be opened 30 (Thirty) minutes before the scheduled time and the e-voting at the Meeting shall be kept open throughout the proceedings of the Meeting.

Please note that the attendance of the Members attending the Meeting through VC/ OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

Members desiring to attend the Meeting through VC/ OAVM are requested to refer to the detailed procedure given below.

Step no.	For all shareholders
1.	Open the internet browser and launch the URL: https://instameet.linkintime.co.in & click on "Login".
2.	Select the "Company" and 'Event Date' and register with your following details: - A. Demat Account No. or Folio No: Enter your 16-digit Demat Account No. or Folio No: (i) For members holding shares in demat : 16 digits beneficiary ID, account held with CDSL (ii) For members holding shares in demat : 8 Character DP ID followed by 8-digit account held with NSDL client ID, (iii) For members holding shares in physical : Folio number registered with the form Company B. PAN: Enter your 10-digit PAN (Members who have not updated their PAN with the DP/ Company shall use the sequence number provided to you, if applicable). C. Mobile No.: Enter your mobile number. D. E-mail ID: Enter your e-mail ID, as recorded with your DP/Company.
3.	Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).
4.	Shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.

(5) E-voting during the Meeting through InstaMeet

1. Only those shareholders, who are present in the Meeting through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the Meeting.
2. If any Votes are cast by the shareholders through the e-voting available during the Meeting and if the same shareholders have not participated in the Meeting through VC/ OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the Meeting.
3. Shareholders who have voted through remote e-voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the Meeting.

Once the electronic voting is activated by the scrutinizer/moderator during the Meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

E-voting during the Meeting: Procedure

Step no.	For all shareholders
1.	On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2.	Enter your 16-digit Demat Account No./ Folio No. and OTP (received on the registered mobile number/ registered e-mail ID) received during registration for InstaMEET and click on 'Submit'.
3.	After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4.	Cast your vote by selecting appropriate option i.e. "Favour/ Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
5.	After selecting the appropriate option i.e. Favour/ Against, click on "Save". Then a confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6.	Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an e-mail to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

(6) Other information related to e-voting

- a. A person, whose name is recorded in the register of members or in the register of beneficial owners of the Company, as on the cut-off date i.e., Wednesday, May 29, 2024 only shall be entitled to avail the facility of e-voting, either through remote e-voting and voting at the Meeting. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
- b. Members who have cast their vote by remote e-voting prior to the Meeting will be entitled to attend the Meeting and their presence shall be counted for the purpose of quorum. However, they shall not be entitled to cast their vote again. In case a member casts his vote by more than one mode of voting including remote e-voting, then voting done through remote e-voting shall prevail and other shall be treated as invalid.
- c. Voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e., Wednesday, May 29, 2024 .
- d. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holds shares as of the cut-off date may follow the procedure for remote e-voting as enumerated in detail hereinabove. They may also refer to the FAQs and e-voting manual available at <https://instavote.linkintime.co.in/> (under help section) or write an e-mail to enotices@linkintime.co.in or secretarial@abfirl.adityabirla.com.
- e. Every client ID no./ folio no. will have one vote, irrespective of number of joint holders. However, in case the joint holders wish to attend the meeting, the joint holder whose name is higher in the order of names among the joint holders, will be entitled to vote at the Meeting.
- f. The members may also update their mobile number and e-mail ID in the user profile details of their respective client ID no./ folio no., which may be used for sending future communication(s).

(7) Speaker registration for the Meeting

1. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request in advance at least 7 (seven) days prior to meeting i.e. Wednesday, May 29, 2024 mentioning their name, demat account number/folio number, e-mail ID, mobile number at secretarial@abfirl.adityabirla.com.
2. Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the Meeting.
3. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
4. Shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application by clicking on the link www.webex.com/downloads.html/ (Members may also refer a tutorial video available on www.youtube.com/watch?v=U2C9BVtGVRk).
5. Shareholders are requested to speak only when moderator of the Meeting/ management will announce the name and serial number for speaking.
6. Please note that the Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the Meeting.
7. Other shareholder may ask questions to the panellist, via active chat-board during the Meeting.

The shareholders who do not wish to speak during the Meeting but have queries may send their queries in advance 7 (seven) days prior to meeting i.e. Wednesday, May 29, 2024 mentioning their name, demat account number/folio number, e-mail ID, mobile number at secretarial@abfirl.adityabirla.com. These queries will be replied to by the Company suitably by e-mail.

(8) General Instructions

- a. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- b. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

- c. Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- d. At the Meeting, the Chairperson shall, at the end of discussion on the resolutions on which voting is to be held, allow e-voting at the Meeting.
- e. The results along with the consolidated Scrutinizer's Report shall be declared by means of dissemination on the website of the Company i.e. www.abfrl.com and website of Link Intime i.e. <https://instavote.linkintime.co.in/> and communication to BSE and NSE, thereby enabling them to disseminate the same on their respective websites.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

MUMBAI BENCH

COMPANY SCHEME APPLICATION NO. CA (CAA)/54/MB-I/2024

In the matter of Sections 230-232 read with other applicable provisions of the Companies Act, 2013

AND

In the matter of Scheme of Amalgamation (By way of Merger by Absorption)

AMONG

TCNS Clothing Co. Limited ("Transferor Company"/ "Applicant Company No. 1")

AND

Aditya Birla Fashion and Retail Limited ("Transferee Company"/ "Applicant Company No. 2")

AND

their respective shareholders and creditors

ADITYA BIRLA FASHION AND RETAIL LIMITED, CIN No.

- L18101MH2007PLC233901, a company incorporated under the Companies Act, 1956 having its registered office at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla Mumbai Maharashtra 400070

...Transferee Company / Applicant Company No. 2

EXPLANATORY STATEMENT IN TERMS OF SECTIONS 102, 230-232 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016, SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH APPLICABLE SEBI CIRCULARS

1. Pursuant to the order dated April 26, 2024 passed by the Mumbai bench of Hon'ble National Company Law Tribunal (hereinafter referred to as "**NCLT**"), in Company Scheme Application No. CA (CAA)/54/MB-I/2024 (hereinafter referred to as the "**NCLT Order**"), a meeting of the Equity Shareholders of Aditya Birla Fashion and Retail Limited (hereinafter referred to as the "**Transferee Company**") is being convened through Video Conference/Other Audio Visual Means ("**VC/OAVM**"), on Wednesday, June 5, 2024 at 11:30 a.m. IST, for the purpose of considering, and if thought fit, approving the Scheme of Amalgamation among TCNS Clothing Co. Limited ("**Transferor Company**") and the Transferee Company and their respective shareholders and creditors ("**Scheme**") under Sections 230-232 of the Companies Act, 2013 ("**Companies Act**") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**CAA Rules**") and the other applicable provisions of the Companies Act and applicable rules thereunder. The Transferor Company and the Transferee Company are together referred to as the "**Companies**" or "**Parties**", as the context may admit. A copy of the Scheme, is enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
2. The deemed venue for the Meeting shall be the registered office of the Transferee Company.
3. The Scheme, inter alia, provides for the amalgamation of Transferor Company with and into the Transferee Company, with effect from the Appointed Date (as defined in the Scheme), and the consequent dissolution of Transferor Company without being wound up, and the issuance of the Merger Consideration Shares (as defined in the Scheme) to the Eligible Shareholders (as defined in the Scheme) in accordance with the Share Exchange Ratio (as defined in the Scheme), pursuant to Sections 230-232, and other relevant provisions of the Companies Act, in the manner provided for in the Scheme and in compliance with the provisions of the Income Tax Act, 1961.

PARTICULARS OF THE TRANSFEROR COMPANY

4. The Transferor Company is a public listed company which was incorporated under the name of "**TCNS Clothing Co. Pvt. Limited**" under the provisions of the Companies Act, 1956 on December 03, 1997 with the Registrar of Companies, Delhi. The name of the Transferor Company was changed from "**TCNS Clothing Co. Pvt. Limited**" to "**TCNS Clothing Co. Limited**" on January 19, 2018.

5. The registered office of the Transferor Company was shifted from Registrar of Companies, National Capital Territory of Delhi to the Registrar of Companies, Maharashtra, Mumbai, on December 27, 2023.
6. The registered office of the Transferor Company is situated at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla Mumbai Maharashtra – 400070 having CIN No. L99999MH1997PLC417265. The Permanent Account Number of the Transferor Company is AA ACT4432E and the e-mail address of the Transferor Company is investors@tcnsclothing.com.
7. The equity shares of the Transferor Company are listed on BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”) (collectively referred to as “**Stock Exchanges**”).
8. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Transferor Company are as under:

“III.(A).1. To carry on the business of buyers, sellers, exporters, importers, merchandisers, traders, coordinators, distributors, agents, brokers, stockists, commission agents, auctioneers, trustees, forwarders, dealers, concessionaires, processors, reprocesses, tanners, dressers, weavers, dyers, jobbers, contractors, spinners, knitters, combers, manufactures, producers, assemblers, finishers, packers, processors, texturisers, retailers, wholesalers, suppliers, representatives, sub-agents, inquiry agents, publicity and advertising agents in India and abroad of all kinds of apparels, dresses, clothes, outfits, garments, textiles, fabrics, yarns, fibbers, silk, cotton, hemp, jute, linen, fibbers, woollens, acrylic, viscose, waste, silks, hemp, linen, suiting, shirting dress materials corduroy, carpet, blankets, curtains, ribbons, towels, handkerchiefs, scarves, tapestry, shawls, readymade garments, leather wears, leather goods, shoes, wearing apparels neck-ties, gloves, overcoats, rain coats, rugs, cosmetics, wigs, sweaters, knit wears, hosiery goods, under garments, dresses, embroideries, plastics, rubbers, canvas goods, village industries, cottage industries, home industries, handicrafts, brasswares, handlooms, antiques, decorators, knit wears, hosiery, shoes, wearing apparels, dress material, umbrellas, mufflers, chesters, nets, socks, hats, belts, caps, bags, purses, sports goods, vanity bags, buttons, zips, fasteners, buckles, cuff-links, pipings, borders, lining, supports, attachments, pads, hocks accessories and tools, trims, synthetic polyester, polyethylene, polypropylene, silk, artificial silk, wool silk and other material and all fibres, synthetic artificial & natural fibbers, nylon, rayon, jute and any other fibbers or fibrous materials textiles substance allied product, by-products and substitutes for all or any of them and to treat and utilize any waste arising from any such manufacture, production or process and blends and mix thereof.

III.(A)(2). To carry on the business in India or outside India as manufacturers, producers, assemblers, buyers, sellers, exporters, importers, designers, merchandisers, coordinators, traders, dealers, agents, distributors, consigners, consignee, commission agent, combers, job work, scourers, finishers, stockists, auctioneers, trustees, jobbers, contractors, packers, retailers, wholesalers, suppliers, representatives, subagents, aggregators, inquiry agents, publicity and advertising agents of all types of products and services including but not limited to all kind of lifestyle products, fashion products and accessories of every description, footwear, all types eyewear including sunglasses and accessories, bags including hand bags, luggage and other traveling accessories, headwear, wrist wear, jewellery including artificial jewellery, ornaments, watches, bracelets, anklets, undergarments, lingerie, innerwear, handloom fabrics, bed coverings, pillows including neck pillows, home furnishing articles, home decor articles, office equipment, novelties, showpieces, other decorative articles, handicrafts, gift items including greeting cards, posters, furniture products, all types of crockery/ pottery made up of ceramic or otherwise, beauty products of every description, cosmetics, perfumes, disinfectants, pharmaceutical products, fragrances, vaporous substances, toiletries, creams, skin and hair care products, herbal products, domestic and industrial sanitizers and all other identical and similar products and goods of every description and of any material and allied product, by-products and substitutes for all or any of them and to treat and utilize any waste arising from any such manufacture, production or process and blends and mix thereof.”

“(B) Matters which are necessary for furtherance of the objects specified in clause III (A):

“30. Subject to Section 230-232 of the Companies Act, 2013, to amalgamate with any other Company whose objects are, or include objects similar to these of this company whether by sale or purchase for fully or partly paid-up shares or otherwise, of the undertaking subject to the liabilities of this or any such other company as aforesaid, with or without winding up or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any other company as aforesaid or in any other manner.”

On September 24, 2020, the main objects of the Memorandum of Association of the Transferor Company were amended to include the following:

“To carry on the business in India or outside India as manufacturers, producers, assemblers, buyers, sellers, exporters, importers, designers, merchandisers, coordinators, traders, dealers, agents, distributors, consigners, consignee, commission agent, combers, job work, scourers, finishers, stockists, auctioneers, trustees, jobbers, contractors, packers, retailers, wholesalers, suppliers, representatives, subagents, aggregators, inquiry agents, publicity and advertising agents of all types of products and services including but not limited to all kind of lifestyle products, fashion products and accessories of every description, footwear, all types eyewear including sunglasses and accessories, bags including hand bags, luggage and other traveling accessories, headwear, wrist wear, jewellery including artificial jewellery, ornaments, watches, bracelets,

anklets, undergarments, lingerie, innerwear, handloom fabrics, bed coverings, pillows including neck pillows, home furnishing articles, home decor articles, office equipment, novelties, showpieces, other decorative articles, handicrafts, gift items including greeting cards, posters, furniture products, all types of crockery/ pottery made up of ceramic or otherwise, beauty products of every description, cosmetics, perfumes, disinfectants, pharmaceutical products, fragrances, vaporous substances, toiletries, creams, skin and hair care products, herbal products, domestic and industrial sanitizers and all other identical and similar products and goods of every description and of any material and allied product, by-products and substitutes for all or any of them and to treat and utilize any waste arising from any such manufacture, production or process and blends and mix thereof.”

There has been no other change in the main object clause of the Transferor Company since last five (5) years except as stated above.

9. The Transferor Company is primarily engaged in the business of: (a) manufacturing, distribution and sale of women’s apparel, jewelry, footwear and beauty products, in any manner and through any format, currently undertaken under brands “W”, “Wishful”, “Aurelia”, “Elleven” and “Folksong”; (b) wholesale cash and carry trading (including sale through franchisee outlets) of women’s apparel, jewelry, footwear and beauty products, in any manner and through any format.
10. The Authorised Share Capital of the Transferor Company, as on March 31, 2024 is as under:

Particulars	Amount (in Rs.)
Authorized Capital	
18,00,00,000 equity shares of INR 2 each	36,00,00,000
2,00,00,000 preference shares of INR 1 each	2,00,00,000
Total	38,00,00,000
Issued, Subscribed and Paid-up	
6,32,73,418 equity shares of INR 2 each	12,65,46,836
Total	12,65,46,836

PARTICULARS OF THE TRANSFEEE COMPANY

11. The Transferee Company is a public listed company, which was incorporated on April 19, 2007 as “Peter England Fashions and Retail Limited” with the Registrar of Companies, Bangalore, Karnataka, as a public limited company, under the provisions of the Companies Act, 1956. The name of the Company was changed from “Peter England Fashions and Retail Limited” to “Pantaloon Fashion & Retail Limited” on April 23, 2013. The name of the Company was again changed from “Pantaloon Fashion & Retail Limited” to “Aditya Birla Fashion and Retail Limited” on January 12, 2016.
12. The registered office of the Transferee Company was shifted from Registrar of Companies, Karnataka, to Registrar of Companies, Gujarat, on November 18, 2009. Thereafter, the registered office of the Transferee Company was shifted from to Registrar of Companies, Gujarat, to Registrar of Companies, Maharashtra, Mumbai on July 31, 2012.
13. The registered office of the Transferee Company is situated at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla, Mumbai, Maharashtra 400070. having CIN No. L18101MH2007PLC233901. The Permanent Account Number of the Transferee Company is AAACP2371C and the e-mail address of the Transferee Company is secretarial@abfirl.adityabirla.com.
14. The equity shares of the Transferee Company are listed on the Stock Exchanges. Further, the unsecured, redeemable, non-convertible debentures of the Transferee Company are listed on BSE Limited.
15. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main objects of the Transferee Company are as under:

“(III) (A) The main objects to be pursued by the company on its incorporation are:

1) To carry on India and elsewhere in any place or places in the world the trade or the business of manufacturers, exporters, importers, traders, dealers, merchants, shippers, indentors, distributors, wholesalers, retailers, shopkeepers, hirers, commission agents, muddums, brokers, stockists, mercantile agents, forwarding agents, warehousemen, in all types of fabrics, cotton, knitted, dyed, processed wool, jute, hemp, silk, nylon and allied materials and articles, textile of all kinds, ready to wear garments, non wearables, and made up of all kinds, makers and tailors of all kinds of industrial/domestic wearing/non-wearing apparels, linen, carpets and rugs, straps, tapes, ribbon, elastic braids and labels and as ginners, pressers, packers, calendars, spinners, weavers, bleachers, dyers, combers and traders of cotton, wool, silk, nylon, synthetic, man-made fibre, flax, hemp, jute and other fibrous substances whether textile, felted, netted or looped and of waste materials and cotton seeds and to run spinning, weaving & pressing, ginning and processing or manufacturing mills, dyeing, printing and bleaching factories and carry on all the above business in all or any of their respective branches.

2) To manufacture, buy, sell, import, export, refine, manipulate or otherwise deal in textiles and piece- goods of all kinds, yam, threads, silks and art silks, cotton, woolens, nylon, synthetic, man-made and allied materials, rayons and fabrics of all kinds, woven/non-woven cloths, industrial cloth, oil-cloth, leather cloths, Hessians, jute cloths, man-made fibres including regenerated cellulose-rayons, nylon and the like, textile auxiliaries, and sizing materials including starch.

3) To offer one stop solution for sale, purchase, export, import, and the like, of Garments, fashion clothes, fashion products, life style products, apparels, general merchandise etc.”

(B) The objects incidental or ancillary to the attainment of the main objects are:

(9) To amalgamate with any other Company/ companies having objects altogether or in part similar to those of the company or partially amalgamate with or acquire interest in the business of any other company, person or firm carrying on or engaged in or about to be engaged in /carry on any business or transaction included in the objects of the company.

There has been no change in the main object clause of the Transferee Company since last 5 (five) years.

16. The Transferee Company is primarily engaged in the business of manufacturing, marketing, sales and/or distribution of fashion apparel, footwear and accessories through offline and/or online channels including wholesale, retail and e-commerce under multiple owned and licenced brands.
17. The share capital of the Transferee Company as on the March 31, 2024 is as under:

Particulars	Amount (in Rs.)
Authorised Capital	
2,00,00,00,000 equity shares of INR 10 each	20,00,00,00,000
5,00,000 8% Redeemable Cumulative Preference Shares of INR 10 each	50,00,000
15,000 Redeemable Cumulative Preference Shares of INR 100 each	15,00,000
95,00,000 Preference Shares of INR 10 each	9,50,00,000
Total	20,10,15,00,000
Issued and Subscribed Share Capital	
1,01,52,15,146 equity shares of INR 10 each	10,15,21,51,460
11,10,000 8% Non-Cumulative Non-Convertible Redeemable Cumulative Preference Shares of INR 10 each	1,11,00,000
Total	10,16,32,51,460
Fully Paid-up Share Capital:	
1,01,50,09,642 equity shares of INR 10 each	10,15,00,96,420
11,10,000 8% Non-Cumulative Non-Convertible Redeemable Cumulative Preference Shares of INR 10 each	1,11,00,000
TOTAL	10,16,11,96,420

DESCRIPTION AND RATIONALE FOR THE SCHEME

18. Description of the Scheme:

The Scheme, *inter alia*, provides for:

- amalgamation of the Transferor Company, with and into Transferee Company, with effect from the Appointed Date (*as defined in the Scheme*);
- transfer of the authorised share capital of Transferor Company to the Transferee Company and consequential increase in the authorised share capital of the Transferee Company;
- cancellation of the equity shares held by the Transferor Company to the Transferee Company;
- dissolution of the Transferor Company without being wound up;
- issue and allotment of the Merger Consideration Shares (*as defined in the Scheme*) of Transferee Company to the Eligible Shareholders (*as defined in the Scheme*) in accordance with the Share Exchange Ratio (*as defined in the Scheme*); and

- (f) issue of stock options by the Transferee Company to the holders of the Transferor Company Stock Options (as defined in the Scheme).

19. Rationale and benefits of the Scheme:

The Amalgamation pursuant to the Scheme would, inter alia, have the following benefits:

- (a) strengthening of organizational capabilities around operational and financial areas, driving scale benefits through leveraging resources;
- (b) enabling coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive apparel portfolio; entering newer markets and driving penetration;
- (c) creating revenue synergies through sharing of consumer understanding, market insights, channel models to ensure faster go to market and achieve faster growth with fewer resources;
- (d) driving synergy benefits around back-end such as procurement, logistics, supply chain, technology operations and shared services; driving optimal utilization of resources and building centers of excellence for a larger company;
- (e) enhancing organizational capabilities arising from pooling of talent and human capital with diverse skill sets and experience in areas such as design, sourcing and consumer insights, providing strength to operate strongly in a highly fragmented market;
- (f) enabling more coordinated and comprehensive business management with clear focus on driving common goals around building best quality products, wide distribution, efficient operations, brand building; allowing for more efficient allocation of capital and resources for growth;
- (g) driving channel efficiencies by providing opportunity to cross-sell products across markets;
- (h) streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses;
- (i) post Scheme, Transferee Company to become a platform for building category-led business and be better placed to adequately finance the growth prospects of the business;
- (j) driving cost synergies and reducing overlaps between businesses.

RELATIONSHIP AMONG COMPANIES WHO ARE PARTIES TO THE SCHEME

20. The Transferor Company is a subsidiary of Transferee Company. As on March 31, 2024, Transferee Company holds 3,29,08,325 (Three Crore Twenty-Nine Lakh Eight Thousand Three Hundred and Twenty-Five) equity shares of Transferor Company representing 52.01% of its share capital and is a promoter of Transferor Company.

CORPORATE APPROVALS

21. The Scheme along with the:

- (a) Valuation Report, dated May 4, 2023, jointly issued by Bansi S. Mehta Valuers LLP, Registered Valuer and GT Valuation Advisors Private Limited, Registered Valuer (hereinafter referred to as the **"Joint Valuation Report"**) recommending the share exchange ratio, in respect of the proposed amalgamation of the Transferor Company with the Transferee Company under the Scheme; and
- (b) Fairness Opinion dated May 5, 2023 issued by ICICI Securities Limited, a SEBI registered merchant banker (**"Fairness Opinion 1"**);

were placed before the Audit Committee of Directors of the Transferor Company along with other particulars at its meeting held on May 5, 2023. Copies of the (i) Joint Valuation Report, and (ii) the Fairness Opinion 1 are enclosed as **Annexure 2** and **Annexure 3** respectively.

22. Based on the aforesaid, the Audit Committee of the Transferor Company at its meeting held on May 5, 2023, recommended the amalgamation of the Transferor Company with and into the Transferee Company in terms of the Scheme, to the Board of Directors of the Transferor Company.
23. The Scheme, the Joint Valuation Report, and the Fairness Opinion 1, amongst others, was also placed before the committee of Independent Directors of Transferor Company. The committee of Independent Directors of Transferor Company at its meeting held on May 5, 2023, recommended the amalgamation of the Transferor Company with and into the Transferee Company in terms of the Scheme, to the Board of Directors of the Transferor Company.

24. Upon the recommendation of the Audit Committee and committee of Independent Directors of the Transferor Company, the Board of Directors of the Transferor Company approved the amalgamation of the Transferor Company with and into the Transferee Company in terms of the Scheme at its meeting held on May 5, 2023. The Scheme was approved unanimously by the directors of the Transferor Company, who attended and voted at the meeting. The details of the approval of the Board of Directors of the Transferor Company on May 5, 2023, are provided below:

S. No.	Name of Director(s)	Voted in favour / against / did not attend
1	Mr. Onkar Singh Pasricha	In favour
2	Mr. Anant Kumar Daga	In favour
3	Mr. Bhaskar Pramanik	In favour
4	Ms. Sangeeta Talwar	In favour
5	Ms. Neeru Abrol	In favour
6	Mr. Suresh Jayaraman	In favour
7	Mr. Arvinder Singh Pasricha	In favour
8	Mr. Naveen Wadhera	In favour

25. The Scheme, the Joint Valuation Report, and the Fairness Opinion dated May 5, 2023, issued by Axis Capital Limited to Transferee Company (a copy of which is annexed as **Annexure 4**) ("**Fairness Opinion 2**") was placed before the Audit Committee of the Transferee Company at its meeting held on May 5, 2023. The Audit Committee of the Transferee Company at its meeting held on May 5, 2023, recommended the amalgamation of the Transferor Company with and into the Transferee Company in terms of the Scheme to the Board of Directors of the Transferee Company.
26. The Scheme, the Joint Valuation Report, and the Fairness Opinion 2, amongst others, was also placed before the committee of Independent Directors of Transferee Company. The committee of Independent Directors of Transferee Company at its meeting held on May 5, 2023, recommended the amalgamation of the Transferor Company with and into the Transferee Company in terms of the Scheme, to the Board of Directors of the Transferee Company.
27. Upon the recommendation of the Audit Committee and committee of Independent Directors of the Transferee Company, the Board of Directors of the Transferee Company approved the amalgamation of the Transferor Company with and into Transferee Company in terms of the Scheme at its meeting held on May 5, 2023. The Scheme was approved unanimously by the directors of the Transferee Company, who attended and voted at the meeting.
28. The details of the approval of the Board of Directors of the Transferee Company on May 5, 2023, are provided below:

S. No.	Name of Director(s)	Voted in favour / against / did not attend
1	Mr. Kumar Mangalam Birla	In favour
2	Ms. Ananyashree Birla	In favour
3	Mr. Arun Adhikari	In favour
4	Mr. Aryaman Birla	In favour
5	Mr. Ashish Dikshit	In favour
6	Mr. Nish Bhutani	In favour
7	Mr. Pankaj Sood	In favour
8	Ms. Preeti Vyas	In favour
9	Ms. Sangeeta Pendurkar	In favour
10	Ms. Sukanya Kripalu	In favour
11	Mr. Sunirmal Talukdar	In favour
12	Mr. Vikram Rao	In favour
13	Mr. Vishak Kumar	In favour
14	Mr. Yogesh Chaudhary	In favour

APPROVALS AND ACTIONS TAKEN IN RELATION TO THE SCHEME

29. BSE was appointed as the Designated Stock Exchange by the Transferee Company for the purpose of co-ordinating with the SEBI for obtaining approval of SEBI in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "**SEBI Listing Regulations**").
30. The Transferee Company had applied to the Stock Exchanges for their no-objection to the Scheme.

31. The Transferee Company filed a No Complaint Report with the BSE on June 16, 2023 and January 22, 2024 and NSE on July 3, 2023 and January 22, 2024. Copies of the no complaints report submitted by the Transferee Company to BSE and NSE, respectively, are enclosed as **Annexure 5**.
32. The Transferee Company received no adverse observations/no-objection letter regarding the Scheme from BSE and NSE dated March 14, 2024 and March 15, 2024 respectively, conveying their no adverse observations/no-objection for filing the Scheme with NCLT.
33. Similarly, NSE was appointed as the Designated Stock Exchange by the Transferor Company for the purpose of co-ordinating with SEBI for obtaining approval of SEBI in accordance with SEBI Listing Regulations.
34. The Transferor Company had applied to the Stock Exchanges for their no-objection to the Scheme.
35. The Transferor Company had filed its No Complaint Report with the BSE on June 16, 2023 and January 23, 2024 and NSE on June 30, 2023 and January 23, 2024. Copies of the no complaints report submitted by the Transferor Company to BSE and NSE, respectively, are enclosed as **Annexure 6**.
36. The Transferor Company received no adverse observations/no-objection letter regarding the Scheme from BSE and NSE dated March 14, 2024 and March 15, 2024, respectively conveying their no adverse observations/no-objection for filing the Scheme with NCLT.
37. Copies of the no adverse observations/no-objection letters received by the Companies from BSE and NSE, are enclosed as **Annexure 7** and **Annexure 8**, respectively.
38. The Transferee Company had filed necessary notification form with the Competition Commission of India ("**CCI**") on May 19, 2023, disclosing the details of the proposed combination (i.e. acquisition of and merger with the Transferor Company) under the provisions of Section 6(2) of the Competition Act, 2002. The approval of CCI has been received on June 27, 2023.

SALIENT FEATURES OF THE SCHEME

39. The salient features of the Scheme are, *inter-alia*, as stated below. The capitalized terms used herein shall have the same meaning as assigned in the Scheme:
 - (i) This Scheme is presented *inter alia* under Sections 230-232 and other applicable provisions of the Act, Section 2(1B) and other applicable provisions the Income Tax Act, 1961 and Applicable Laws, if any.
 - (ii) The Scheme provides for the amalgamation of the Transferor Company, with and into Transferee Company, with effect from the Appointed Date, and dissolution of the Transferor Company without being wound up, and also provides for various other matters consequent and incidental thereto or otherwise integrally connected thereto.
 - (iii) The "Appointed Date" of the Scheme is the Effective Date or such other date as may be approved by the Tribunal. The "Effective Date" of the Scheme is the date on which the certified copy of the Sanction Order is filed with the Registrar of Companies in accordance with the Scheme.
 - (iv) Pursuant to the Scheme, the authorised share capital of Transferor Company will be transferred to the Transferee Company and the authorised share capital of the Transferee Company will consequently be increased. The equity shares held by the Transferor Company to the Transferee Company shall stand cancelled.
 - (v) In consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall without any further application, act, consent, instrument or deed, issue and allot the Merger Consideration Shares of Transferee Company to the Eligible Shareholders in accordance with the Share Exchange Ratio (i.e., for every 6 Transferor Company Shares, 11 Transferee Company Shares to be issued).
 - (vi) With effect from Appointed Date, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc., shall get transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of the Scheme, and in accordance with Sections 230-232 of the Companies Act and applicable provisions of Income Tax Act, 1961.
 - (vii) The Transferee Company shall issue stock options to the holders of the Transferor Company Stock Options in accordance with the provisions of the Scheme.
 - (viii) There shall be no change in terms and conditions of the Listed NCDs pursuant to this Scheme. The holders of the Listed NCDs as on the Effective Date will continue to hold the Listed NCDs, without any interruption and on the same terms.

- (ix) During the period between the approval of the Scheme by the Board of the Transferor Company and the Board of the Transferee Company and the Effective Date, the business of the Transferor Company and the Transferee Company shall be carried out with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Laws and as mutually agreed between Transferor Company and the Transferee Company.
- (x) The effectiveness of the Scheme is contingent upon certain conditions as mentioned in the Scheme including receipt of regulatory and other applicable approvals.

Note: The above details are the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

VALUATION AND ACCOUNTING TREATMENT

- 40. The summary of the Joint Valuation Report including the basis of such Joint Valuation Report is enclosed as **Annexure 9**.
- 41. The Share Exchange Ratio, as recommended for the proposed Scheme is as below:
"11 (Eleven) equity shares of Transferee Company of INR 10 each, fully paid up for every 6 (Six) equity shares of the Transferor Company of INR 2 each"
- 42. The respective statutory auditors of the Transferor Company and the Transferee Company have issued certificates to the effect that the accounting treatment as prescribed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act.

EFFECT OF THE SCHEME ON DIRECTORS, PROMOTERS, KMPs, THE SHAREHOLDERS (PROMOTER & AND NON-PROMOTER), DEPOSITORS, CREDITORS, DEBENTURE HOLDERS, DEBENTURE TRUSTEES, EMPLOYEES OF THE COMPANIES

- 43. Equity shareholders (Promoter's shareholders and Non-Promoter shareholders): The effect of the Scheme on the shareholders (promoters and non-promoter shareholders) of the Companies has been set out in the reports adopted by the respective Boards of the Companies pursuant to Section 232(2)(c) of the Companies Act attached herewith as **Annexure 10** and **Annexure 11**.
- 44. Directors and Key Managerial Personnel (KMPs): The Scheme is not expected to have any effect on the Directors and KMPs of the Companies or on their material interests in the Companies except to the extent of the equity shares held (if any) by them or their relatives in the respective Companies. Pursuant to the Scheme becoming effective, the Transferor Company will be dissolved without winding up. Therefore, the office of the existing Directors and KMPs will cease on dissolution. Further, no change in the Board of Transferee Company is envisaged on account of the Scheme.
- 45. Creditors: Pursuant to the Scheme, there is no arrangement or compromise being proposed with the creditors, either secured or unsecured (including debenture holders) of the Companies. The liability of the Companies towards its creditors shall not undergo any change pursuant to the Scheme.
- 46. Deposit holders and Deposit Trustees: As on date this Notice, the Companies have no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustee or on their material interests in the Companies does not arise.
- 47. Debenture Holders and Debenture Trustees:
 - (i) Impact of the Scheme on the holders of the Non-Convertible Debentures ("NCDs"): The holders of the NCDs in the Transferee Company shall continue to hold the NCDs in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued. Thus, the rights of the holders of the NCDs are in no manner affected by the Scheme becoming effective. The Transferor Company has not issued any NCDs and therefore the question of impact on NCD holders of the Transferor Company does not arise.
 - (ii) Safeguards for the protection of the holders of NCDs: The Scheme envisages the amalgamation of the Transferor Company which is a listed company into the Transferee Company. Under the Scheme, no arrangement or compromise is being proposed with the holders of the NCDs of the Transferee Company. The liability of the Transferee Company towards the NCD holders of the Transferee Company, is neither being reduced nor being extinguished under the Scheme. Further, the holders of the NCDs shall continue to hold the NCDs in the Transferee Company even post the Scheme becoming effective, on the same terms and conditions at which they were issued. The Scheme, therefore, has adequate safeguards for the protection of holders of NCDs.
 - (iii) Exit offer to the dissenting holders of NCDs, if any: Not applicable since NCD holders will not be impacted by the Scheme.

48. **Employees:** Under the Scheme, no rights of the staff and employees (who are on payroll) of the Companies are being affected. The services of the staff and employees of the Transferee Company shall continue on the same terms and conditions applicable prior to the proposed Scheme. Further, upon the Scheme becoming effective, the employees of the Transferor Company ("**Employees**") will be deemed to have become employees of the Transferee Company pursuant to the Scheme with effect from the Effective Date. All such Employees shall be deemed to have become employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company, shall not be less favourable than those applicable to them with reference to their employment in the Transferor Company as on the Effective Date.
49. In compliance with the provisions of Section 232(2)(c) of the Companies Act, the Board of Directors of the Transferee Company and the Transferor Company have adopted a Report on May 5, 2023 enclosed herewith as **Annexure 10** and **Annexure 11**, respectively inter-alia, explaining the effect of the Scheme on its shareholders, creditors and directors amongst others.

DETAILS OF CAPITAL OR DEBT RESTRUCTURING, IF ANY

50. Upon the Scheme becoming effective, the existing issued and paid-up equity shareholding of the Transferor Company as held by the Transferee Company shall stand cancelled and extinguished in accordance with Part III of the Scheme. Further, the entire authorized share capital of the Transferor Company (upon the Scheme becoming effective) shall stand transferred to the authorized share capital of the Transferee Company, as also mentioned in the clause 23 of the Scheme. Further, there shall be no debt restructuring of the Transferor Company or the Transferee Company pursuant to the Scheme.

AMOUNTS DUE TO UNSECURED CREDITORS

51. There are 7,961 (Seven Thousand Nine Hundred and Sixty-One) unsecured creditors (including debenture holders) of the Transferee Company of the value of Rs. 31,10,02,29,127 as on December 31, 2023.
52. There are 431 (Four Hundred and Thirty-One) unsecured creditors of the Transferor Company of the value of Rs. 253,09,92,253 as on December 31, 2023.

ADDITIONAL INFORMATION REQUIRED PURSUANT TO BSE AND NSE OBSERVATION LETTER

53. Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against the Companies are attached as **Annexure 12** and **Annexure 13**. There is no pending matter against directors and promoters of the Companies which, if it results in any adverse outcome, may materially affect the Companies' operations or financial position, or respective positions (i.e. directorship or promotership) of directors / promoters of the Companies, as the case may be.
54. Details of assets, liabilities, net worth, revenue of the Transferee Company and of the Transferor Company, both pre and post the Scheme; a write up on the history of the Transferor Company and latest net worth certificate along with the statement of assets and liabilities of the Transferor Company and the Transferee Company, both pre and post the Scheme, certified by a Chartered Accountant and submitted by the Companies to BSE and NSE are attached as **Annexure 14**
55. Comparison of revenue and net worth of demerged undertaking for last 3 financial years, as sought by BSE and NSE vide their letter dated October 4, 2023 and October 5, 2023 respectively was not required to be submitted by the Companies.
56. The need, rationale and synergies of the Scheme along with its impact on the shareholders, forms part of the resolution and explanatory statement of this Notice.
57. Additional information was submitted by the Transferee Company vide separate letter dated October 25, 2023 to BSE and NSE. A copy of said letters (along with Annexure B and Annexure D as mentioned in the said letters) are attached as **Annexure 15** herein. The remaining annexures referred in the said letters to BSE and NSE [i.e. Annexure A (Certificate of Chartered Accountant dated October 21, 2023 on assets, liabilities, revenue and net worth); Annexure C (draft of the Scheme); and Annexure E (Joint Valuation Report)] is already disclosed separately and forms part of this Notice.

OTHER MATTERS

58. No investigation proceedings have been instituted or are pending in relation to the Companies under Chapter XIV of the Companies Act, 2013 or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956.
59. To the knowledge of the Companies, no winding up proceedings have been filed or are pending against any of the Companies under the Companies Act or under the corresponding provisions of the Companies Act, 1956.

60. The copy of the proposed Scheme has been filed by the Companies before the concerned Registrar of Companies, on Friday, May 3, 2024, in Form GNL-1.
61. The latest annual financial statements of the Transferor Company and the Transferee Company have been audited for the financial year ended on March 31, 2023. The Unaudited Financial Results (Limited Review) of the Transferor Company and the Transferee Company for the quarter and nine months ended December 31, 2023, are enclosed as **Annexure 16** and **Annexure 17** respectively.
62. The name and address of the promoters of the Transferee Company as on March 31, 2024 are as under:

Name	Category	Address
Birla Group Holdings Private Limited	Promoter	Industry House 1st Floor 159 Churchgate Reclamation Mumbai 400 020
Ms. Rajashree Birla	Promoter Group	Mangal Adityayan, 20, Carmichael Road, Behind Jaslok Hospital, Mumbai - 400026
Mr. Kumar Mangalam Birla	Promoter Group	Mangal Adityayan, 20, Carmichael Road, Behind Jaslok Hospital, Mumbai - 400026
Ms. Neerja Birla	Promoter Group	Mangal Adityayan, 20, Carmichael Road, Behind Jaslok Hospital, Mumbai - 400026
Ms. Vasavadatta Bajaj	Promoter Group	16-A IL- Palazzo Little Gibbs Road Mumbai - 400006
Aditya Vikram Kumarmangalam Birla HUF (Kumar Mangalam Birla)	Promoter Group	Aditya Birla Centre, C- Wing, 3rd floor, S.K. Ahire Marg Worli, Mumbai 400 030
IGH Holdings Private Limited	Promoter Group	1st Floor, Industry House, 159 Churchgate Reclamation, Mumbai 400020
Grasim Industries Limited	Promoter Group	P.O. Birlagram, Nagda - 456331
Umang Commercial Company Private Limited	Promoter Group	34A, Metacalfe Street, Room No-6A, 6th Floor, Kolkata, WB 700013
Hindalco Industries Limited	Promoter Group	21st Floor, One Unity Center Senapati Bapat Marg, Prabhadevi Mumbai - 400013
Pilani Investment and Industries Corporation Limited	Promoter Group	Birla Building 9/1, R N Mukherjee Road 11th Floor Kolkata, 700001
Birla Industrial Finance (India) Limited	Promoter Group	Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400030
Birla Consultants Limited	Promoter Group	Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400030
ABNL Investment Limited	Promoter Group	Indian Rayon Compound, Junagadh, Veraval Road, Veraval GJ 362 266
Birla Industrial Investments (India) Limited	Promoter Group	Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400030
ECE Industries Limited	Promoter Group	ECE House, 28A Kasturba Gandhi Marg, New Delhi - 110001

63. The name and address of the promoters of the Transferor Company in the Companies as on March 31, 2024 are as under:

Name	Category	Address
Aditya Birla Fashion and Retail Limited	Promoter	Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla, Mumbai, Maharashtra - 400070

64. The names, addresses and the Director Identification Number (“DIN”) of the directors of the Transferor Company as on March 31, 2024 are as follows:

Sr. No	Name	DIN	Address
1.	Mr. Ashish Dikshit	01842066	E- 405, Raheja Residency, 8th C Main Road, Koramangala, 3rd Block, Bangalore- 560034
2.	Mr. Anant Kumar Daga	07604184	1702, Tower – 15 , the Close south Nirvana Country, Gurgaon, India
3.	Mr. Jagdish Bajaj	08498055	B2-601, Jamunotri Sadan, Bangur Nagar, Goregoan (W) Mumbai-400090, Maharashtra
4.	Ms. Sangeeta Talwar	00062478	S-73, Greater Kailash- II, New Delhi- 110048
5.	Ms. Preeti Vyas	02352395	A-5602, Raheja Imperial, Shankar Rao Naram Path, Lower Parel (West), Mumbai, Maharashtra 400013
6.	Mr. Yogesh Chaudhary	01040036	G-250, Mansarovar Industrial Area, Jaipur, Rajasthan-302020
7.	Mr. Vikram Rao	00017423	Villa 112, Adarsh Palm Retreat, Outer Ring road, Bellandur Bangalore - 560103
8.	Mr. Naveen Wadhera	02503164	1, Radipole Road, London, SW65DN

65. The names, addresses and DIN of the directors of the Transferee Company as on March 31, 2024, are as follows:

Sr. No	Name	DIN	Address
1.	Mr. Kumar Mangalam Birla	00012813	Mangal Adityayan, 20, Carmichael Road, Behind Jaslok Hospital, Mumbai - 400026
2.	Mr. Aryaman Vikram Birla	08456879	Mangal Adityayan, 20, Carmichael Road, Behind Jaslok Hospital, Mumbai - 400026
3.	Ms. Ananyashree Birla	06625036	Mangal Adityayan, 20, Carmichael Road, Behind Jaslok Hospital, Mumbai - 400026
4.	Mr. Ashish Dikshit	01842066	E-405, Raheja Residency, 8th C Main Road, Koramangla, 3rd Block, Bangalore - 560034
5.	Mr. Vikram Rao	00017423	112, Villa, Adarsh Palm Retreat, Outer Ring Road, Bangalore-560103
6.	Mr. Yogesh Chaudhary	01040036	G-250, Mansarovar Industrial Area, Jaipur- 302020
7.	Ms. Preeti Vyas	02352395	A-5602, Raheja Imperial, Shankar Rao Naram Path, Lower Parel (West), Mumbai, Maharashtra 400013
8.	Mr. Surnimal Talukdar	00920608	Flat No. 406, 12, Ashoka Road, Alipore H.O, Alipore Kolkata, West Bengal - 700027
9.	Ms. Sukanya Kripalu	06994202	1703/ 17th Floor, Vivarea Tower, B-1, Sane Guruji Marg, Hindustan Spinning and wire Mills COMPDR, Mahalaxmi, Mumbai - 400011
10.	Mr. Nish Bhutani	03035271	Sonmarg, flat 2, 67B, Nepean Sea Road, Mumbai 400006
11.	Mr. Arun Adhikari	00591057	903, A Wing, Vivarea, Sane Guruji Marg, Mahalaxmi, Jacob Circle, Mumbai- 400011
12.	Mr. Vishak Kumar	09078653	Flat No. 602, Block 'A' Mantri Espana, Kariyammana Agrahara, Marathahalli Ring Road, Bangalore 560103
13.	Ms. Sangeeta Pendurkar	03321646	One North Tower, A Zeon 1801, S. No. 133, 136, 137, Hadapsar, Magarpatta Road, Pune, Maharashtra - 411028
14.	Mr. Pankaj Sood	05185378	C2106, Oberoi Exquisite, Opposite Oberoi Woods, Goregaon East, Mumbai - 400063, Maharashtra

PRE-SCHEME AND POST-SCHEME SHAREHOLDING PATTERN OF THE COMPANIES*

66. The pre-Scheme and post-Scheme shareholding pattern of the Companies as on March 31, 2024 is as under:

(a) Transferor Company:

Sr. No.	Category of shareholders	Pre-Scheme				Post-Scheme			
		Demat Shares	Physical Shares	Total No. of Shares	%	Demat Shares	Physical Shares	Total No. of Shares	%
A	Promoter & Promoter Group								
1	Indian								
(a)	Individual	-	-	-	-				
(b)	Bodies Corporate	-	-	-	-				
	Sub-total	3,29,08,325	-	3,29,08,325	52.01				
2	Foreign Promoters	-	-	-	-				
	Sub-total (A)	3,29,08,325	-	3,29,08,325	52.01				
B	Non Promoter Holding								
1	Institutions								
(a)	Mutual Funds/ UTI	7,86,443	-	7,86,443	1.24				
(b)	Alternate Investment Fund	3,23,670	-	3,23,670	0.51				
(c)	Foreign Portfolio Investors Category	28,89,988	-	28,89,988	4.57				
(d)	Financial Institutions / Banks	-	-	-	-				
(e)	Insurance Companies	-	-	-	-				
(g)	NBFC Registered with RBI								
(h)	Any Other								
	Sub-Total	40,00,101	-	40,00,101	6.32				
2	Central Government/ State Government(s)/ President of India								
	Sub total	0	0	0	0				
3	Non-institutions								
(a)	Individual shareholders holding nominal share capital up to Rs 2 lakh	33,82,191	5	33,82,196	5.35				
(b)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	74,37,280		74,37,280	11.75				
(c)	Trusts	5		5	0.00				
(d)	Foreign Nationals	-	-	-	-				
(e)	HUF	2,08,492		2,08,492	0.33				
(g)	Non Resident Indians (NRIs)	52,139		52,139	0.08				
(h)	Clearing Members	42		42	0.00				
(i)	Bodies Corporate	1,22,50,531		1,22,50,531	19.36				
(j)	Bodies Corporate LLP				-				
(k)	Directors and their relatives (excluding independent directors and nominee directors)	27,70,665		27,70,665	4.38				
(l)	Key Managerial Personnel	2,63,642		2,63,642	0.42				
(m)	Sub-Total	2,63,64,987	5	2,63,64,992	41.67				
	Sub-Total (B)	3,03,65,088	5	3,03,65,093	47.99				
C	Non-Promoter Non-Public holding								
	Sub-Total (C)	0	0	0	0				
	GRAND TOTAL (A)+(B)+(C)	6,32,73,413	5	6,32,73,418	100.00				

Not Applicable

(b) Transferee Company:

Sr. No.	Category of shareholders	Pre-Scheme				Post-Scheme			
		Demat Shares	Physical Shares	Total No. of Shares	%	Demat Shares	Physical Shares	Total No. of Shares	%
Promoter & Promoter Group									
1	Indian								
(a)	Individuals	9,39,254	0	9,39,254	0.09	9,39,254	0	9,39,254	0.09
(b)	Bodies Corporate	52,53,60,262	0	52,53,60,262	51.76	52,53,60,262	0	52,53,60,262	49.06
	Sub Total	52,62,99,516	0	52,62,99,516	51.85	52,62,99,516	0	52,62,99,516	49.15
2	Foreign Promoters	0	0	0	-	0	0	0	0
	Sub Total (A)	52,62,99,516	0	52,62,99,516	51.85	52,62,99,516	0	52,62,99,516	49.15
B	Non - Promoters' holding								
1	Institutions								
(a)	Mutual Funds	10,27,69,918	9,737	10,27,79,655	10.13	10,42,11,734	9,737	10,42,21,471	9.73
(b)	Alternate Investment Funds	9,67,072	0	9,67,072	0.10	15,60,467	0	15,60,467	0.15
(c)	Foreign Portfolio Investors	19,53,79,455	0	19,53,79,455	19.25	20,06,77,766	0	20,06,77,766	18.74
(d)	Financial Institutions/ Banks	65,329	35,234	1,00,563	0.01	65,329	35,234	1,00,563	0.01
(e)	Insurance Companies	4,65,57,365	29,437	4,65,86,802	4.59	4,65,57,365	29,437	4,65,86,802	4.34
(g)	NBFC Registered with RBI	3,251	0	3,251	0.00	3,251	0	3,251	0.00
(h)	Others	25,25,518	1,19,878	26,45,396	0.26	25,25,518	1,19,878	26,45,396	0.24
	Sub Total	34,82,67,908	1,94,286	34,84,62,194	34.33	35,56,01,430	1,94,286	35,57,95,716	33.21
2	Central Government/ State Government(s)/ President of India	1,060	0	1,060	0.00	1,060	0	1,060	0.00
3	Non-Institutions								
(a)	Individuals	0	0	0	0	0	0	0	0
(b)	Individual shareholders holding nominal share capital up to Rs 2 lakh	7,68,73,233	41,01,403	8,09,74,636	7.98	8,30,73,916	41,01,412	8,71,75,328	8.14
(c)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	2,72,02,699	73,153	2,72,75,852	2.69	4,08,37,712	73,153	4,09,10,865	3.82
(d)	Trusts	1,66,931	13,856	1,80,787	0.02	1,66,940	13,856	1,80,796	0.02
(e)	Foreign Nationals	34,850	5,740	40,590	0.00	34,850	5,740	40,590	0.00
(g)	HUF	40,75,798	3,813	40,79,611	0.40	44,58,033	3,813	44,61,846	0.42
(h)	Non-Resident Indian (NRI)	43,83,069	10,31,380	54,14,449	0.53	44,78,657	10,31,380	55,10,037	0.51
(i)	Clearing Members	15,828		15,828	0.00	15,905	0	15,905	0.00
(j)	Bodies Corporate	1,51,52,477	67,971	1,52,20,448	1.50	3,76,11,783	67,971	3,76,79,754	3.52
(k)	Bodies Corporate LLP	17,16,692	0	17,16,692	0.17	17,16,692	0	17,16,692	0.16
(l)	Directors and their relatives (excluding independent directors and nominee directors)	5,30,461	0	5,30,461	0.05	56,10,013	0	56,10,013	0.52
(m)	Key Managerial Personnel	79,501	0	79,501	0.01	5,62,844	0	5,62,844	0.05
	Sub Total	13,02,31,539	52,97,316	13,55,28,855	13.35	17,85,67,345	52,97,325	18,38,64,670	17.17
	Sub Total (B)	47,85,00,507	54,91,602	48,39,92,109	47.68	53,41,69,835	54,91,611	53,96,61,446	50.39
C	Non-Promoter Non-Public holding	47,18,017	0	47,18,017	0.46	47,18,017	0	47,18,017	0.46
	GRAND TOTAL (A+B+C)	1,00,95,18,040	54,91,602	1,01,50,09,642	100.00	1,06,51,87,368	54,91,611	1,07,06,78,979	100.00

PRE-SCHEME AND POST SCHEME CAPITAL STRUCTURE OF THE COMPANIES*

67. The pre-Scheme and post-Scheme capital structure of the Transferor Company is as follows:

Authorised share capital

Pre-Scheme Authorised Share Capital (No. of Shares)	Amount (in Rupees)	Post-Scheme Authorised Share Capital	Amount (in INR)
18,00,00,000 equity shares of INR 2 each	36,00,00,000		Not applicable
2,00,00,000 preference shares of INR 1 each	2,00,00,000		Not applicable

Paid-up share capital

Category	Pre		Post	
	No. of shares	% of total shares	No. of shares	% of total shares
Promoter	3,29,08,325	52.01	Not applicable	
Public	3,03,65,093	47.99	Not applicable	
Total	6,32,73,418	100.00	Not applicable	

68. The pre-Scheme and post-Scheme capital structure of the Transferee Company is as follows:

Authorised share capital

Pre-Scheme Authorised Share Capital	Amount (in Rupees)	Post-Scheme Authorised Share Capital	Amount (in INR)
2,00,00,00,000 equity shares of INR 10 each	20,00,00,00,000	2,03,60,00,000 equity shares of INR 10 each	20,36,00,00,000
5,00,000 8% redeemable cumulative preference shares of INR 10 each	50,00,000	5,00,000 8% redeemable cumulative preference shares of INR 10 each	50,00,000
15,000 6% redeemable cumulative preference shares of INR 100 each	15,00,000	15,000 6% redeemable cumulative preference shares of INR 100 each	15,00,000
95,00,000 preference shares of INR 10 each	9,50,00,000	95,00,000 preference shares of INR 10 each	9,50,00,000
		2,00,00,000 preference shares of INR 1 each	2,00,00,000

Note: The authorised share capital of the Transferor Company shall stand transferred to and combined with the authorised share capital of the Transferee Company.

Paid up equity share capital

Category	Pre		Post	
	No. of shares	% of total shares	No. of shares	% of total shares
Promoter	52,62,99,516	51.85	52,62,99,516	49.15
Public	48,87,10,126	48.15	54,43,79,463	50.85
Total	101,50,09,642	100.00	107,06,78,979	100.00

* Notes: (a) The above calculations have been made notionally taking into account the shareholding patterns of the concerned entities as on March 31, 2024. Actual number of shares may vary depending upon the shareholding of each entity as on the Record Date as per the Scheme, including on account of issue of equity shares pursuant to exercise of stock options by the employees of the concerned entities and capital raise in the ordinary course of business, (b) Actual number of shares may vary as per the shareholding pattern of the Transferee Company as on the Record Date as per the Scheme due to treatment of fractional entitlements that may arise to the shareholders of the Transferee Company basis the Share Exchange Ratio as per the Scheme.

69. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
70. The following documents will be available for inspection by the Equity Shareholders of the Transferee Company through electronic mode up to the date of the Meeting, basis the request being sent on secretarial@abfirl.adityabirla.com. Further, the following documents will also be open for inspection by the Equity Shareholders of the Transferee Company at its registered office at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla, Mumbai Maharashtra 400070 between 10:00 a.m. to 12:00 noon IST on all working days from the date hereof up to the date of the Meeting:
- (i) Copy of order passed by NCLT in C.A (CAA)/54/MB-I/2024, dated April 26, 2024, inter alia, directing the Transferee Company to convene the meeting of its Equity Shareholders;
 - (ii) Copy of Company Scheme Application No. C.A(CAA)/54/MB-I/2024 (with annexures), jointly filed by the Companies before NCLT;
 - (iii) Copy of Company Application No. CA 121/2024 (with annexures), jointly filed by the Companies before NCLT in respect of update to the share capital details of the Companies in the Scheme along with copy of order passed by NCLT in this regard;
 - (iv) Copy of the Scheme;
 - (v) Copy of Merger Implementation Agreement dated May 5, 2023 executed between the Parties in relation to the Scheme;
 - (vi) Copy of Memorandum and Articles of Association of the Companies;
 - (vii) Copy of annual reports of the Companies, for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively;
 - (viii) Copy of joint valuation report dated May 4, 2023 issued by M/s Bansi S. Mehta Valuers LLP, Registered Valuer and M/s GT Valuation Advisors Private Limited, Registered Valuer;
 - (ix) Copy of Fairness Opinion dated May 5, 2023, issued by ICICI Securities Limited to Board of Directors of TCNS Clothing Co. Limited;
 - (x) Copy of Fairness Opinion dated May 5, 2023, issued by Axis Capital Limited to the Board of Directors of Transferee Company;
 - (xi) Copy of Register of Directors' shareholding of each of the Companies;
 - (xii) Copy of report of the committee of Independent Directors of the Transferee Company dated May 5, 2023;
 - (xiii) Copy of report of the committee of Independent Directors of the Transferor Company dated May 5, 2023;
 - (xiv) Copy of report of the Audit Committee of the Transferor Company dated May 5, 2023;
 - (xv) Copy of report of the Audit Committee of the Transferee Company dated May 5, 2023;
 - (xvi) Copy of certificate of statutory auditor of Transferee Company, dated May 5, 2023, under Section 133 of the Act;
 - (xvii) Copies of no-objection certificates issued by the debenture trustee of the Transferee Company;
 - (xviii) Copy of no adverse observations/no-objection letter issued by BSE and NSE, dated March 14, 2024 and March 15, 2024 respectively, to the Transferee Company and Transferor Company;
 - (xix) Copy of CCI approval dated June 27, 2023;
 - (xx) Copies of Form No. GNL-1 filed by the respective Companies with the concerned Registrar of Companies, along with the challan dated May 3, 2024, evidencing filing of the Scheme; and
 - (xxi) All other documents displayed on the Transferee Company's website at www.abfirl.com in terms of the SEBI Circular.

The Equity Shareholders shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed above.

71. This statement may be treated as an Explanatory Statement under Sections 102, 230-232 of the Companies Act read with Rule 6 of the CAA Rules. Hard copies of the Particulars as defined in this Notice can be obtained free of charge on a requisition being so made for the same by the Equity Shareholders of the Transferee Company at the registered office of Transferee Company or at the office of its advocates, M/s Rajesh Shah & Co., 16, Oriental Building, 30, Nagindas Master Road, Flora Fountain, Fort, Mumbai 400001, India.
72. After the Scheme is approved, by the Equity Shareholders of Transferee Company by requisite majority, it will be subject to the approval/sanction by NCLT or any other statutory or regulatory authorities as may be applicable.
73. The Directors and KMPs, as applicable, of the Transferor Company and the Transferee Company and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except to the extent of their directorship and shareholding, if any, in the Transferee Company and /or Transferor Company, as the case may be. The Debenture Trustee (for the debentures issued by the Transferee Company) has no interest in the Scheme.

Seema Khorana Patra (Retired IRS)
Chairperson appointed for the Meeting

Date: May 3, 2024

Place: New Delhi

Registered office:

Piramal Agastya Corporate Park, Building A,
4th and 5th Floor, Unit No. 401, 403, 501, 502,
L.B.S Road, Kurla Mumbai, Maharashtra - 400070

B. Description of Parties

1. The Transferor Company is a public company, limited by shares, incorporated under the Companies Act 1956, under corporate identification number L99999MH1997PLC417265 and having its registered office at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla Mumbai Maharashtra – 400070. The equity shares of the Transferor Company are listed on the Stock Exchanges (*as defined hereinafter*). The Transferor Company is engaged in the Transferor Company Business (*as defined hereinafter*). The Transferee Company holds 51% (fifty one percent) of the Expanded Share Capital of the Transferor Company.
2. The Transferee Company is a public company, limited by shares, incorporated under the Companies Act 1956, under corporate identification number L18101MH2007PLC233901 and having its registered office at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla Mumbai Maharashtra - 400070. The equity shares of the Transferee Company are listed on the Stock Exchanges (*as defined hereinafter*). The non-convertible debentures of the Transferee Company are listed on BSE Limited (“BSE”), the details of which are set out in **Schedule A (“Listed NCDs”)**. The Transferee Company is engaged in the Transferee Company Business (*as defined hereinafter*).

C. Description of the Scheme

3. This Scheme provides, *inter alia*, for:
 - (i) the amalgamation of the Transferor Company into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up and the consequent issuance of the Merger Consideration Shares (*as defined hereinafter*) in accordance with the Share Exchange Ratio (*as defined hereinafter*) to the Eligible Shareholders (*as defined hereinafter*), in respect of each share of the Transferor Company held by them in accordance with this Scheme (“**Amalgamation**”); and
 - (ii) various other matters incidental, consequential or otherwise integrally connected therewith, including the increase in the share capital of the Transferee Company,pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act.
4. The Amalgamation of the Transferor Company into the Transferee Company shall be in full compliance with the conditions relating to “amalgamation” as provided under Section 2(1B) and other related provisions of the Income Tax Act such that, *inter alia* upon this Scheme becoming effective, and with effect from the Appointed Date:
 - (i) all the properties of the Transferor Company, immediately before the Amalgamation, shall become the properties of the Transferee Company, by virtue of the Amalgamation;
 - (ii) all the Liabilities of the Transferor Company, immediately before the Amalgamation, shall become the liabilities of the Transferee Company, by virtue of the Amalgamation; and
 - (iii) shareholders holding at least three-fourths in value of the shares in the Transferor Company (other than shares already held therein immediately before the amalgamation by the Transferee Company), will become shareholders of the Transferee Company by virtue of the Amalgamation.

5. If, at a later date, any of the terms or provisions of this Scheme is / are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the Income Tax Act, including resulting from any amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent determined to comply with the provisions of Section 2(1B) of the Income Tax Act.

D. Rationale for the Scheme

6. The Amalgamation pursuant to this Scheme would, *inter alia*, have the following benefits:
- (i) Strengthening of organizational capabilities around operational and financial areas, driving scale benefits through leveraging resources;
 - (ii) Enabling coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive apparel portfolio; entering newer markets and driving penetration;
 - (iii) Creating revenue synergies through sharing of consumer understanding, market insights, channel models to ensure faster go to market and achieve faster growth with fewer resources;
 - (iv) Driving synergy benefits around back-end such as procurement, logistics, supply chain, technology operations and shared services; driving optimal utilization of resources and building centers of excellence for a larger company;
 - (v) Enhancing organizational capabilities arising from pooling of talent and human capital with diverse skill sets and experience in areas such as design, sourcing and consumer insights, providing strength to operate strongly in a highly fragmented market;
 - (vi) Enabling more coordinated and comprehensive business management with clear focus on driving common goals around building best quality products, wide distribution, efficient operations, brand building; allowing for more efficient allocation of capital and resources for growth;
 - (vii) Driving channel efficiencies by providing opportunity to cross-sell products across markets;
 - (viii) Streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses;
 - (ix) Post Scheme, Transferee Company to become a platform for building category-led business and be better placed to adequately finance the growth prospects of the business;
 - (x) Driving cost synergies and reducing overlaps between businesses.

E. Parts of the Scheme

7. This Scheme is divided into the following parts:
- (i) **Part I**, deals with the definitions used in this Scheme, and sets out the share capital of the Transferor Company and the Transferee Company;
 - (ii) **Part II**, deals with the Amalgamation of the Transferor Company into the Transferee Company;
 - (iii) **Part III**, deals with the consideration payable by the Transferee Company to the equity shareholders of the Transferor Company and cancellation of shares of the Transferor Company;
 - (iv) **Part IV**, deals with the changes to share capital of the Transferee Company and accounting treatment for the Amalgamation; and

- (v) **Part V**, deals with the dissolution of the Transferor Company, general terms and conditions applicable to the Scheme.

F. Definitions

8. In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- (A) “**Act**” means the Companies Act, 2013 and any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re-enactment thereof;
- (B) “**Amalgamation**” shall have the meaning ascribed to it in Clause 3(i) above;
- (C) “**Applicable Law**” includes all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, Consents, bye-laws, regulations, notifications, guidelines, ordinance, policies, directions, directives, circulars, notifications and orders promulgated by a Governmental Authority (or any sub-division thereof), statutory authority, tribunal, board, court or Stock Exchanges, which are in force and binding at the relevant time, and as may be applicable;
- (D) “**Appointed Date**” shall mean the Effective Date or such other date as may be approved by the Tribunal;
- (E) “**Board**” in relation to any company, means the board of directors of such company and shall, unless repugnant to the context thereof, include a committee of directors duly authorised by such board;
- (F) “**Clause**” means a clause of this Scheme;
- (G) “**Consent**” means any notice, consent, approval, permission, authorisation, waiver, permit, clearance, no objection, license, exemption, of, from or to any Person;
- (H) “**Contract**” means any agreement, contract, sub-contract, arrangement, instrument, understanding, commitment, purchase order, work order, warranty, insurance, lease, license, undertaking or commitment of any nature (whether or not the same is absolute, revocable, contingent, conditional, binding or otherwise (whether written or otherwise), including all amendments and modifications thereto), to which the Transferor Company is a party or by which any of the assets held by the Transferor Company are bound;
- (I) “**Effective Date**” means the date on which the certified copy of the Sanction Order is filed with the RoC in accordance with Clause 33. References in this Scheme to the date of “**coming into effect of this Scheme**” or “**effectiveness of this Scheme**” or “**upon the Scheme becoming effective**” or “**the Scheme coming into effect**” shall mean the Effective Date;
- (J) “**Eligible Shareholder(s)**” means each Person (other than the Transferee Company) whose name appears: (i) in the register of members of the Transferor Company; and / or (ii) as the beneficial owner of the Transferor Company Shares in the record of the depositories, on the Record Date;
- (K) “**Encumbrance**” means any form of legal or equitable encumbrance or security interest including any mortgage, pledge, hypothecation, assignment by way of security, non-disposal undertaking, escrow, charge, lien or other security interest or encumbrance of any kind securing any obligation of any Person (including, without limitation, any right

granted by a transaction or other type of preferential arrangement or interest of any nature whatsoever which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law), outstanding Taxes (which have become due and payable), option, pre-emptive right, proxy, power of attorney, voting agreement, right of first offer, first, last or other refusal right, or transfer restriction in favour of any Person, beneficial ownership, adverse claim, title retention agreement, conditional sale agreement, any provisional, conditional or executorial attachment, trust (other title exception of whatsoever nature), any agreement to create any of the foregoing or any adverse claim as to title, possession or use and the term “**Encumber**” shall be construed accordingly;

- (L) “**ESOP**” means employee stock options;
- (M) “**Expanded Share Capital**” means the total equity share capital of a company on a fully diluted basis (which in relation to ESOPs, shall include only the ESOPs which have vested and shall not include the ESOPs which remain unvested and may change on account of any future corporate actions and vesting or exercise of ESOPs), as on date of the Scheme;
- (N) “**Funds**” shall have the meaning set forth in Clause 17(ii);
- (O) “**Governmental Authority**” means any supra national, national, state, municipal or local government authority (including any subdivision, court, administrative or regulatory agency or commission or other authority thereof), quasi government authority, statutory authority, regulatory authority, agency, government department, board, commission, administrative authority, tribunal or court or any authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof or in any other nation, over the Party, including SEBI and CCI;
- (P) “**Governmental Order**” means any judgment, order, writ, injunction, decree, decision, comments or other requirement of any Governmental Authority (or, as the context requires, any Governmental Authority specified);
- (Q) “**Income Tax Act**” means the Income Tax Act, 1961, as may be amended or supplemented from time to time (and any successor provisions), including any re-enactment thereof, together with all applicable by-laws, rules, regulations, circulars, notifications, orders, ordinances, policies, directions and similar Applicable Laws or supplements issued thereunder;
- (R) “**Liabilities**” shall have the meaning set forth in Clause 14(i);
- (S) “**Merger Consideration Shares**” means such number of Transferee Company Shares (*as defined hereinafter*) that an Eligible Shareholder is entitled to receive based on the Share Exchange Ratio (*as defined hereinafter*);
- (T) “**Merger Long Stop Date**” means expiry of 15 (fifteen) months from the date of filing of the Scheme with the Tribunal, or such other date as may be mutually agreed in writing between the Parties;
- (U) “**Person**” means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association (including unincorporated association), organization,

partnership or proprietorship, body corporate, corporation (including any non-profit corporation), estate, society, firm, or any other enterprise or other entity, including any governmental agency or regulatory body, in each case, whether or not having separate legal personality and whether acting in an individual, fiduciary or other capacity;

- (V) “**Proceedings**” shall have the meaning set forth in Clause 16(i);
- (W) “**Record Date**” shall mean the date fixed by the Board of the Transferee Company in consultation with the Transferor Company for the purpose of determining the shareholders of the Transferor Company to whom the Merger Consideration Shares shall be allotted under this Scheme;
- (X) “**RoC**” means the Registrar of Companies;
- (Y) “**Sanction Order**” means the orders of the Tribunal approving the Scheme;
- (Z) “**Scheme**” means this scheme of amalgamation by way of merger by absorption including any modification or amendment hereto, made in accordance with the terms hereof;
- (AA) “**SEBI**” means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992, as amended from time to time;
- (BB) “**SEBI LODR Regulations**” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and any re-enactment, amendments and modifications thereto, as in effect from time to time;
- (CC) “**SEBI Scheme Circular**” means the circular number SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 issued by SEBI on scheme of arrangement by listed entities (and any amendments and modifications thereto and any other applicable circular, as in effect from time to time);
- (DD) “**SEBI Scheme Circular - Debt**” means circular no. SEBI/HO/DDHS/DDHSDiv1/P/CIR/20 22/000000103 dated July 29, 2022 issued by SEBI on scheme of arrangement by entities who have listed their non-convertible debt securities / non-convertible redeemable preference shares (and any amendments and modifications thereto and any other applicable circular, as in effect from time to time);
- (EE) “**Share Exchange Ratio**” means for every 6 Transferor Company Shares, 11 Transferee Company Shares to be issued, as determined by the Valuation Reports and the fairness opinions;
- (FF) “**Stock Exchanges**” means the BSE Limited and National Stock Exchange of India Limited;
- (GG) “**Tax**” means and includes all taxes on income, profit, sales, use, goods, services, asset, capital gains, fringe benefit, gift, gratuity, provident fund, minimum alternate tax, buyback distribution tax, securities transaction tax, dividend distribution tax, withholding taxes, tax collected at source, equalization levy, property tax, value-added tax, sales tax, transfer taxes, goods and service tax, duties of custom and excise, octroi duty, wealth tax, entry tax, stamp duty, customs and similar charges of any jurisdiction, and other governmental charges or duties, levies, imposts or other taxes whether direct or indirect, whether central, state or local, including any surcharge or cess (including education cess, health and education cess, secondary and higher education cess) thereon, together with any interest and any penalties, additions to tax or additional

amount with respect thereto; including payable in a representative capacity;

- (HH) **“Transferee Company”** shall have the meaning ascribed to it in Clause A above;
- (II) **“Transferee Company Business”** means the business of manufacturing, marketing, sales and/or distribution of fashion apparel, footwear and accessories through offline and/or online channels including wholesale, retail and e-commerce under multiple owned and licenced brands;
- (JJ) **“Transferee Company ESOP Plans”** means Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 and Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019;
- (KK) **“Transferee Company Shares”** means fully paid up equity shares of the Transferee Company having a par value of INR 10 (Indian Rupees Ten only) per equity share and one vote per equity share, and listed on each of the Stock Exchanges and **‘Transferee Company Share’** means each such share;
- (LL) **“Transferee Company Stock Options”** means the employee stock options granted by the Transferee Company under Transferee Company ESOP Plans and / or under the Transferee Company Stock Options Plan as per Clause 24 of this Scheme, as the case may be;
- (MM) **“Transferor Company”** shall have the meaning ascribed to it in Clause A above;
- (NN) **“Transferor Company Business”** means (a) the business of manufacturing, distribution and sale of women’s apparel, jewellery, footwear and beauty products, in any manner and through any format, currently undertaken under brands **“W”**, **“Wishful”**, **“Aurelia”**, **“Elleven”** and **“Folksong”**; (b) the business of wholesale cash and carry trading (including sale through franchisee outlets) of women’s apparel, jewellery, footwear and beauty products, in any manner and through any format;
- (OO) **“Transferor Company Employees”** means all the employees of the Transferor Company as on the Effective Date;
- (PP) **“Transferor Company ESOP Plans”** means TCNS ESOP Scheme 2014-2017 (as amended on February 11, 2022) and the TCNS ESOP Scheme 2018-2023 (as amended on February 11, 2022 and July 30, 2022);
- (QQ) **“Transferor Company Shares”** means fully paid up equity shares of the Transferor Company having a par value of INR 2 (Indian Rupees Two only) per equity share and one vote per equity share, and listed on each of the Stock Exchanges and **‘Transferor Company Share’** means each such share;
- (RR) **“Transferor Company Stock Options”** means the employee stock options granted by the Transferor Company under the Transferor Company ESOP Plans;
- (SS) **“Tribunal”** means the Mumbai bench of the National Company Law Tribunal, and shall include, if applicable, such other forum or authority as may be vested with the powers of a National Company Law Tribunal under the Act, and **“Tribunal”** shall mean each of them individually;
- (TT) **“Undertaking”** means all the undertakings and entire business of the Transferor Company, as a going concern, and shall include (without limitation):

- (i) all assets and properties (whether movable or immovable, tangible or intangible, present or future, in possession or reversion, of whatsoever nature and wherever situate) of the Transferor Company, including investments of all kinds including but not limited to securities (marketable or not), securitized assets, receivables and security receipts, mutual fund investments, all cash and bank balances (including cash and bank balances deposited with any banks or entities), money at call and short notice, loans, advances, contingent rights or benefits, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates, lands, buildings, structures and premises, whether leasehold or freehold (including offices, warehouses, sales and / or marketing offices, liaison offices, branches, factories), work-in-progress, current assets (including sundry debtors, bills of exchange, loans and advances), fixed assets, vehicles, furniture, fixtures, share of any joint assets, and other facilities;
- (ii) all permits, registrations, rights, entitlements, licenses, permissions, approvals, subsidies, concessions, clearances, credits, awards, sanctions, allotments, quotas, no-objection certificates, subsidies, Tax deferrals, Tax credits, (including any credits arising from advance Tax, self-assessment Tax, other income Tax credits, withholding Tax credits, CENVAT credits, goods and services Tax credits, other indirect Tax credits and other Tax receivables), other claims under Tax laws, incentives (including incentives in respect of income Tax, sales Tax, value added Tax, service Tax, custom duties and goods and services Tax), benefits, Tax exemptions, Tax refunds (including those pending with any Tax authority), advantages, and all other rights and facilities of every kind, nature and description whatsoever; authorities, Consents, deposits, privileges, exemptions available to the Transferor Company, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, email, internet, leased line connections and installations, electricity and other services, provisions and benefits of all engagements, agreements, contracts, letters of intent, memoranda of understanding, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, benefit of any security arrangements, expressions of interest whether under agreement or otherwise, and arrangements and all other interests of every kind, nature and description whatsoever enjoyed or conferred upon or held or availed of by and all rights and benefits;
- (iii) all contracts, agreements, memoranda of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, service agreements, or other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature along with any contractual rights and obligations, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Appointed Date;
- (iv) all intellectual property rights including patents, copyrights, trade and service names, service marks, trademarks, domain names and other intellectual property of any nature whatsoever, goodwill, receivables, belonging to or utilized for the business and activities of the Transferor Company;
- (v) all records, files, papers, computer programs, software licenses, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers, suppliers and employees, customer credit information, customer pricing information, and other records whether in physical or electronic

form belonging to or held by the Transferor Company;

- (vi) all present, and contingent future liabilities of the Transferor Company including all debts, loans (whether denominated in rupees or a foreign currency), term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations (including any postdated cheques or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form); and
 - (vii) the Transferor Company Employees and the Funds of the Transferor Company; and
- (UU) “**Valuation Report**” means a joint valuation report issued by GT Valuation Advisors Private Limited, Independent Chartered Accountant and Bansi S. Mehta & Co., Chartered Accountants, Independent Chartered Accountant dated May 04, 2023 in relation to the valuations of the Transferor Company and the Transferee Company, respectively, for the purposes of determining the Share Exchange Ratio.

9. Share Capital

- (i) The share capital structure of the Transferor Company as on March 31, 2024 is as follows:

Particulars	Amount in INR
Authorised Share Capital:	
18,00,00,000 equity shares of INR 2 each	36,00,00,000
2,00,00,000 preference shares of INR 1 each	2,00,00,000
TOTAL	38,00,00,000
Issued, Subscribed and Paid-up Share Capital:	
6,32,73,418 equity shares of INR 2 each	12,65,46,836
TOTAL	12,65,46,836

The equity shares of the Transferor Company are listed on Stock Exchanges.

- (ii) The aforesaid issued, subscribed, and paid-up share capital of the Transferor Company does not include Transferor Company Stock Options outstanding for exercise under the Transferor Company ESOP Plans that have been issued by the Transferor Company. Upon exercise of the Transferor Company Stock Options in accordance with the terms and conditions of the relevant Transferor Company ESOP Plan, the Transferor Company shall be required to issue fully paid-up equity shares of the Transferor Company in accordance with the terms and conditions of the Transferor Company ESOP Plans and accordingly the issued, subscribed, and paid-up share capital of the Transferor Company may undergo a change.
- (iii) The share capital structure of the Transferee Company as on March 31, 2024 is as follows:

Particulars	Amount (in INR)
Authorised Share Capital:	
2,00,00,00,000 equity shares of INR 10 each	20,00,00,00,000
5,00,000 8% Redeemable Cumulative Preference Shares of INR 10 each	50,00,000
15,000 Redeemable Cumulative Preference Shares of INR 100 each	15,00,000
95,00,000 Preference Shares of INR 10 each	9,50,00,000
TOTAL	20,10,15,00,000
Issued and Subscribed Share Capital:	
1,01,52,15,146 equity shares of INR 10 each	10,15,21,51,460
11,10,000 8% Non-Cumulative Non-Convertible Redeemable Preference Shares of INR 10 each	1,11,00,000
TOTAL	10,16,32,51,460
Fully Paid-up Share Capital:	
1,01,50,09,642 equity shares of INR 10 each	10,15,00,96,420
11,10,000 8% Non-Cumulative Non-Convertible Redeemable Preference Shares of INR 10 each	1,11,00,000
TOTAL	10,16,11,96,420

The equity shares of the Transferee Company are listed on Stock Exchanges.

- (iv) The aforesaid issued, subscribed, and paid-up share capital of the Transferee Company does not include the ESOPs outstanding for exercise under the Transferee Company ESOP Plans. Upon exercise of the Transferee Company Stock Options in accordance with the terms and conditions of the relevant Transferee Company ESOP Plans, the Transferee Company shall be required to issue fully paid-up equity shares of the Transferee Company in accordance with the terms and conditions of the Transferee Company ESOP Plans and accordingly the issued, subscribed, and paid-up share capital of the Transferee Company may undergo a change.

G. Date of taking Effect and operative date of the Scheme

The Scheme shall be effective from the Appointed Date and shall be operative from the Effective Date.

PART II

AMALGAMATION OF THE TRANSFEROR COMPANY INTO THE TRANSFEE COMPANY

10. Transfer of Undertaking

Upon this Scheme becoming effective from the Effective Date, and with effect from the Appointed Date, and subject to the provisions of this Scheme, the Transferor Company shall stand amalgamated into the Transferee Company and its Undertaking shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in the Scheme, and in accordance with Sections 230 to 232 and other applicable provisions of the Act, the Income Tax Act, 1961 and Applicable Law.

11. **Transfer of Assets**

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all the estate, assets, rights, claims, title, interest, properties, and authorities comprised in the Undertaking shall, under the Sections 230 to 232 and other applicable provisions of Applicable Law, without any further act, instrument, or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest, properties, and authorities of the Transferee Company;
- (ii) all assets of the Transferor Company, as are movable in nature (including investment in shares and marketable securities) or incorporeal property or are otherwise capable of transfer by physical or constructive delivery, novation and / or by endorsement and delivery or by vesting and recordal or by operation of law pursuant to this Scheme, shall stand transferred to and vested in and / or be deemed to be transferred and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company, with effect from the Appointed Date, pursuant to Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act, instrument, or deed for transfer of the same;
- (iii) all other movable assets of the Transferor Company, including actionable claims, earnest monies, receivables, bills, sundry debtors, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Governmental Authority, customers and any other Persons, shall without any further act, instrument, or deed, become the property of the Transferee Company, with effect from the Appointed Date, pursuant to Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act, instrument, or deed for transfer of the same, and appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors. The Transferor Company shall, upon receipt of the Sanction Order, be entitled to the delivery and possession of all documents of title of such movable property in this regard. The Transferor Company shall, upon the receipt of the Sanction Order, if so required, also give notice in such form as it may deem fit and proper to the debtors or obligor or any other Person, that pursuant to the Sanction Order, the said debtors should pay to the Transferee Company the debt, investment, loan, claim, bank balances and deposit or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover and realize the same stands vested in the Transferee Company;
- (iv) all immovable properties (including land, together with buildings and structures standing thereon), and rights, title and interests thereon or embedded to the land and all rights, title and interests and claims in any immovable properties of the Transferor

Company, whether or not included in the books of the Transferor Company, whether freehold or leasehold or licensed or right of way or otherwise, all tenancies, and all documents of title, lease or license or rent agreements, security deposits, advance, prepaid lease / license fee, rights and easements in relation thereto, shall stand transferred to and vested in and / or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed to be done or executed by the Transferor Company and / or the Transferee Company on the same terms and conditions. The Transferee Company shall be entitled to and shall exercise all rights and privileges attached thereto including refund of any security deposits, advance, prepaid fee and shall be liable to pay the appropriate rent, rates and taxes and fulfill all obligations in relation to or applicable to such immovable properties. Notwithstanding anything contained in this Scheme and without prejudice to the provisions of this Clause 11(iv), in respect of such of the immovable properties of the Transferor Company as the Board of the Transferee Company may determine, whether owned or leased, the concerned parties, shall execute and register or cause so to be done, separate deeds of conveyance or deed of assignment of lease, as the case may be, executed on or after the Effective Date, in favour of the Transferee Company. Each of the immovable properties, only for the payment of stamp duty, shall be deemed to be conveyed at a consideration being the fair market value of such properties (arrived at by a government approved independent valuer). The execution of such conveyance shall form an integral part of the Scheme. Upon this Scheme becoming effective, the title to all immovable properties shall be deemed to have been mutated and recognized as that of the Transferee Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Governmental Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The relevant Governmental Authorities may rely on the Scheme along with the copy of the Sanction Order, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company as the owner or lessee (as the case may be) of the immovable properties;

- (v) any assets, right, title, interest, investments and properties acquired by the Transferor Company after the Appointed Date but prior to the Effective Date, whether or not included in the books of the Transferor Company (as the case may be) shall, without any further act, instrument or deed stand transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to Sections 230 to 232 of the Act and other applicable provisions of the Applicable Law;
- (vi) the Transferee Company will be entitled to all intellectual property of the Transferor Company, including patents, trade and service marks, logo, domain names, database rights, copyrights, trade secrets, know-how, brands, marketing authorisations, marketing tangibles, designs, industrial designs, software, confidential processes, inventions, licenses, computer programs, manuals, data, catalogues, sales material and any other intellectual property or proprietary right whether owned by, licensed or assigned to the Transferor Company, whether or not the same are registered, along with all rights or commercial nature including those attached to goodwill, title, interest, labels and brands registrations, and all such other industrial or intellectual rights of whatsoever nature, and all intellectual property of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in the Transferee Company. Necessary filings, intimations, updates, etc., as may be required in terms of Applicable Law shall be undertaken with the relevant Governmental Authority, in order to reflect the foregoing and shall be carried out by the Transferee Company and Transferor Company, as may be applicable;

- (vii) all goodwill and past track record of the Transferor Company, including without limitation, the profitability, experience, credentials and market share, shall, without any further act, instrument or deed, stand transferred to and vested in the Transferee Company and shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including the purpose of eligibility, standing, evaluation and participation of the Transferee Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients;
- (viii) all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have been transferred and shall stand transferred to the Transferee Company and name of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records and the Transferee Company shall be entitled to operate all bank accounts, realize monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. It is hereby clarified that all cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company on or after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company; and
- (ix) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instrument of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible for, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

12. **Transfer of Contracts, Deeds, etc.**

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) subject to the provisions of this Scheme, all Contracts, deeds, bonds, agreements, schemes, memoranda of undertakings, memoranda of agreement, memoranda of agreed points, letters of agreed points, bids, letter of intent, arrangements, undertakings whether written or otherwise, insurance policies, applications, and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible or for the obligations of which the Transferor Company may be liable, and which are subsisting or have effect immediately before the Appointed Date, shall without any further act, instrument or deed continue in full force and effect on or against or in favour of, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto; and
- (ii) without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under the Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee

Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such writings as a successor of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

13. **Transfer of Licenses and Approvals**

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all approvals, allotments, Consents, concessions, clearances, credits, awards, sanctions, exemptions, benefits, tax deferrals, subsidies, incentives, refunds, grants, registrations, no-objection certificates, permits, quotas, rights, entitlements, assignments, authorisations, pre-qualifications, bids, acceptances, tenders, licenses (including the licenses granted by any Governmental Authority or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions, privileges, powers, facilities, special status, letter of allotments and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, including the benefits of any applications made for any of the foregoing, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the Consent of any third party or Governmental Authority is required to give effect to the provisions of this Clause, the said party or the Governmental Authority shall make and duly record the necessary substitution / endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Tribunal, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications / documents with relevant authorities concerned for information and record purposes; and
- (ii) all statutory licenses, no-objection certificates, Consents, permissions, approvals, licenses, certificates, or clearances by the Governmental Authorities, issued to or executed in favour of the Transferor Company or any applications made for the same by the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any Governmental Authority as may be necessary in this behalf.

14. **Transfer of Liabilities**

Without prejudice to the generality of Clause 10 above, upon coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or a foreign currency), sundry creditors, debentures, loans raised and used, duties and obligations of the Transferor Company of every kind, nature, and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations (“**Liabilities**”), whether or not recorded in its books and records shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to be

transferred to and vested in the Transferee Company to the extent that they are outstanding on the Appointed Date so as to become as and from the Appointed Date, the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the Consent of any third party or other Person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 14;

- (ii) any Liabilities raised and used or incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to Sections 230 to 232 of the Act and other applicable provisions of the Applicable Law, without any further act, instrument, or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the Liability of the Transferee Company which shall meet, discharge and satisfy the same;
- (iii) where any of the Liabilities incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company;
- (iv) loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall stand discharged and come to an end on the Effective Date with effect from the Appointed Date and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company;
- (v) it is expressly provided that, save as mentioned in this Clause 14, no other term or conditions of the Liabilities of the Transferor Company transferred to the Transferee Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implications; and
- (vi) subject to the necessary Consents being obtained, if required, in accordance with the terms of this Scheme, Clause 14 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which shall stand superseded by the foregoing provisions.

15. **Transfer of Encumbrances**

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) the transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under this Scheme shall be subject to the Encumbrances, if any, affecting the same, as and to the extent hereinafter provided;
- (ii) all Encumbrances over the Transferor Company's assets existing on the Effective Date, shall in so far as they secure or pertain to Liabilities of the Transferor Company, shall, after the Appointed Date, continue to relate and attach to such assets or any part thereof

to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company;

- (iii) if any assets of the Transferor Company have not been Encumbered in respect of any Liabilities transferred pursuant to this Scheme, such assets shall remain unencumbered, and any existing Encumbrance shall not be extended to and shall not operate over such assets or to any other assets of the Transferee Company. The holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits, and interests of the Transferor Company and therefore, assets of the Transferor Company or the Transferee Company which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company; and
- (iv) any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and / or modification(s) of charge(s), with the RoC to give formal effect of the above provisions, if required.

16. **Transfer of Legal and other Proceedings**

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) any suits, actions, claims, cause of actions, appeals, legal or other proceedings including before any statutory or quasi-judicial authority or tribunal other proceedings of whatsoever nature (“**Proceedings**”) by or against the Transferor Company which is pending on the Effective Date or which may be instituted at any time in the future, shall not abate, be discontinued or be in any way prejudicially affected by reason of the Amalgamation or of anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme has not been made;
- (ii) the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company, which are capable of being continued by or against the Transferee Company, transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company; and
- (iii) the Transferee Company shall be deemed to be authorised under this Scheme to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

17. **Employees**

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all Transferor Company Employees as on the Effective Date, shall become the employees of the Transferee Company, subject to the provisions hereof, on terms and conditions not less favorable than those on which they are engaged by the Transferor Company as on the Effective Date and without any interruption of, or break in service as a result of the Amalgamation. The past services of the Transferor Company Employees and benefits to which the employees are entitled in the Transferor Company shall be taken into account for the purpose of payment of any compensation, gratuity, and other terminal benefits by the Transferee Company;
- (ii) in so far as the provident fund, gratuity fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the Transferor Company Employees or to which the Transferor Company is contributing for the benefit of the Transferor Company Employees (“Funds”) are concerned, all the contributions made to such Funds for the benefit of the Transferor Company Employees and the investments made by the Funds in relation to the Transferor Company Employees shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Transferor Company Employee. If the Transferee Company has its own funds in respect of any of the Funds, such contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company and shall be held for the benefit of the concerned Transferor Company Employee. It is hereby clarified that the services of all employees of the Transferor Company will be treated as having been continuous and uninterrupted for the aforesaid Funds;
- (iii) in relation to those Transferor Company Employees for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including relating to the obligation to make contributions to the said government provident fund in accordance with the provisions of such government provident fund, such that all the rights, duties, powers and obligations of the Transferor Company in relation to such government provident fund shall become those of the Transferee Company; and
- (iv) Notwithstanding the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Law, shall be entitled to:
 - (a) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or
 - (b) merge the pre-existing funds of the Transferor Company with other similar funds of the Transferee Company.

18. **Inter-se Transaction**

Without prejudice to the generality of Clause 10 above, in the event that the Appointed Date is prior to the Effective Date, upon the coming into effect of this Scheme and with effect from the Appointed Date until the Effective Date:

- (i) all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes;
- (ii) there will be no accrual of income or expense on account of any transactions, including, inter alia, any transactions in the nature of sale or transfer of any goods, materials or services, between the parties. For avoidance of doubt, it is hereby clarified that with

effect from the Appointed Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the parties;

- (iii) any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company; and
- (iv) all inter-se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

19. Treatment of Taxes

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all Taxes / cess / duties paid, payable, received or receivable by or on behalf of the Transferor Company, including all or any refunds, claims or entitlements as to tax credits, Taxes paid in advance, and / or Taxes deducted at source, and / or Taxes collected at source, including refunds or claims pending with the revenue authorities, if any, shall, for all purposes be treated as the Taxes / cess / duties, liabilities or refunds of the Transferee Company;
- (ii) the unutilized credits relating to excise duties paid on inputs lying to the account of Transferor Company as well as the unutilized credits relating to service tax / goods and service tax on input goods consumed by the Transferor Company shall be transferred to the Transferee Company automatically without any specific approval or permission, as an integral part of the Scheme;
- (iii) upon the Scheme becoming effective:
 - (a) To the extent required, the Transferor Company and the Transferee Company shall be permitted to revise and file their respective financial statements, income tax returns (including tax deducted at source or tax collected at source), withholding tax returns (including Tax deducted at source certificates), sales tax, value added tax, service tax, central sales tax, entry tax, goods and services tax returns and any other tax returns, if required to give effect to the provisions of the Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired; and
 - (b) The Transferee Company shall be entitled to: (i) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the Income Tax Act on or after the Appointed Date; and (ii) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by the Transferor Company prior to the Appointed Date;
- (iv) upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, unabsorbed Tax depreciation and accumulated losses, if any, of the Transferor Company as on the Appointed Date, shall,

for all purposes, be treated as unabsorbed Tax depreciation and accumulated losses of the Transferee Company. It is further clarified that any unabsorbed depreciation of the Transferor Company as specified in their respective books of accounts shall be included as unabsorbed depreciation of the Transferee Company for the purposes of computation of minimum alternate tax;

- (v) any tax liability under the Income Tax Act, or any other applicable Tax laws or regulations allocable to the Transferor Company whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company. Any surplus in the provision for taxation or duties or levies in the accounts of the Transferor Company, including advance Tax and Tax deducted at source as on the close of business in India on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company;
- (vi) all Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as on the Appointed Date, shall be continued and / or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the Amalgamation of the Transferor Company into the Transferee Company or anything contained in this Scheme;
- (vii) any refund under the Income Tax Act or any other Tax laws related to or due to the Transferor Company, including those for which no credit is taken as on the date immediately preceding the Appointed Date, shall also belong to and be received by the Transferee Company;
- (viii) without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including income Tax, service Tax, excise duty, goods and service Tax and applicable state value added Tax) to which the Transferor Company is entitled to in terms of applicable Tax laws, shall be available to and vest in the Transferee Company from the Appointed Date; and
- (ix) all the expenses incurred by the Transferor Company and the Transferee Company in relation to the Amalgamation in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the Income Tax Act over a period of 5 (five) years beginning with the financial year in which this Scheme becomes effective.

20. **Conduct**

- (i) During the period between the approval of the Scheme by the Board of the Transferor Company and the Board of the Transferee Company and the Effective Date, the business of the Transferor Company and the Transferee Company shall be carried out with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Law and as mutually agreed between Transferor Company and the Transferee Company.
- (ii) Notwithstanding anything to the contrary contained in this Scheme, each of the Transferor Company and the Transferee Company shall be able to raise capital as it may deem fit (“**Capital Raise**”) during the period between the approval of the Scheme by the Board of the Transferor Company and the Board of the Transferee Company and

the Effective Date, provided that such Capital Raise shall: (a) not result in dilution of more than 5% (five percent) of the equity share capital on a fully diluted basis of the Transferor Company or the Transferee Company (as the case may be); (b) be at a valuation not lower than the average of the valuation as set out in the Valuation Report by each of the valuers; (c) be subject to all Applicable Laws; and (d) be post shareholders' and creditors approval for the Scheme.

- (iii) In the event the Appointed Date is prior to the Effective Date, then with effect from the Appointed Date and up to and including the Effective Date:
- (a) the Transferor Company undertakes to carry on and shall be deemed to have carried on its business activities and stand possessed and shall be deemed to have held and stood possessed of the properties and assets pertaining to the Transferor Company, for and on account of and in trust for the Transferee Company;
 - (b) the Transferor Company hereby undertakes to hold its said assets with utmost prudence in the ordinary course of business until the Effective Date;
 - (c) all profits and income accruing to the Transferor Company, and losses and expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) for the period from the Appointed Date based on the accounts of the Transferor Company shall, subject to the Scheme being effective, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the Transferee Company;
 - (d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;
 - (e) all assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company; and
 - (f) any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by such Transferor Company for and on behalf of, and in trust for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Transferor Company shall be deemed to have been undertaken for and on behalf of the Transferee Company.

21. Saving of concluded transactions

Subject to this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under this Scheme shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

PART III

CONSIDERATION FOR AMALGAMATION

22. Issuance of Merger Consideration Shares for Amalgamation

- (i) Upon this Scheme becoming effective and in consideration of the Amalgamation including the transfer and vesting of the Undertaking of the Transferor Company in the

Transferee Company pursuant to this Scheme, the Transferee Company shall, without any further application, act, or deed issue and allot the Merger Consideration Shares to all Eligible Shareholders, at the Share Exchange Ratio on the basis of the Valuation Report; and all the Transferor Company Shares held by the Transferee Company on the Effective Date shall stand cancelled without any further application, act or deed. Further, the investment in the shares of the Transferor Company, as reflecting in the books of accounts of the Transferee Company shall, without any further act or deed, stand cancelled, written-off, or otherwise extinguished.

- (ii) No Merger Consideration Shares shall be allotted in respect of fractional entitlements, by the Transferee Company to which the members of the Transferor Company, respectively may be entitled on allotment of the Merger Consideration Shares. The Board of the Transferee Company shall, in compliance with Applicable Law, consolidate all such fractional entitlements and thereupon allot the Merger Consideration Shares in lieu thereof to a Person / trustee authorised by the Board of the Transferee Company in this behalf who shall hold such Merger Consideration Shares in trust on behalf of the members of the relevant Transferor Company, entitled to fractional entitlements with the express understanding that such Person shall sell the Merger Consideration Shares so allotted on the Stock Exchanges at such time or times and at such price or prices and to such other Person, as such Person / trustee deems fit within 90 days from the date of allotment or such other period as per the Applicable Law, and shall distribute the sale proceeds, gross of any Tax incidence on such sale proceeds, to the members of the relevant Transferor Company in proportion to their respective fractional entitlements. In case the number of such Merger Consideration Shares to be allotted to a person authorised by the Board of the Transferee Company by virtue of consolidation of fractional entitlements is a fraction, it shall be rounded off to the next higher integer.
- (iii) In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transaction period.
- (iv) The issue and allotment of the Merger Consideration Shares by the Transferee Company to Eligible Shareholders as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out as if the procedure laid down under Section 62 read with Section 42 of the Act and any other applicable provisions of the Act were duly complied with. The cancellation of the Transferor Company Shares held by the Transferee Company as provided in this Scheme is an integral part hereof and it is hereby clarified that the consent of the shareholders of the Transferee Company to this Scheme and the Sanction Order shall be deemed to be sufficient for the purposes of effecting the aforementioned cancellation, and no further resolution(s) or actions under the Act or any other applicable provisions of the Act would be required to be separately passed or undertaken.
- (v) Where the Merger Consideration Shares are to be allotted to heirs, executors or administrators or, as the case may be, to successors of deceased Eligible Shareholders of the Transferor Company, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of the

Transferee Company.

- (vi) Promptly upon the issuance of the Merger Consideration Shares pursuant to this Clause 22, the Transferee Company shall prepare and file applications, along with all supporting documents, to obtain approval from SEBI and the Stock Exchanges, for listing of such Merger Consideration Shares. Immediately upon receipt of such approval, the Transferee Company shall take all necessary steps to obtain trading approval for the Merger Consideration Shares. The Transferee Company shall ensure that steps for listing of the Merger Consideration Shares are completed, and trading of Merger Consideration Shares are completed and trading of the Merger Consideration Shares commences within the time period prescribed under the SEBI Scheme Circular. The Merger Consideration Shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing / trading are given by the relevant Stock Exchanges.
- (vii) Each Merger Consideration Share to be issued and allotted by the Transferee Company in terms of this Scheme shall be credited as fully paid and free from any and all Encumbrances and shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects and shall have the same rights attached to the then existing equity shares of the Transferee Company.
- (viii) If any consolidation, stock split, sub division, reorganization, reclassification or other similar action in relation to the share capital of the Transferor Company or the Transferee Company, that occurs after the date of approval of the Scheme by the Board of Transferor Company and the Board of Transferee Company, and on or before the Effective Date, the Share Exchange Ratio shall be adjusted accordingly to reflect such corporate action in such a manner as the relevant company's auditors may determine to be appropriate to reflect such corporate action.
- (ix) The Merger Consideration Shares shall be issued and allotted in dematerialized form to all Eligible Shareholders in accordance with the Applicable Laws.
- (x) The Merger Consideration Shares to be issued by the Transferee Company in respect of the Transferor Company Shares, which are held in abeyance under the provisions of Section 126 of the Act or which the Transferee Company is unable to issue due to non-receipt of relevant approvals or due to Applicable Law or pending allotment or settlement of dispute by order of the Tribunal or any Governmental Authority or otherwise shall, be held in abeyance by the Transferee Company.
- (xi) The Merger Consideration Shares issued pursuant to this Scheme may not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and the Transferee Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Transferee Company may elect to rely upon. In relying upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof, the sanction of the Tribunal to this Scheme vide the Sanction Order will be relied upon for the purposes of qualifying the issuance and distribution of the Merger Consideration Shares for such an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof.

PART IV

CHANGES TO THE SHARE CAPITAL OF THE TRANSFEREE COMPANY AND ACCOUNTING TREATMENT

23. Amendment to the Memorandum of Association of the Transferee Company

- (i) Upon this Scheme becoming effective and upon the vesting and transfer of the Undertaking to the Transferee Company, the entire authorised share capital of the Transferor Company shall stand transferred to the authorised share capital of the Transferee Company without any further act, deed or instrument. Clause V of the memorandum of association of the Transferee Company shall, without any further act or deed, stand altered to read as under:

“The Authorised Share Capital of the Company is ₹ 20,48,15,00,000 (Rupees Two Thousand Forty-Eight Crore Fifteen Lakhs only) divided into 2,03,60,00,000 (Two Hundred Three Crore Sixty Lakhs) Equity Shares of ₹ 10/- each (Rupees Ten only) amounting to ₹ 20,36,00,00,000 (Rupees Two Thousand Thirty-Six Crore only), 8% 5,00,000 (Five Lakhs) Redeemable Cumulative Preference Shares of ₹ 10/- (Rupees Ten Only) each amounting to ₹ 50,00,000 (Rupees Fifty Lakhs only), 15,000 (Fifteen Thousand) 6% Redeemable Cumulative Preference Shares of ₹ 100/- (Rupees Hundred only) each amounting to ₹ 15,00,000 (Rupees Fifteen Lakhs only), 95,00,000 (Ninety Five Lakhs) Preference Shares of ₹ 10/- each (Rupees Ten only) amounting to ₹ 9,50,00,000 (Rupees Nine Crore Fifty Lakh only) and 2,00,00,000 (Two Crore) Preference Shares of ₹ 1 (Rupees One only) each amounting to ₹ 2,00,00,000 (Rupees Two Crore only) with a power to increase or reduce the capital of the Company in accordance with the provisions of the Companies Act, 2013 and to classify or reclassify the Share Capital.”

- (ii) It is clarified that the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendments and the increase of authorised capital of the Transferee Company pursuant to this Clause 23, and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Act, if any, would be required to be separately passed.
- (iii) In accordance with Section 232(3)(i) of the Act and Applicable Law, the stamp duties and / or fees (including registration fee) paid on the authorised share capital of the Transferor Company shall be deemed to be utilized and applied to the increased authorised share capital of the Transferee Company pursuant to this Clause 23 and no separate stamp duties and / or fees would be payable for the increase in the authorised share capital of the Transferee Company to the extent of fees already paid by the Transferor Company on the authorised share capital of the Transferor Company.

24. Employee Stock Options

- (i) In respect of the Transferor Company Stock Options granted by the Transferor Company under the Transferor Company ESOP Plans and which have vested in accordance therewith but which are outstanding and have not been exercised as on the Record Date, upon the effectiveness of the Scheme, all such Transferor Company Stock Options shall automatically stand cancelled and the Transferee Company shall issue Transferee Company Stock Options to all such holders of the Transferor Company Stock Option, taking into account the Share Exchange Ratio. The exercise price payable for such Transferee Company Stock Options shall be as adjusted after taking into account the effect of the Share Exchange Ratio.
- (ii) In respect of the Transferor Company Stock Options granted by the Transferor

Company under the Transferor Company ESOP Plans but which remain outstanding and unvested as on the Record Date, upon the effectiveness of the Scheme, all such Transferor Company Stock Options shall automatically stand cancelled and the Transferee Company shall issue Transferee Company Stock Options to all such holders of the Transferor Company Stock Option, taking into account the Share Exchange Ratio. The vesting price and exercise price payable for such Transferee Company Stock Options shall be as adjusted after taking into account the effect of the Share Exchange Ratio.

- (iii) It is hereby clarified that in relation to the Transferee Company Stock Options granted in accordance with this Scheme, the period during which the Transferor Company Stock Options granted by the Transferor Company were held by or deemed to have been held by the holders of the Transferor Company Stock Options shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferee Company Stock Option Plan, as the case may be.
- (iv) The Transferee Company Stock Options to be issued pursuant to Clause 24(i) and Clause 24(ii) above may be issued by the Transferee Company either under any of its existing Transferee Company ESOP Plans or a revised stock option plan for the employees of the Transferee Company and the holders of the Transferor Company Stock Options or under a separate employee stock option plan created by the Transferee Company *inter alia* for the purpose of granting stock options to the holders of the Transferor Company Stock Options pursuant to this Scheme (“**Transferee Company Stock Option Plan**”), on the same terms and conditions (including vesting period and conditions), as set out in the Transferor Company ESOP Plans, or such other terms and conditions as approved by the Transferee Company which are no less favorable than those provided under the Transferor Company ESOP Plans, subject to Applicable Laws. Further, fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as set out in Clause 24(i) and Clause 24(ii) above shall be rounded off to the nearest higher integer.
- (v) The grant of Transferee Company Stock Options pursuant to this Scheme shall be effected as an integral part of the Scheme and the approval of relevant Governmental Authorities and the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the Transferee Company Stock Option Plan, including without limitation, for the purposes of creating the Transferee Company Stock Option Plan and / or modifying the Transferee Company Stock Option Plan (including increasing the maximum number of equity shares that can be issued consequent to the exercise of the Transferee Company Stock Options granted under the Transferee Company ESOP Plans, and / or modifying the exercise price of the Transferee Company Stock Options under the Transferee Company Stock Option Plan), and all related matters. No further approval of the shareholders of the Transferee Company would be required in this connection under Applicable Law.
- (vi) The Boards of the Transferor Company and the Transferee Company or any of the committee(s) thereof, including the nomination and remuneration committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause of the Scheme.

25. Accounting Treatment

- (i) Notwithstanding anything to the contrary contained in the Scheme, the Transferee Company shall account for amalgamation of the Transferor Company in accordance with Appendix C to Indian Accounting Standard 103 (*Business Combination of entities under*

common control) and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of the Act, as amended and relevant clarifications issued by the Institute of Chartered Accountants of India.

- (ii) Notwithstanding anything contained in any other Clause in the Scheme, upon the Scheme being effective, the Transferor Company shall stand dissolved without winding-up. Accordingly, there is no accounting treatment prescribed which would have any impact or need to be reflected in the books of the Transferor Company.

PART V

DISSOLUTION OF TRANSFEROR COMPANY AND GENERAL TERMS AND CONDITIONS

26. Dissolution of Transferor Company

On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without being wound-up. On and from the Effective Date, (i) the Board of the Transferor Company, shall, without any further acts, resolutions, filings, instruments, or deeds, cease to exist and stand dissolved; and (ii) the name of the Transferor Company shall be struck off from the records of the RoC.

27. Impact of the Scheme on Non-Convertible Debenture Holders of the Transferee Company

There shall be no change in terms and conditions of the Listed NCDs pursuant to this Scheme. The holders of the Listed NCDs as on the Effective Date will continue to hold the Listed NCDs, without any interruption and on the same terms. Accordingly, this Scheme will have no adverse impact on the holders of the Listed NCDs.

28. Validity of Existing Resolutions

Upon the coming into effect of this Scheme, the resolutions and powers of attorney of / or executed by the Transferor Company, as are considered necessary by the Board of the Transferee Company, and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and powers of attorney passed / executed by the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other Applicable Law, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

29. Applications

- (i) The Transferor Company and the Transferee Company shall make all necessary applications and petitions to the Tribunal under Sections 230 to 232 and other applicable provisions of the Act, for sanction of this Scheme and all matters ancillary or incidental thereto, under provisions of Applicable Law and obtain such other approvals, as required under Applicable Law.
- (ii) Upon this Scheme being effective, the members of the Transferee Company and the Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act and Applicable Law for giving effect to the provisions contained in this Scheme.
- (iii) The Transferee Company and the Transferor Company shall be entitled, pending the

effectiveness of the Scheme, to apply to any Governmental Authority, if required under any Applicable Law for such consents and approvals, as agreed between the Transferee Company and the Transferor Company, which they may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed.

30. No modifications, including any modification(s) approved, imposed or directed by the Tribunal, the Stock Exchanges, or any other Governmental Authority, shall be made to the Scheme without a written agreement between the Transferor Company and the Transferee Company to do so. This Scheme shall not be revoked or withdrawn, other than in accordance with Clause 34 below. Notwithstanding anything contained in this Scheme, no modification may be made to the Scheme post grant of Sanction Order by the Tribunal without prior approval of the Tribunal.

31. **Conditions Precedent to Effectiveness**

Unless otherwise agreed between the Parties in writing, the coming into effect of this Scheme is conditional upon and subject to:

- (i) the Stock Exchanges having issued their observation / no-objection letters as required under the SEBI LODR Regulations read with the SEBI Scheme Circular and the SEBI Scheme Circular – Debt;
- (ii) this Scheme being approved by the respective requisite majorities of the various classes of members (passed through postal ballot / e-voting, as applicable) and creditors (where applicable) of the Transferor Company and the Transferee Company, as required under the Act and the SEBI Scheme Circular, subject to any dispensation of holding and convening meetings of members and creditors, that may be granted by the Tribunal;
- (iii) the approval of the Scheme by the public shareholders of the Transferor Company in accordance with Para A.10 (a) and (b) of Part I of the SEBI Scheme Circular provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the votes by the public shareholders against it;
- (iv) such other conditions as may be mutually agreed between the Transferor Company and the Transferee Company;
- (v) grant of Sanction Order under the provisions of Sections 230 to 232 of the Act and receipt of certified copy of the Sanction Order; and
- (vi) there not being any Governmental Order from any Governmental Authority (other than a competition and / or anti-trust authority) that has the effect of making the Amalgamation illegal or otherwise restraining or preventing its consummation.

32. The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 31 above are satisfied (or to the extent permissible under Applicable Law, waived by the Transferee Company) and in such an event, no rights and liabilities stated under this Scheme shall accrue to or be incurred inter se the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other Person.

33. The certified copy of the Sanction Order shall be filed with the RoC within 30 (thirty) days, or such longer period permitted under Applicable Law, from the date on which the last of the events specified in Clause 31 of the Scheme are satisfied or have occurred or the requirement of which have been waived (in writing) in accordance with this Scheme.

34. **Withdrawal of the Scheme**

- (i) The Transferor Company and the Transferee Company, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.
- (ii) In the event:
 - (a) any of the conditions precedent set out in sub-Clause (i) to (vi) of Clause 31 are not fulfilled by the Merger Long Stop Date;
 - (b) without prejudice to and subject to Clause 34(iii) below, any of the requisite approvals, Sanction Order or no-objections have been rejected; or
 - (c) any of the requisite approvals, Sanction Order or no-objections are subject to conditions which, in the joint written opinion of the parties, is not acceptable,

this Scheme shall automatically stand revoked, cancelled, and be of no effect from such date, save and except in respect of any act or deed done prior thereto as is contemplated herein or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- (iii) Notwithstanding anything contained in Clause 34(ii), in the event SEBI, the Stock Exchanges, or the Tribunal rejects the Scheme but provides a chance for re-submission thereof, the Scheme shall not automatically become revoked, cancelled, null and void unless the parties mutually agree not to appeal the decision of SEBI, Stock Exchanges, or the Tribunal, as the case may be.
- (iv) Upon revocation or cancellation of this Scheme set out in this Clause 34,
 - (a) this Scheme shall become null and void, and no rights and liabilities shall accrue to or be incurred by the Transferor Company and the Transferee Company or their shareholders or creditors or employees or any other Person. In such cases, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses unless otherwise mutually agreed; and
 - (b) each of the Transferor Company and the Transferee Company shall take all necessary steps to withdraw or cause the withdrawal of the Scheme, and / or applications made for the approval of the Transaction from the relevant Governmental Authorities.

35. **Power to Remove Difficulties**

The authorised signatory of the Transferor Company and the Transferee Company, either by themselves or through a committee appointed by them in this behalf, may jointly and as mutually agreed in writing, including without limitation through any definitive agreement(s) that may be entered into by and between the Transferor Company and the Transferee Company in relation to the Scheme:

- (i) give such directions (acting jointly) as may be mutually agreed in writing by the Transferor Company and the Transferee Company as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the

meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those; and

- (ii) do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

36. Costs

- (i) Each of the Transferor Company and the Transferee Company agree that it shall bear by itself all own costs, charges, levies and expenses in relation to or in connection with or incidental to this Scheme until the date of sanction of this Scheme by the Tribunal, including without limitation, costs and expenses associated with retention of financial, legal, tax and other professional advisers, and in connection with the valuation report and the fairness opinion issued by their respective valuers and merchant bankers.
- (ii) Save as otherwise agreed, all stamp, transfer, registration, and other similar taxes, duties, charges and fees (including in relation to the registration and the stamping of the Sanction Order) payable or assessed in connection with this Scheme, the issuance of Merger Consideration Shares and the transfers contemplated by the Scheme shall be borne by the Transferee Company.

37. Severability

If any provision of this Scheme becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Scheme, and the Transferor Company and the Transferee Company will negotiate in good faith to agree to replace such illegal, void, or unenforceable provision of this Scheme with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision or act in accordance with a judgment, order, decree, or declaration made by a court of competent jurisdiction. The balance of this Scheme shall be enforceable in accordance with its terms.

38. It is hereby clarified that the submission of this Scheme to the Tribunal and to the Governmental Authorities for their respective approvals is without prejudice to all rights, interests, titles or defenses that the Transferor Company and / or the Transferee Company may have under or pursuant to all Applicable Laws.

SCHEDULE A

Disclosures as per SEBI Scheme Circular - Debt in relation to the non-convertible debentures of the Transferee Company

ISIN		INE647O08107	INE647O08115	INE647O08123
Face Value		10,00,000	1,00,000	1,00,000
Dividend / Coupon		Coupon	Coupon	Coupon
Terms of payment of dividends/ coupon including frequency, etc.		Annual Coupon with the coupon rate of 5.80%	Annual Coupon with the coupon rate of 7.80%	Annual Coupon with the coupon rate of 7.57%
Credit Rating		AA/Stable	AA/Positive	AA+/Stable
Tenure / Maturity		3 years	3 years	7 years
The terms of redemption		Interest to be paid annually and principle payable at maturity		Interest to be paid annually and principle payable in 3 annual instalments at the end of 5 th , 6 th and 7 th year
Amount of redemption		INR 4,00,00,00,000 (Indian Rupees Four Hundred Crores Only)	INR 5,00,00,00,000 (Indian Rupees Five Hundred Crores Only)	INR 7,50,00,00,000 (Indian Rupees Seven Hundred Fifty Crores Only)
Date of redemption		09 September 2024	30 January 2026	12 September 2030
Redemption premium/ discount		NA	NA	NA
Early redemption scenarios, if any		Yes, in case the credit rating is downgraded to A	Yes, in case the credit rating is downgraded to A	Yes, in case the credit rating is downgraded to A+ or below
Safeguards for the protection of holders of NCDs		NA	NA	NA
Exit offer to the dissenting holders of NCDs, if any		None	None	None
Other embedded features (put option, call option, dates, notification times, etc.)		NA	NA	NA
Other terms of instruments		As per Private Placement Offer letter dated September 6, 2021 and Debenture Trust Deed dated September 14, 2021	As per Private Placement Offer letter dated January 24, 2023 and Debenture Trust Deed dated January 31, 2023	As per Private Placement Offer letter dated September 11, 2023 and Debenture Trust Deed dated

				September 7, 2023
Latest audited financials along with notes to accounts and any audit qualifications	ABFRL Board meeting Outcome May18 2022.pdf			
An auditors' certificate certifying the payment / repayment capability of the resultant entity*	https://www.abfrl.com/investors/scheme-of-amalgamation			
Fairness Report*	https://www.abfrl.com/investors/scheme-of-amalgamation			
Any other information/details pertinent for holders of NCDs		As per Private Placement Offer letter dated September 6, 2021 and Debenture Trust Deed dated September 14, 2021	As per Private Placement Offer letter dated January 24, 2023 and Debenture Trust Deed dated January 31, 2023	As per Private Placement Offer letter dated September 11, 2023 and Debenture Trust Deed dated September 7, 2023
Name of debenture trustee	Axis Trustee Services Limited			

Valuation Report

<p>Bansi S. Mehta Valuers LLP</p> <p>Registered Valuer - Securities or Financial Assets Registration No. IBBI/RV - E/06/2022/172</p> <p>11/13 Botawala Building, 2nd Floor, Horniman Circle, Fort, Mumbai – 400 001</p>	<p>GT Valuation Advisors Private Limited</p> <p>Registered Valuer - Securities or Financial Assets Registration No. IBBI/ RV-E/05/2020/134</p> <p>11th Floor, Tower II, One International Centre, Senapati Bapat Marg, Prabhadevi (W) Mumbai – 400 013</p>
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Dated: May 04, 2023

To,

<p>The Audit Committee and the Board of Directors</p> <p>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.</p>	<p>The Audit Committee and the Board of Directors</p> <p>TCNS Clothing Co. Limited 119, New Manglapuri, W House, Mandi Road, Sultanpur, Mehrauli, New Delhi-110030.</p>
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Sub: Recommendation of fair share exchange ratio for the proposed amalgamation of TCNS Clothing Co. Limited ("TCNS") into Aditya Birla Fashion and Retail Limited ("ABFRL")

Dear Sir / Madam,

We refer to the engagement letter (s) whereby, Bansi S. Mehta Valuers LLP (hereinafter referred to as "BSM") and GT Valuation Advisors Private Limited (hereinafter referred to as "GTVAPL") have been appointed on April 18, 2023 and April 27, 2023 by Aditya Birla Fashion and Retail Limited (hereinafter referred to as "ABFRL" or "Transferee Company") and TCNS Clothing Co. Limited (hereinafter referred to as "TCNS" or "Transferor Company"), respectively, to recommend fair share exchange ratio for the proposed amalgamation of TCNS into ABFRL on a going concern basis ("Proposed Amalgamation"), as more particularly provided for in the scheme of amalgamation ("Scheme"). We had begun our work earlier based on confirmation received from ABFRL and TCNS respectively.

ABFRL and TCNS are hereinafter jointly referred to as "Companies" or "Clients" and individually referred to as "Company", as the context may require.

ABFRL and TCNS shall hereinafter together be referred to as "Valuation Subjects"

BSM and GTVAPL are hereinafter jointly referred to as "Valuers" or "we" or "us" in this report.

The fair share exchange ratio for this Report refers to the number of equity shares of ABFRL, which would be issued to the equity shareholders of TCNS pursuant to the Proposed Amalgamation.

SCOPE AND PURPOSE OF THIS REPORT

Aditya Birla Fashion and Retail Limited ("ABFRL") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed in India on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). The registered office of the



Page 1 of 20



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Transferee Company is engaged in the business of manufacturing, marketing, sales and/or distribution of fashion apparel, footwear and accessories through offline and/or online channels including wholesale, retail and e-commerce under multiple owned and licensed brands.

TCNS Clothing Co. Limited ("TCNS") is a public limited Company incorporated in India having its registered office at, 119, New Manglapuri, W House, Mandi Road, Sultanpur, Mehrauli, New Delhi-110030. The equity shares of TCNS are listed on BSE and NSE.

The Company is primarily engaged in the business of women apparels and accessories under the brand name "W", "Aurelia", "Wishful" and "Elleven".

It is understood from perusal of the draft Scheme of Amalgamation ("Draft Scheme") shared with us that ABFRL proposes to acquire shares in TCNS from its promoters pursuant to a Share Purchase Agreement. The said acquisition would trigger an open offer under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ("Takeover Code"). Acquisition of 51% (fifty-one percent) of the paid-up equity share capital of TCNS by ABFRL, pursuant to acquisition of holding of the Promoter of TCNS and the open offer is a condition precedent to the proposed merger of TCNS into ABFRL.

It may be noted that any change in this assumption would impact the fair share exchange ratio recommended by us.

The proposed amalgamation of TCNS into ABFRL is in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued therein, in each case, as amended from time to time, and in a manner provided in the Draft Scheme of Amalgamation ("the Scheme"). It is understood that the said Scheme shall be in accordance with Section 2(1B) of the Income Tax Act, 1961.

We understand that as a consideration for the Proposed Amalgamation, equity shares of ABFRL would be issued to the equity shareholders of TCNS.

In this connection, ABFRL and TCNS have appointed BSM and GTVAPL respectively, to submit a joint report recommending the fair share exchange ratio to Audit Committee / Board of Directors / any other committee formulated by the respective Companies for the Proposed Amalgamation (hereinafter referred to as "Report"). Accordingly, this Report is in compliance with the regulatory requirements.

It is also understood that the non-convertible debentures ("NCDs") of ABFRL are listed on BSE. We understand that there shall be no change in terms and conditions of the Listed NCDs pursuant to this Scheme. The holders of the Listed NCDs as on the Effective Date will continue to hold the Listed NCDs, without any interruption and on the same terms. We have considered the said NCDs while arriving at the fair exchange ratio.

We would like to emphasize that certain terms of the Proposed Amalgamation are stated in our report, however the detailed terms of the Proposed Amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.

We understand that the appointed date for the Proposed Amalgamation shall be the Effective Date as defined in the Scheme or such other date as the competent authority may direct or approve.



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

For the purpose of this report, we have considered the Valuation Date as May 03, 2023.

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of Valuation Subjects and then arrive at the fair share exchange ratio using internationally accepted valuation methodologies as may be applicable to Valuation Subjects and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India.

The Valuers have worked independently in their analysis. The Valuers have independently arrived at different values per share of the Valuation Subjects. However, to arrive at the consensus on the fair share exchange ratio for the Proposed Amalgamation, appropriate minor adjustments, rounding-off has been done in the values arrived at by the Valuers.

We have been provided with the limited reviewed standalone/ consolidated statement of profit and loss of ABFRL and TCNS for the quarter ended December 31, 2022; provisional financial statements of ABFRL and TCNS for the year ended March 31, 2023. The Management has informed us that there are no other unusual/abnormal events in the Companies materially impacting their operating/ financial performance after March 31, 2023, until the Report Date. It may be noted that ABFRL and TCNS have not declared any dividend between March 31, 2023 and the Report Date. Further, we have been informed by the Company that to the best of their knowledge, material information regarding the business of each of the Valuation Subjects has been disclosed to us.

We have relied on the above while arriving at fair share exchange ratio for the Proposed Amalgamation.

We have been informed that:

- i) There would not be any capital variation in the Companies till the proposed amalgamation becomes effective, without approval of the shareholders and other relevant authorities.
- ii) Till the Proposed Amalgamation becomes effective, neither of the Companies would declare any substantial dividends having materially different yields as compared to the past few years.
- iii) There would be no significant variation between the draft Scheme and final Scheme approved and submitted with the relevant authorities.

We have been informed that, in the event either of the Companies restructure their equity share capital by way of share split/ consolidation/ issue of bonus shares/ merger/ demerger/ reduction of share capital before the Proposed Amalgamation becomes effective, the issue of shares pursuant to the fair share exchange ratio recommended in this Report shall be adjusted accordingly to take into account the effect of any such corporate actions.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts and in conjunction with the relevant documents referred to therein.



 Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

SOURCES OF INFORMATION

In connection with this exercise, we have received/ obtained the following information about the Valuation Subjects from the Management of the respective Company:

- Annual Reports for the year ended 31 March 2022 and earlier years for ABFRL and TCNS;
- Limited reviewed unaudited standalone/ consolidated statement of profit and loss of ABFRL and TCNS for the quarter ended December 31, 2022;
- Provisional financial statements and standalone/ consolidated balance sheet of ABFRL and TCNS as on March 31, 2023;
- Shareholding pattern of ABFRL and TCNS as at the Report Date;
- Financial Projections of ABFRL for FY 2024 to FY 2028;
- Financial Projections of TCNS for FY 2024 to FY 2028;
- Details of employee stock options granted and outstanding as on the Report Date for ABFRL and TCNS;
- Information about the two-stage acquisition of 51% shareholding of TCNS;
- Draft Scheme of Arrangement between the Companies pursuant to which Proposed Amalgamation is to be undertaken;
- Discussions with the Management to obtain requisite explanation and clarification of data provided, to inter-alia understand their perception of historical and expected future performance of ABFRL and TCNS;
- Information available in public domain and databases such as S&P Capital IQ, AceTp and websites of NSE, BSE etc.;
- Other relevant information and documents for the purpose of this engagement;

During the discussions with the Management, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. Besides the above information and documents, there may be other information provided by the Companies which may not have been perused by us in any detail, if not considered relevant for the defined scope. The Clients have been provided with the opportunity to review the draft report (excluding the recommended fair share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

ABFRL and TCNS have informed us that Axis Capital Limited and ICICI Securities Limited (individually or together referred to as "Fairness Team") have been appointed by the Companies respectively to provide fairness opinion on the fair share exchange ratio for the purpose of the Proposed Amalgamation. Further, at the request of the Companies we have had discussions with the Fairness team in respect of our respective valuation analysis.

PROCEDURES ADOPTED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information.
- Used data related to ABFRL and TCNS and their peers, available in public domain.
- Discussions with the Management to:
 - Understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance.
 - Enquire about the historical financial performance, current state of affairs, business plans, and the future performance estimates.
- Identification of suitable comparable companies in discussion with the Management.
- Undertook Industry Analysis:
 - Researched publicly available market data including economic factors and industry trends that may impact the valuation.



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

- o Analysis of key trends and valuation multiples of comparable companies using proprietary databases subscribed by us or our network firms.
- Obtained and analysed market prices, volume data and other relevant information for ABFRL and TCNS.
- Obtained and analysed data of peers available in public domain, as deemed relevant by us for the purpose of the present exercise.
- Selection of appropriate internationally accepted valuation methodology/(ies), after deliberations and consideration to the sector in which the Valuation Subjects operate and analysis of their business operations.
- Arrived at the equity value of the Valuation Subjects in order to determine fair share exchange ratio for the Proposed Amalgamation.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report is subject to the limitations detailed in respective engagement letters. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the date of this Report ("Report Date"); (iii) unaudited standalone/ consolidated statement of profit and loss of ABFRL for the year ended March 31, 2023 and unaudited standalone/ consolidated balance sheet of ABFRL as on March 31, 2023; (iv) unaudited financial statements for year ended March 31, 2023 of TCNS; (v) Financial projections as provided by the Management for ABFRL and TCNS and the assumptions underlying the financial projections; (vi) accuracy of the information available in public domain with respect to the comparable companies identified including financial information; (vii) market price reflecting the fair value of the underlying equity shares of ABFRL and TCNS; and data detailed in the Section-Sources of Information.

We have been informed that the business activities of the Valuation Subjects have been carried out in the normal and ordinary course between March 31, 2023 and the Report Date and that no material changes have occurred in their respective operations and financial position between March 31, 2023 and the Report Date.

Valuation analysis and results are specific to the purpose of valuation and as per the agreed terms of the respective engagements. It may not be valid for any other purpose or as of any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. This Report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Valuation Subjects and any other matter, which may have an impact on our opinion, on the fair share exchange ratio for the Proposed Amalgamation. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

The recommendation rendered in this Report only represent our recommendation based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.



 Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRI.

The decision to carry out the transaction (including consideration thereof) lies entirely with the Management/ Board of Directors of the respective Company and the work, and the findings shall not constitute recommendation as to whether or not the Management / the Board of Directors of the Company should carry out the transaction.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our respective engagements, we have carried out relevant analysis and evaluations through discussions, calculations and such other means, as may be applicable and available. We have assumed and relied upon, without independently verifying (i) the accuracy of the information that was publicly available, sourced from subscribed databases; and (ii) the accuracy of information made available to us by the Companies; both of which formed a substantial basis for this Report. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute an audit or review in accordance with the auditing standards applicable in India, accounting / financial / commercial / legal / tax / environmental due diligence or forensic/ investigation services and does not include verification or validation work. In accordance with the terms of our engagement / appointment letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financials/ financial information or individual assets or liabilities, provided to us regarding the Companies / subsidiary / associates / joint ventures / investee companies, if any. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in such historical financials / financial statements. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by / on behalf of the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results.

It may herein be noted that the projections are responsibility of the Management. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. We have, therefore, not performed any audit, review or examination of any of the historical information or prospective information used and therefore, we do not express any opinion with regard to the same.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. This Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies / subsidiary / associates / joint ventures / investee companies, if any. No investigation of Companies' (or their investee companies) claim to title of assets has been made for the purpose of this Report and Companies' (or their investee companies) claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. Our conclusion of value assumes that the assets and liabilities of the Valuation Subjects, reflected in their respective latest balance sheets remain intact as of the Report Date.



 Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

It should be understood that the valuation of any entity or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we have relied on explanations provided by the Management and have made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. This valuation could fluctuate with lapse of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions, financial and otherwise, of the companies, and other factors which generally influence the valuation of Valuation Subjects and their assets.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Clients are the only authorized user of this Report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Clients from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this report. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents. The Report should not be used, distributed, circulated copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

We accept no responsibility or any direct or indirect liability towards any third party including but not limited to any person, who may have been provided a copy of this Report for intended use in connection with the Scheme and hence, no party other than the Client shall have any recourse to us in relation to this engagement. In no event, we shall be liable for any loss, damage, cost or expense arising in any way from any acts carried out by the Companies referred herein or any person connected thereto.

We have not carried out any physical verification of the assets and liabilities of the Valuation Subjects and take no responsibility for the identification of such assets and liabilities.

This Report does not look into the business/ commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of fair share exchange ratio for the Proposed Amalgamation only.

We must emphasize that realization of forecasted free cash flow or the realizability of the assets at the values considered in our analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis therefore, will not, and cannot be directed to providing any assurance about the achievability of the final projections. Since the financial forecasts relate to the future, actual results are likely to be different from the projected results because events and circumstances do not occur as expected, and the differences could be material. To the extent that our conclusions are based on the forecasts, we express no opinion on achievability of those forecasts. The fact that we have considered the projections in this valuation exercise should not be construed or taken as our being associated with or a party to such projections.

Certain terms of the proposed amalgamation are stated in our report, however the detailed terms of the proposed amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

The valuation analysis and results thereof for recommendation under this Report are governed by concept of materiality.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

It is understood that this analysis does not represent a fairness opinion. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose. We are not responsible to any other person / party for any decision of such person / party based on this report. Any person / party intending to provide finance / invest in the shares / business of the Valuation Subjects / their holding companies / subsidiaries / associates / investee companies / other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the fair share exchange ratio for the proposed amalgamation and relevant filings with regulatory authorities in this regard, without our prior written consent. It is clarified that reference to this Report in any document and / or filing with any recipient, in connection with the Proposed Amalgamation, shall not be deemed to be an acceptance by the Valuers of any responsibility or liability to any person / party other than the Companies.

In addition, this Report does not in any manner address the price at which equity share of ABFRL and TCNS shall trade following announcement of the Proposed Amalgamation and we express no opinion or recommendation as to how the shareholders of either of the Companies should vote at any shareholders' meeting(s) to be held in connection with the Proposed Amalgamation. Our report and opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

The Valuers will owe the responsibility only to the Board of Directors of the Companies that have appointed them as per the terms of the Engagement letters and nobody else.

Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

Disclosure of RV Interest or Conflict, if any and other affirmative statements

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation, as of the date of the engagement letter till the Report Date. We further state that we are not related to the Company or their promoters, if any or their director or their relatives. Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation.



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

SHAREHOLDING PATTERN

ABFRL

The issued and subscribed equity share capital of ABFRL as of Report Date is INR 948.8 crores consisting of 94,88,13,663 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

Shareholding Pattern as on Report Date	No. of Shares	% Shareholding
Promoter & Group	52,62,99,516	55.5%
Public	41,76,44,601	44.0%
Non-Promoter-Non-Public	48,69,546	0.5%
Grand Total	94,88,13,663	100.0%

Source: Management

We have considered the number of equity shares on diluted basis after taking into account, appropriate adjustments for warrants outstanding and ESOPs, which are not settled through the trust route. Accordingly, the diluted number of equity shares considered by us is 1,01,62,22,831 equity shares of INR 10 each.

TCNS

The issued and subscribed equity share capital of TCNS as of Report Date is INR 12.34 crores consisting of 6,17,23,668 equity shares of face value of INR 2 each.

The shareholding pattern as on Report Date is as follows:

Shareholding Pattern as on Report Date	No. of Shares	% Shareholding
Promoter & Group	1,98,76,757	32.2%
Public	4,18,46,911	67.8%
Grand Total	6,17,23,668	100.0%

Source: Management

We have considered the number of equity shares on diluted basis after taking into account, appropriate adjustments for ESOPs outstanding.

Accordingly, the diluted number of equity shares considered by us is 6,45,11,127 equity shares of INR 2 each.



 Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

APPROACH FOR RECOMMENDATION OF FAIR SHARE EXCHANGE RATIO

The Proposed Amalgamation contemplates amalgamation of TCNS into ABFRL. Arriving at the fair share exchange ratio for the Proposed Amalgamation of TCNS into ABFRL would require determining the relative value of equity shares of ABFRL and TCNS. These values are to be determined independently, but on a relative basis for the Valuation Subjects, without considering the effect of the Proposed Amalgamation.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for Proposed Amalgamation and our reasonable judgment, in an independent and bona fide manner.

The Valuation Approach adopted by BSM and GTVAPL is given in Annexure 1A and 1B respectively (Annexure 1A and 1B together referred to as Annexures).

BASIS OF FAIR EQUITY FAIR SHARE EXCHANGE RATIO

The basis of the amalgamation of TCNS into ABFRL would have to be determined after taking into consideration all the factors and methods mentioned hereinabove. Though different values have been arrived at under each of the approaches/ methods as mentioned in the Annexures, for the purposes of recommending the fair share exchange ratio for Proposed Amalgamation, it is necessary to arrive at a final value for each Valuation Subject. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Valuation Subjects, but at their relative values to facilitate the determination of the fair share exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approaches/ methods applied for the present valuation exercise.

The fair share exchange ratio has been arrived at on the basis of a relative equity valuation of Valuation Subjects based on the various approaches/ methods explained in the Annexures and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Valuation Subjects, having regard to information base, key underlying assumptions and limitations.

While we have provided our recommendation of the fair share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the fair share exchange ratio. The final responsibility for the determination of the fair share exchange ratio at which the Proposed Amalgamation shall take place will be with the Board of Directors of the respective Companies, who should take into account other factors such as their own assessment of the Proposed Amalgamation and input of other advisors.

We have independently applied approaches / methods discussed in the Annexures, as considered appropriate, and arrived at the relative value per share of the Valuation Subjects for determination of fair share exchange ratio for the Proposed Amalgamation. To arrive at the consensus on the fair share exchange ratio for the Proposed Amalgamation, suitable minor adjustments / rounding off have been done.





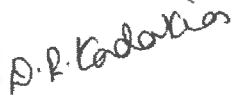

Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

In the light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following fair share exchange ratio for the Proposed Amalgamation:

To the equity shareholders of TCNS

11 (Eleven) equity shares of ABFRL of INR 10/- each, fully paid-up for every 6 (Six) equity shares of TCNS of INR 2/- each, fully paid-up.

It should be noted that we have not examined any other matter including economic rationale for the Proposed Amalgamation per se or accounting, legal or tax matters involved in the Proposed Amalgamation.

<p>Respectfully submitted, BANSI S. MEHTA VALUERS LLP Registered Valuer Registration Number: IBBI/RV – E /06/2022/172</p>   <p>Partner DRUSHTI R. DESAI Registration Number: IBBI/RV/06/2019/10666 UDIN: 23102062864EKT2097 Place: Mumbai Date: May 04, 2023</p>	<p>Respectfully submitted, GT VALUATION ADVISORS PRIVATE LIMITED Registered Valuer Registration Number: IBBI/ RV-E/05/2020/134</p>   <p>Director DARSHANA KADAKIA Registration Number: IBBI/RV/05/2022/14711 Place: Mumbai Date: May 04, 2023</p>
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Annexure 1A - Approach to Valuation – BSM

It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose.

For the purpose of arriving at valuation of the Valuation Subjects, we have considered the valuation base as 'Fair Value'. Our valuation, and this report, is based on the premise of 'going concern value'. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this Report.

It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018, has issued the ICAI Valuation Standards ("IVS") effective for all the valuation reports issued on or after July 1, 2018. IVS are mandatory for a valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. We have given due cognizance to the same in carrying out the valuation exercise.

IVS 301 on Business Valuations deals with valuation of a business or business ownership interest (i.e., it includes valuation of equity shares).

IVS 301 specifies that generally, the following three approaches are used for valuation of business/business ownership interest:

1. Market approach
2. Income approach
3. Cost approach

Each of the above approaches are discussed in the following paragraphs.

1. Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities. The common methodologies under the Market Approach are as under.

a) Market Price Method:

This method involves determining the market price of an entity based on its traded price on the stock exchange over a reasonable period of time.

Equity shares of ABFRL and TCNS are listed on NSE and BSE and are frequently traded.

We have determined the market price of shares of ABFRL and TCNS based on volume weighted average price on NSE (being stock exchange with higher turnover) for sixty days upto the Valuation Date.



 Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

b) Comparable Companies Multiple Method (“CCM”)

This method involves valuing the valuation subject based on market multiples of comparable companies.

We have considered appropriate EV/EBITDA Multiple based on Comparable Companies to the maintainable EBITDA of the businesses.

We have valued the ethnic business of ABFRL by discounting their future cash flows since these are in growth phase where cashflows would be a better indicator of the value.

In our analysis we have taken into consideration the current market parameters and have made adjustments for the two-stage acquisition of 51% shareholding of TCNS

c) Comparable Transaction Multiple Method (“CTM”)

The Transferee Company proposes to acquire substantial stake from the promoters of the Transferor Company and would make an open offer to acquire further shares from the public shareholders. We have also valued TCNS under CTM at the price for the above transactions.

2. Income Approach

Income approach is a valuation approach that converts maintainable future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted, or capitalised) amount.

We have used this approach for valuation of shares of ABFRL and TCNS for which forecasts were made available to us by the Managements.

- *Estimating future free cash flows:*

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company’s capital

- *Appropriate discount rate applied to cash flows to equity i.e., the cost of equity:*

Discount rate, which is the opportunity cost of capital provided i.e. the rate of return the capital provider expects to earn on other investments of equivalent risk.

For the purpose of computing value under the DCF Method, we have relied on the projections provided by the Management. It may be noted that projections are the responsibility of the Management. We have, therefore, Not performed any audit, due diligence of any prospective information used and therefore, do not express any opinion with regards to the same. However, we have reviewed and analysed the projections for their acceptability.

In our analysis we have taken into consideration the current market parameters and have made adjustments for the two-stage acquisition of 51% shareholding of TCNS



 Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

3. Cost Approach:

It is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). IVS 301 on Business Valuations and IVS 103 on Valuation Approaches and Methods specify that common methodologies for Cost Approach are Replacement Cost Method and Reproduction Cost Method. These methods involve determining the value of the asset based on the cost that will have to be incurred to recreate/replicate the asset with substantially the same utility as that of the asset under valuation.

In a going concern scenario earning power of a business, as reflected under the Earnings based and Market approaches, are of greater importance, with the values arrived at on the net assets basis being of limited relevance. Further, ABFRL and TCNS are players in apparel space. They operate predominantly on an asset light rental model. Cost Approach based on the net asset value of a company would not capture the future outlook and the growth potential of the Valuation Subjects. Therefore, we have not used cost approach to determine the value of Valuation Subjects.

Fair Valuation:

We have arrived at the fair value of equity shares of the Valuation Subjects under Market Approach by averaging the value derived under Market Price, Comparable Companies Multiple Method and Comparable Transaction Method (in case of TCNS). The said value is then averaged with value derived under DCF Method by applying weight of 66.7% to Market Approach and 33.3% to Income Approach.

The computation of fair share exchange ratio for Amalgamation of TCNS into ABFRL by BSM is tabulated below:

Valuation Approach	TCNS (A)		ABFRL (B)	
	Value per Share of TCNS (INR)	Weight	Value per Share of ABFRL(INR)	Weight
Cost Approach*	NA	NA	NA	NA
Income Approach – DCF Method (i)	517.2	33.3%	299.7	33.3%
Market Approach				
Market Price Method (ii)	485.5	22.2%	231.2	33.3%
Comparable Transaction Method (iii)**	503.0	22.2%	NA	NA
Comparable Companies Multiples method (iv)	483.5	22.2%	289.4	33.3%
Relative Value per Share (Weighted Average of (i), (ii), (iii) and (iv))	499.5		273.5	
Fair Share Exchange Ratio (A : B) (Rounded)	6 : 11			



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

NA = Not Applied / Not Applicable

*As mentioned earlier, we have not considered it appropriate to determine the value under Cost Approach as the net asset value of a company would not capture the future outlook and the growth potential of the Valuation Subjects.

** We have not used Comparable Transaction Method for ABFRL due to lack of comparable transactions given the size and varied nature of operations of ABFRL.



Annexure 1B - Approach to Valuation - GTVAPL

We have given due cognizance to the ICAI Valuation Standards (“IVS”) for the purpose of arriving at the valuation of the Companies. The valuation base considered is Fair Value. The IVS defines Fair Value as “Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the Valuation Date”.

IVS 301 provides guidance on the valuation approaches and methodologies that can be considered by the valuer for valuation of business asset / business ownership interest (i.e., valuation of equity shares).

As per the guidance provided in IVS 301 following three approaches can be used for valuation of business / business ownership interest. The valuation techniques can be broadly categorized as follows:

- a) Market Approach:
 - i. Market Price Method
 - ii. Comparable Transaction Multiple Method
 - iii. Comparable Companies Multiple Method
- b) Income Approach – Discounted Cash Flow Method
- c) Cost/Asset Approach
 - i. Replacement Cost Method
 - ii. Reproduction Cost Method

Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as business. The commonly used methodologies under this approach are presented hereunder:

Market Price (“MP”) Method

The market price of an equity shares as quoted on stock exchanges is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

The equity shares of Companies are listed on NSE and BSE and there are regular transactions in its equity shares with adequate volumes. Thus, the share prices observed on NSE over a reasonable period, considering the volume traded was higher, have been considered for arriving at the value per equity share of the Companies under the Market Price method. We have considered the volume weighted average price on NSE, for Sixty trading days up to the Valuation Date.

Comparable Companies Multiple (“CCM”) Method

Under this method, value of the equity shares of a company/ business undertaking is arrived at by using multiples derived from valuations of comparable companies traded on active market. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The value arrived using the relevant multiples under this method is adjusted for cash and cash equivalents, investments, debt & debt-like items and other matters as considered appropriate.



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

In the present valuation analysis, we carried out research on comparable companies for ABFRL and TCNS, listed on Indian Stock exchanges and having similar operations. The multiples of identified comparable companies have been applied for determining the value per share of the Companies under this method.

Further, we have undertaken the valuation of ABFRL using the Sum of the Parts ("SOTP") method, for which we have valued the standalone business comprising of lifestyle and stores business segment and have separately derived the fair value of its operating investee companies / subsidiaries / JVs which represents Ethnic wear business.

Comparable Transaction Multiple ("CTM") Method

Under this method, the value of the equity shares of a company/ business undertaking is arrived at by using the prices / multiples implied by reported transactions of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. This method also includes deriving the value of the subject company from a transaction involving the company's own securities, with appropriate adjustments as necessary.

We have been informed, that the Transferee Company proposes to acquire a significant stake from the promoters of the Transferor company. Pursuant to the acquisition, the Transferee Company shall make an open offer to the public shareholders. Taking into consideration the proposed transaction, it is deemed appropriate to take in to consideration the transaction value for the valuation of TCNS.

Discounted Cash Flow ("DCF") Method

The DCF method values the asset by discounting the expected free cash flows expected to be generated by the asset for the explicit forecast period and also the perpetuity value (or terminal value) in case of assets with indefinite life.

The DCF analysis is mainly based on the following elements:

a) Estimated future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital – both debt and equity.

b) Appropriate discount rate to be applied to cash flows i.e., the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

In general DCF method is a widely accepted valuation methodology, as it concentrates on the cash generation potential of the business. Thus we have used this method to capture the values of the Companies.

We have used the free cashflow to firm (the "FCFF") approach under the DCF method to estimate the equity values, based on the financial projections of the Companies provided by their respective managements. We have undertaken the valuation of ABFRL using the Sum of the Parts ("SOTP") method, for which we have valued the standalone business comprising of lifestyle and stores business segment and have separately added the value of its operating investee companies / subsidiaries / JVs which represents Ethnic wear business.



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

Please note that we have relied on explanations, financial projections and information provided by the managements of the Companies. The financial projections and its underlying assumptions are only the best estimates of the respective managements for the companies' growth and sustainability of profitability margins. Although, we have reviewed the data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.

Cost Approach

As per IVS 103, Cost Approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). IVS 301 on Business Valuations and IVS 103 on Valuation Approaches and Methods specify that common methodologies for Cost Approach are Replacement Cost Method and Reproduction Cost Method. These methods involve determining the value of the asset based on the cost that will have to be incurred to recreate/replicate the asset with substantially the same utility as that of the asset under valuation.

The Cost Approach is generally used when an asset can be quickly recreated with substantially the same utility as the asset to be valued; or in case where liquidation value is to be determined; or income approach and /or market approach cannot be used. We have therefore not considered the Cost Approach for Valuation Subjects.

Fair Valuation:

We have arrived at the fair value of equity shares of both Companies by applying below mentioned weights to the value derived under various methods.

The computation of fair equity share exchange ratio for Amalgamation of TCNS into ABFRL by GTVAPL is tabulated below:

Valuation Approach	TCNS (A)		ABFRL (B)	
	Value per Share of TCNS (INR)	Weight	Value per Share of ABFRL(INR)	Weight
Cost Approach*	NA	NA	NA	NA
Income Approach – DCF Method (i)	487.7	33.3%	286.2	33.3%
Market Approach				
Market Price method (ii)	485.5	22.2%	231.2	33.3%
Comparable Transaction method (iii)**	503.0	22.2%	NA	NA
Comparable Companies Multiples method (iv)	477.0	22.2%	280.9	33.3%
Relative Value per Share (Weighted Average of (i),(ii), (iii) and (iv))	488.2		266.1	
Fair Share Exchange Ratio (A/B) (Rounded)	6 : 11			

NA = Not Applied / Not Applicable



Recommendation of share exchange ratio for the proposed amalgamation of TCNS into ABFRL

*As mentioned earlier, the Cost/Asset approach is not used in the present case, since both the Companies i.e., ABFRL & TCNS, are going concerns and hence an actual realization of their operating assets is not contemplated.

**We have not considered this method for valuation of ABFRL as we were not able to identify closely comparable transactions in the recent past.



May 05, 2023

To,

The Board of Directors,
TCNS Clothing Co. Limited
 119, New Manglapuri, W House, Mandi Road,
 Sultanpur, Mehrauli,
 New Delhi-110030

Sub: Fairness opinion to the Board of Directors of TCNS Clothing Co. Limited (“TCNS”) on the recommendation of Share Exchange Ratio for amalgamation of TCNS into Aditya Birla Fashion and Retail Limited (“ABFRL”) by way of merger by absorption (together referred to as “Companies”)

In terms of our engagement with TCNS dated 30th April, 2023, TCNS has requested ICICI Securities (“I-Sec”) to provide a fairness opinion to the Board of Directors of TCSN on the Share Exchange Ratio suggested by the Registered Valuers for proposed amalgamation of TCNS into ABFRL by way of merger by absorption as provided in the Scheme of Amalgamation (“Scheme”).

BACKGROUND, PURPOSE AND USE OF THIS FAIRNESS OPINION

Aditya Birla Fashion and Retail Limited (“ABFRL”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed in India on the National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”). ABFRL is engaged in the business of manufacturing, marketing, sales and/or distribution of fashion apparel, footwear and accessories through offline and/or online channels including wholesale, retail and e-commerce under multiple owned and licensed brands.

TCNS Clothing Co. Limited (“TCNS”) is a public limited Company incorporated in India having its equity shares of TCNS are listed on BSE and NSE. TCNS is primarily engaged in the business of women apparels and accessories under the brand name “W”, “Aurelia”, “Wishful” and “Elleven”.

It is understood from perusal of the draft Scheme of Amalgamation (‘Draft Scheme’) shared with us that ABFRL proposes to acquire shares in TCNS from its promoters pursuant to a Share Purchase Agreement which would trigger an open offer under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 (“Takeover Code”). We further understand that the Board of Directors of the Companies are contemplating the amalgamation of the TCNS into ABFRL, by way of merger by absorption and dissolution of TCNS without winding up pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (‘the Act’) and rules relating thereto including relevant SEBI regulations.

ABFRL acquiring 51% (fifty-one percent) of the paid-up equity share capital of TCNS pursuant to the above steps is a condition precedent to the effectiveness of the Scheme.



Rationale of the Scheme: The Scheme has provided that amalgamation of TCNS into ABFRL pursuant to Sections 230 to 232 and other applicable provisions of the Act, and also read with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961 ('IT Act'), has been done with the view to achieve the following benefits:

- (i) Strengthening of organizational capabilities around operational and financial areas, driving scale benefits through leveraging resources;
- (ii) Enabling coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive apparel portfolio; entering newer markets and driving penetration;
- (iii) Creating revenue synergies through sharing of consumer understanding, market insights, channel models to ensure faster go to market and achieve faster growth with fewer resources;
- (iv) Driving synergy benefits around back-end; driving optimal utilization of resources and building centers of excellence for a larger company;
- (v) Enhancing organizational capabilities arising from pooling of talent and human capital, providing strength to operate strongly in a highly fragmented market;
- (vi) Enabling more coordinated and comprehensive business management with clear focus on driving common goals; allowing for more efficient allocation of capital and resources for growth;
- (vii) Driving channel efficiencies by providing opportunity to cross-sell products across markets;
- (viii) Streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses;
- (ix) Post Scheme, ABFRL to become a platform for building category-led business and be better placed to adequately finance the growth prospects of the business;
- (x) Driving cost synergies and reducing overlaps between businesses.

The Board of TCNS has appointed GT Valuation Advisors Private Limited ("GT") as Registered Valuer to determine and recommend the Share Exchange Ratio for the Proposed Transaction, on a going concern basis with May 03, 2023 being the valuation date. ABFRL has appointed Bansri S. Mehta Valuers LLP ("BSM") for the same purpose as stated above. In this connection, pursuant to the requirements of SEBI Operational Circular SEBI/HO/DDHS/DDHS_DIV1/P/CIR/ 2022/0000000103 dated 29 July 2022, updated as on 1 December 2022 and SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021, we have been requested by the Board of Directors of TCNS to render an opinion on whether the Share Exchange Ratio determined and recommended by the Registered Valuer vide their report dated May 05, 2023 is fair.

The Registered Valuer has recommended the following for the Proposed Transaction:

Share Exchange Ratio 1:

"11 (eleven) equity shares of ABFRL of INR 10/- each, fully paid-up for every 6 (six) equity shares of TCNS of INR 2/- each, fully paid-up."

This fairness opinion is intended only for the sole use and information of the Board of Directors of TCNS and only in connection with the Proposed Transaction. We are not responsible in any way to any other person / party for any decision of such person or party based on this fairness opinion. Any person / party intending to provide finance / invest in the shares / business of any of the companies involved in the Transaction or their subsidiaries / joint ventures / associates shall do so after seeking their own



professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of this fairness opinion or any part thereof, other than in connection with the Transaction as aforesaid can be done only with our prior permission in writing.

SOURCES OF INFORMATION

In arriving at our opinion set forth below, we have relied on:

- a) Discussions (including oral) with, the draft and final valuation report and workings of the Registered Valuer;
- b) Discussions (including oral) with the managements of the Companies in connection with the operations of the respective Companies/ subsidiaries, past and present activities, future plans and prospects, details of the proposed deal in certain subsidiaries of the Companies as recently announced, share capital and shareholding pattern of the Companies;
- c) Details of employee stock options granted and outstanding;
- d) Salient features of the Scheme of Amalgamation
- e) Historical financials of the Companies/ their subsidiaries/ associates/ joint ventures/ investee companies/ their businesses
- f) Projections of the Companies and the subsidiaries, as applicable
- g) Obtained and analysed market prices, volume data and other relevant information for ABFRL and TCNS.
- h) Obtained and analysed data of peers available in public domain, as deemed relevant by us for the purpose of the present exercise.
- i) Other relevant information and documents for the purpose of this engagement

SCOPE LIMITATIONS

Our fairness opinion is subject to the scope limitations detailed hereinafter. As such the fairness opinion is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Our work does not constitute an audit, due diligence or certification of the historical financial statements in relation to the Companies including their respective working results or businesses referred. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this fairness opinion. Our analysis and results are specific to the purpose of the exercise of giving our fairness opinion as described hereinabove. It may not be valid for any other purpose or if provided on behalf of any other entity. Our fairness opinion is addressed to and is solely for the benefit of the Board of Directors of TCNS and should not be publicly or otherwise circulated, provided or disclosed to any person, authority (including regulatory authority), entity or any public or private platform without our prior written consent. No other person, entity or regulatory authority shall, save with our written consent, rely on this opinion or any part thereof.



We have considered financial information up to March 31, 2023 in our analysis and have made adjustments for facts made known to us till the date of our report, including taking into consideration current market parameters. An exercise of this nature involves consideration of various factors. This fairness opinion is issued on the understanding that each of the Companies have drawn our attention to all the matters which may have an impact on our opinion including any significant changes that have taken place or are likely to take place in the financial position or businesses upto the date of approval of the Scheme by the Board of Directors. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.

In the course of the present exercise, we were provided with both written and verbal information, including financial data. The terms of our engagement were such that we were entitled to rely upon the information provided without detailed inquiry. Also, we assume that the management of each of the Companies, has not omitted any relevant and material factors for the purposes of the work which we have undertaken in connection with this fairness opinion.

We shall have no obligation to verify the accuracy or completeness of any information or express any opinion or offer any form of assurance regarding the accuracy or completeness of such information and shall not assume any liability therefor. We assume no responsibility whatsoever for any errors in the information furnished to us and their impact on the present exercise.

We express no opinion whatsoever and make no recommendation at all to the shareholders or secured or unsecured creditors of each of the Companies, as to how they should vote at their respective meetings held in connection with the Scheme. We do not express and should not be deemed to have expressed any views on any other term of the Scheme. We also express no opinion and accordingly accept no responsibility with respect to the financial performance of the Companies following the consummation of the Scheme. We also express no opinion on the likely market price of TCNS and ABFRL post the consummation of the Scheme.

No investigation with respect to the claim to title of assets of each of the Companies has been made for the purpose of this exercise and the same has been assumed to be valid. We have not placed any individual value on the assets of each of the Companies and have also not considered any liens or encumbrances on the same. Further we have not opined and accordingly do not take responsibility whatsoever for matters of a legal nature. Also we are not opining on matters related to taxation. This fairness opinion should not be construed as a certification regarding the compliance of the Scheme with the provisions of any law including Companies Act, tax laws and capital market related laws or as regards any legal implications or issues arising from the Scheme.

In the ordinary course of business, ICICI Securities Limited and its affiliates is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of ICICI Securities Limited may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Scheme.

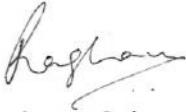


RATIONALE & CONCLUSION

In the circumstances, having regard to all relevant factors and on the basis of information and explanations given to us, we are of the opinion on the date hereof, that the Share Exchange Ratio, as recommended by the Registered Valuers is fair.

Yours faithfully,

For ICICI Securities Limited,



Raghavan Subramanian

Senior Vice President

ICICI Securities, Mumbai

Date: May 5, 2023

CONFIDENTIAL

Date: May 5, 2023

To
 The Board of Directors,
 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
 Dear Members of the Board:

I. Engagement Background

We, Axis Capital Limited ("Axis") understand that the Board of Directors of Aditya Birla Fashion and Retail Limited ("ABFRL" or the "Transferee Company") and TCNS Clothing Co. Limited ("TCNS" or the "Transferor Company") are considering a merger of TCNS into ABFRL. The proposed merger is to be carried out pursuant to a Scheme of Amalgamation ("Scheme") under the relevant sections of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), as may be applicable.

We understand from the management of ABFRL that, pursuant to the proposed merger, the equity shareholders of TCNS will be issued equity shares of ABFRL as consideration for their respective shareholding in TCNS. The terms and conditions of the proposed merger are more fully set out in Draft Scheme shared with us on 4th May, 2023 ("Draft Scheme"), the final version of which will be filed by the aforementioned companies with the appropriate authorities. It is contemplated in the Draft Scheme that the Transferee Company shall hold 51% of the equity share capital of the Transferor Company pursuant to an open offer by the Transferee Company as a condition precedent to effectiveness of the Scheme. Our Opinion is based on this assumption.

We further understand that the share exchange ratio for the proposed merger has been arrived at based on the joint valuation report dated 4th May, 2023 prepared by Bansi S. Mehta Valuers LLP and GT Valuation Advisors Private Limited (the "Valuers"), who have been independently appointed for this exercise by ABFRL and TCNS respectively.

Based on our perusal of the valuation report dated 4th May, 2023 prepared by the Valuers, we understand that it has been proposed that pursuant to the amalgamation of TCNS into ABFRL, for every 6 (six) fully paid up equity shares of the face value of INR 2 each held by the shareholders of TCNS, ABFRL shall issue and allot 11 (eleven) fully paid up equity shares of the face value of INR 10 each of ABFRL (hereinafter referred to as the "Share Exchange Ratio")

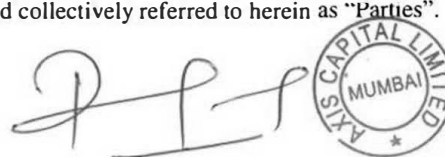
In connection with the aforesaid, you requested our opinion ("Opinion"), as of the date hereof, as to the fairness of the Share Exchange Ratio, as proposed by the Valuers, from a financial point of view to the shareholders of ABFRL.

ABFRL and TCNS shall hereinafter be individually referred to as "Party" and collectively referred to herein as "Parties".

Axis Capital Limited
 (Erstwhile "Axis Securities and Sales Limited")
 SEBI Merchant Regn No.: MB/INM000012029
 Member Of: BSE Ltd. & National Stock
 Exchange of India Ltd., Mumbai.
 CIN No.: U51900MH42005PLC157853

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II. Basis of Opinion

The rationale for the Scheme as shared with us by the ABFRL's management is based on the amalgamating companies and their respective shareholders, employees, creditors and other stakeholders benefiting from the following advantages:

- Strengthening of organizational capabilities around operational and financial areas, driving scale benefits through leveraging resources;
- Enabling coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive apparel portfolio; entering newer markets and driving penetration;
- Creating revenue synergies through sharing of consumer understanding, market insights, channel models to ensure faster go to market and achieve faster growth with fewer resources;
- Driving synergy benefits around back-end such as procurement, logistics, supply chain, technology operations and shared services; driving optimal utilization of resources and building centers of excellence for a larger company;
- Enhancing organizational capabilities arising from pooling of talent and human capital with diverse skill sets and experience in areas such as design, sourcing and consumer insights, providing strength to operate strongly in a highly fragmented market;
- Enabling more coordinated and comprehensive business management with clear focus on driving common goals around building best quality products, wide distribution, efficient operations, brand building; allowing for more efficient allocation of capital and resources for growth;
- Driving channel efficiencies by providing opportunity to cross-sell products across markets;
- Streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses;
- Post Scheme, Transferee Company to become a platform for building category-led business and be better placed to adequately finance the growth prospects of the business;
- Driving cost synergies and reducing overlaps between businesses.

Some key details related to each of the aforesaid companies is as under –

TCNS is a public company, limited by shares and its equity shares are listed on NSE and BSE Limited incorporated under the provisions of the Companies Act, 1956 and has its registered office at 119, New Manglपुरi, W-House, Mandi Road, Sultanpur, Mehrauli, New Delhi-110 030. TCNS is engaged in the business of designing, manufacturing, branding and retailing of women apparel and accessories.

ABFRL is a public company, limited by shares and its equity shares are listed on NSE and BSE Limited, incorporated under the provisions of the Companies Act, 1956 and has its registered office at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070. ABFRL is engaged in the business of manufacturing, marketing, sales and/or distribution of fashion apparel, footwear and accessories through offline and/or

Axis Capital Limited
(Erstwhile "Axis Securities and Sales Limited")
SEBI Merchant Regn No.:MB/INM000012029
Member Of: BSE Ltd. & National Stock
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Registered Office
Axis House, 8th Floor, Wadia International Centre,
Pandurang Budhkar Marg, Worli, Mumbai - 400 025



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online channels including wholesale, retail and e-commerce under multiple owned and licensed brands. Unsecured, redeemable, non-convertible debentures (“NCDs”) issued by the Transferee Company are listed on BSE Limited.

The key features of the Scheme provided to us through the Draft Scheme are as under:

1. With effect from the Appointed Date (as defined in the Draft Scheme) and upon the scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern
2. As consideration for the merger of TCNS into ABFRL, ABFRL shall issue and allot equity shares to the equity shareholders of TCNS proportionate to their holding in TCNS
3. ABFRL shares to be issued and allotted by ABFRL in terms of the Scheme shall be subject to the provisions of the memorandum and articles of association of the ABFRL and shall rank *pari passu* in all respects and shall have the same rights attached to the then existing equity shares of ABFRL
4. Upon the coming into effect of the Scheme, TCNS shall stand dissolved without being wound up.
5. Share Exchange Ratio is based on the joint valuation report dated 4th May, 2023 submitted by Bansi S. Mehta Valuers LLP and GT Valuation Advisors Private Limited.

We have relied upon the Draft Scheme and taken the abovementioned key features of the scheme (together with other facts and assumptions set forth in section III of this Opinion) into account while determining the meaning of “fairness”, from a financial point of view, for the purposes of this Opinion.

III. Limitation of Scope and Review

Our Opinion and analysis are limited to the extent of review of documents as provided to us by ABFRL and TCNS including the draft valuation report prepared by the Valuers and the Draft Scheme.

In connection with this Opinion, we have:

- (i) reviewed the Draft Scheme and the valuation report dated 4th May, 2023 prepared by the Valuers;
- (ii) reviewed certain publicly available historical and operational information with respect to each of the relevant entities available in their respective annual & interim reports and company presentations;
- (iii) reviewed certain historical business and financial information as well as financial projections, relating to each of the relevant entities, as provided by the respective companies, and sought certain clarifications with respect to the same;
- (iv) considered publicly available research on TCNS and ABFRL as available with us as at the date hereof;
- (v) held discussions with the Valuers, in relation to the approach taken to valuation and the details of the various methodologies utilised by them in preparing the valuation report and recommendations;
- (vi) sought various clarifications from the respective senior management teams of the relevant companies;

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Exchange of India Ltd., Mumbai.
CIN No. U51900MH2005PLC157853

Corporate Office
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Pandurang Budhkar Marg, Worli, Mumbai - 400025



- (vii) reviewed historical stock prices and trading volumes of ABFRL's and TCNS's shares on BSE Limited & NSE Limited.
- (viii) performed such other financial analysis and considered such other information and factors as we deemed appropriate.

We have assumed and relied upon the accuracy and completeness of all information and documents provided to us, data publicly available or otherwise reviewed by or discussed with us. We have relied upon the Transferee Company and the Transferor Company assurances that they are not aware of any facts or circumstances that would make such information or data incomplete, inaccurate or misleading in any material respect.

All the factual information pertaining to the Scheme used by Axis for its analysis is solely based on the information provided by the Parties. Axis does not assume any responsibility as to the authenticity of the aforementioned details. Further, the assumptions used for the preparation of the forecasts are based on our discussion with the management of Transferor and Transferee Company and our current understanding of the relevant sub-markets. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period may differ from the forecast and such differences may be material.

We have not carried out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of ABFRL and TCNS, and / or their subsidiaries/affiliates. In particular, we do not express any opinion as to the value of any asset of ABFRL and TCNS, and / or their subsidiaries/affiliates, whether at current time or in the future. No investigation of ABFRL's and TCNS's claim to title of assets has been made for the purpose of the exercise and the claim to such rights has been assumed to be fully valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility whatsoever is assumed for matters of a legal nature. Further, we have not evaluated the solvency or fair value of ABFRL and / or TCNS and / or their subsidiaries/affiliates under any law relating to bankruptcy, insolvency or similar matter.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover, in this case where equity shares of ABFRL are being issued as consideration to the shareholders of TCNS, it is not the absolute per share value that is important for framing an opinion but the relative per share value of ABFRL vis-à-vis per share value of TCNS.

We have assumed, with the Transferee Company's consent, that the scheme will be in compliance with all the applicable laws and other requirements and will be implemented on the terms described in the Draft Scheme, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Transferee Company, Transferor Company and / or their relevant subsidiaries/ affiliates and their respective shareholders. We have assumed, at the directions of the Transferee Company that the final scheme will not differ in any material respect

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P P S



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from the Draft Scheme. We understand from the Transferee Company's management that the scheme will be given effect to in totality and not in parts.

We express no view or opinion as to any terms or other aspects of the Draft Scheme (other than the Share Exchange Ratio, from a financial point of view) including, without limitation, the form or structure of the proposed transaction. We were not requested to, and we did not, participate in the negotiations for the proposed transaction. Our Opinion is limited to the fairness, from a financial point of view, of the Share Exchange Ratio proposed by the Valuers, to the shareholders of ABFRL. Our analysis relates to the relative values of ABFRL and TCNS. However, the actual transaction value may be significantly different from the result of our analysis and would depend on a number of factors, including the negotiating ability and motivations of the respective buyer and seller. We express no opinion or view with respect to the financial implications of the proposed transaction for any stakeholders, including creditors of the Transferee and/or the Transferor Company.

We understand, based on the information provided by the management of ABFRL and our review of the Draft Scheme, that there shall be no change in terms and conditions of the listed NCDs of ABFRL pursuant to this Scheme and that the holders of the listed NCDs as on the Effective Date of the Scheme will continue to hold the listed NCDs without any interruption and on the same terms.

We express no view as to, and our Opinion does not address, the underlying business decision of the Transferee Company to effect the proposed transaction, the relative merits of the proposed transaction as compared to any other alternative business strategy, the effect of the proposed transaction on the Transferee Company or its affiliates, including, without limitation, possible implications on ownership structure, listing format, capital structure or trading price of ABFRL's shares post completion of the proposed transaction. The Transferee Company remains solely responsible for the commercial assumptions on the basis of which it agrees to proceed with the proposed transaction. Our Opinion is necessarily based only upon information as referred to in this letter. We have relied solely on representations, made by the management of ABFRL and TCNS, for areas where the same has been made.



We do not express any Opinion as to any tax or other consequences that might arise from the scheme on ABFRL, TCNS and / or their subsidiaries/affiliates, and their respective shareholders, nor does our Opinion address any legal, tax, regulatory (including all SEBI regulations) or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, Governmental investigation or other contingent liabilities to which the Transferee Company, Transferor Company and/or their subsidiaries/affiliates, are/or may be a party.

Our Opinion is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to us, as of the date hereof. We have not factored, in our analysis, the outcome of any contingent events envisioned in the Draft Scheme, other than as represented to us by the Transferee Company or the Transferor

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Company. It should be understood that subsequent developments may affect this Opinion and we assume no responsibility for updating or revising our Opinion based on circumstances or events occurring after the date hereof. It is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

Our Opinion also does not address any matters otherwise than as expressly stated herein, including but not limited to matters such as corporate governance, shareholders rights or any other equitable considerations. We have also not opined on the fairness of any terms and conditions of the scheme other than the fairness, from a financial point of view, of the Share Exchange Ratio proposed by the Valuers, to the shareholders of ABFRL.

We have provided our recommendation as to the fairness of the Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement. The final responsibility for the determination of the exchange ratio at which the merger shall take place will be with the Board of Directors of the respective companies who should take into account other factors such as their own assessment of the merger.

We may have in the past provided, and may currently or in the future provide, investment banking services to the Transferee Company, Transferor Company and/or their subsidiaries or their respective affiliates that are unrelated to the proposed scheme, for which services we have received or may receive customary fees. Our engagement as a fairness opinion provider is independent of our other business relationships, which we may have with the Transferee Company, Transferor Company and/or their subsidiaries or their respective affiliates. In addition, in the ordinary course of their respective businesses, affiliates of Axis Capital Limited may invest in securities of the Transferee Company, Transferor Company and / or their subsidiaries or group companies, for their own accounts and for the accounts of their customers subject to compliance of SEBI (Prohibition of Insider Trading) Regulations and, accordingly, may at any time hold a position in such securities. We will not be responsible to any other person/party for any decision. Our engagement and the Opinion expressed herein are solely for the benefit of the Board of Directors of the Transferee Company (in its capacity as such) in connection with its consideration of the scheme and for none other. Delivery of our Opinion does not create any fiduciary or equitable duties on Axis Capital Limited (including, without limitation, any duty of trust or confidence). It is hereby notified that any reproduction, copying or otherwise quoting of this document or any part thereof except for the purpose mentioned herein or as may permitted under applicable law can only be done with our prior permission in writing. Further, our Opinion is being provided only for the limited purpose of complying with the SEBI regulations and the requirement of the stock exchanges on which the Company is listed or as required under applicable law, and for no other purpose, other than as set out above. Neither Axis Capital Limited, nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, make any representation or warranty, express or implied, as to the information and documents provided to us, based on which the Opinion has been issued; and all such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained therein.

The Company has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final Opinion.

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The fee for our services is not contingent upon the results of the proposed merger. This document is governed by and construed in accordance with the laws of India. For disputes, if any, regarding to this Opinion, the Parties agree to submit to the exclusive jurisdiction of the courts in Mumbai, India.

Our Opinion is not intended to and does not constitute a recommendation to any party as to how such party should vote or act in connection with the scheme or any matter related thereto.

IV. Conclusion

Based on and subject to the foregoing, we are of the opinion that, as of the date hereof, the Share Exchange Ratio, as proposed by the Valuers, is fair to the shareholders of ABFRL from a financial point of view.

Very truly yours,

For Axis Capital Ltd.



Ravindra Goyal
Senior Vice President – M&A Advisory

5th May, 2023



ANNEXURE VII

Format for Complaints Report:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0*
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

* 1 Complaint was received by Merchant Banker before filing of the Scheme with BSE, which was duly addressed.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	-	-	-
2.	-	-	-
3.	-	-	-

Thanking you,
Yours faithfully,
For Aditya Birla Fashion and Retail Limited



Name: Anil Malik
Designation: President & Company Secretary
Date: 16.06.2023

ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered Office:

Piramal Agastya Corporate Park, Building 'A',
4th and 5th Floor, Unit No. 401, 403, 501, 502,
L.B.S. Road, Kurla, Mumbai - 400 070

CIN: L18101MH2007PLC233901

Tel.: +91 86529 05000

Fax: +91 86529 05400

Website: www.abfrl.com

E-mail: secretarial@abfrl.adityabirla.com



Annexure K

Format for Complaints Report:

Period of Complaints Report: June 9, 2023 to June 29, 2023

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0*
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

* 1 Complaint was received by Merchant Banker before filing of the Scheme with BSE, which was duly addressed.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	-	-	-
2.	-	-	-
3.	-	-	-

Thanking you,

Yours faithfully,

For Aditya Birla Fashion and Retail Limited

**ANIL
KUMAR
MALIK**
Digitally signed
by ANIL KUMAR
MALIK
Date: 2023.07.03
18:28:04 +05'30'

Name: Anil Malik

Designation: President & Company Secretary

Date: 03.07.2023

ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered Office:

Piramal Agastya Corporate Park, Building 'A',
4th and 5th Floor, Unit No. 401, 403, 501, 502,
L.B.S. Road, Kurla, Mumbai - 400 070

CIN: L18101MH2007PLC233901

Tel.: +91 86529 05000

Fax: +91 86529 05400

Website: www.abfirl.com

E-mail: secretarial@abfirl.adityabirla.com



ANNEXURE VII

Format for Complaints Report
Period of Compliant Report : May 20, 2023 to January 22, 2023

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0*
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

* 1 Complaint was received by Merchant Banker before filing of the Scheme with BSE, which was duly addressed.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	-	-	-
2.	-	-	-
3.	-	-	-

Thanking you,
Yours faithfully,
For Aditya Birla Fashion and Retail Limited



Name: Anil Malik
Designation: President & Company Secretary
Date: January 22, 2024

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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Fax: +91 86529 05400

Website: www.abfrl.com
E-mail: secretarial@abfrl.adityabirla.com

Complaints Report
Period: May 20, 2023 to June 9, 2023

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0*
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

*A query was initially received on 8th May 2023 and duly responded. Subsequently follow up queries from the same shareholder dated 15th May 2023 and 23rd May 2023 were received. The Company has aptly responded and shared requisite details with a final response sent on 30th May 2023. The Company has not received any communication thereafter from the shareholder and the query has been resolved.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	-	-	-
2.	-	-	-
3.	-	-	-

Thanking you,

Yours faithfully,

For TCNS Clothing Co. Limited

Name: Piyush Asija

Designation: Company Secretary & Compliance Officer

Place: New Delhi

Date: 16.06.2023



TCNS Clothing Co. Limited

119 & 127, W-HOUSE, NEELGAGAN TOWER, MANDI ROAD, SULTANPUR, MEHRAULI, NEW DELHI-110030, INDIA

PH: 011-42193193, E-mail: corporatecommunications@tcnsclothing.com, www.wforwoman.com, www.shopforaurelia.com

REGD. OFFICE: 119, W-HOUSE, NEELGAGAN TOWER, MANDI ROAD, SULTANPUR, MEHRAULI, NEW DELHI- 110030

CIN- L99999DL1997PLC090070

Complaints Report

Period: June 9th, 2023 to June 29th, 2023

Part A

S. No	Particulars	Number
1.	Number of complaints received directly	0*
2.	Number of complaints forwarded by Stock Exchange/ SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

*A query was initially received on 8th May 2023 and duly responded. Subsequently follow up queries from the same shareholder dated 15th May 2023 and 23th May 2023 were received. The Company has aptly responded and shared requisite details with a final response sent on 30th May 2023, The Company has not received any communication thereafter from the Shareholder and the query has been resolved.

Part B

S.No.	Name of complainant	Date of Complaint	Status (Resolved/Pending)
1.	-	-	-
2.	-	-	-
3.	-	-	-

Thanking You,
Yours faithfully,
For TCNS Clothing Co. Limited

**PIYUSH
ASIJA**

Digitally signed by
PIYUSH ASIJA
Date: 2023.06.30
16:51:15 +05'30'

Name: Piyush Asija
Designation: Company Secretary & Compliance Officer

Place: New Delhi
Date: 30.06.2023



TCNS Clothing Co. Limited

119 & 127, W-HOUSE, NEELGAGAN TOWER, MANDI ROAD, SULTANPUR, MEHRAULI, NEW DELHI-110030, INDIA
PH: 011-42193193, Fax: 011-42193194, E-mail: corporatecommunications@tcnsclothing.com, www.wforwoman.com, www.shopforaurelia.com
REGD. OFFICE: W-HOUSE, NEELGAGAN TOWER, MANDI ROAD, SULTANPUR, MEHRAULI, NEW DELHI- 110030, INDIA
CIN- L99999DL1997PLC090978

Complaints Report
Period: May 20, 2023 to January 22, 2024

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0*
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

*A query was initially received on 8th May 2023 and duly responded. Subsequently follow up queries from the same shareholder dated 15th May 2023 and 23rd May 2023 were received. The Company has aptly responded and shared requisite details with a final response sent on 30th May 2023. The Company has not received any communication thereafter from the shareholder and the query has been resolved.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	-	-	-
2.	-	-	-
3.	-	-	-

Thanking you,
Yours faithfully,
For TCNS Clothing Co. Limited

AMIT Digitally signed
by AMIT CHAND
Date:
CHAND 2024.01.23
15:05:02 +05'30'

Name: Amit Chand
Designation: Chief Financial Officer

Place: New Delhi
Date: 23.01.2024



TCNS CLOTHING CO. LIMITED

REGD. OFFICE: PIRAMAL AGASTYA CORPORATE PARK, BUILDING 'A', 4TH AND 5TH FLOOR, UNIT NO. 401, 403, 501, 502, L.B.S. ROAD, KURLA, MUMBAI, MAHARASHTRA – 400070, INDIA

CORP OFFICE: 119 & 127, W-HOUSE, NEELGAGAN TOWER, MANDI ROAD, SULTANPUR, MEHRAULI, NEW DELHI-110030, INDIA

PH: 011-42193193, Email: investors@tcnsclothing.com, www.wforwoman.com, www.shopforaurelia.com

CIN: L99999MH1997PLC417265

DCS/AMAL/JP/R37/3102/2023-24

“Revised Letter”

March 14, 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

The Company Secretary,
TCNS Clothing Co. Ltd.
Piramal Agastya Corporate Park, Building A,
Unit No 401, 403, 501, 502, 4th and 5th Floor, L
B S Road, Kurla, Mumbai, Maharashtra, 400070

Dear Sir,

Sub: Observation letter regarding the Scheme of Amalgamation between Aditya Birla Fashion and Retail Limited (Transferee Company) and TCNS Clothing Co. Ltd (Transferor Company) and its Shareholders and Creditors

We are in receipt of Scheme of Amalgamation between Aditya Birla Fashion and Retail Limited (Transferee Company) and TCNS Clothing Co. Ltd (Transferor Company) and its Shareholders and Creditors filed by Aditya Birla Fashion and Retail Limited (Transferee Company) and TCNS Clothing Co. Ltd (Transferor Company) 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 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS_DivI/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated March 14, 2024 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

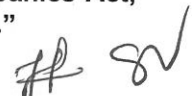
SEBI comments in accordance with Regulation 37(1) of SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023

- a. “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. “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 Circular and ensure that all 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

Page 1 of 3

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 applicable additional information, if any, to be submitted to SEBI along with draft scheme of arrangement as advised by email dated October 05, 2023 shall form part of disclosures to the shareholders.
- h. “Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.”
- i. “Company shall ensure that the proposed equity shares to be issued in terms 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. “Company is advised to disclose:
 - (i) Details of assets, liabilities, revenue of all the companies involved in the scheme, both pre and post scheme of arrangement.
 - (ii) Write up on the history of the Amalgamating company.
 - (iii) Latest Net worth certificate along with the statement of assets and liabilities of all the companies involved in the scheme, both pre and post scheme of arrangement.
 - (iv) Comparison of revenue and net worth both amalgamating and amalgamated company in last three financial years and
 - (v) The need and rationale and synergies of the scheme along with its impact on the shareholders 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, so that public shareholders can make an informed decision in the matter.
- o. “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.”



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 company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

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 does not preclude the Company from complying with any other requirements.

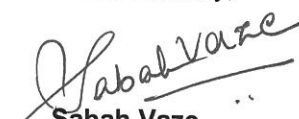
Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed 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.**

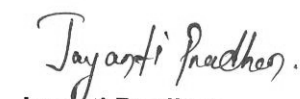
In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

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,


Sabah Vaze
Senior Manager


Jayanti Pradhan
Assistant Manager

DCS/AMAL/JP/R37/3103/2023-24

“Revised Letter”

March 14, 2024

To,

**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

**The Company Secretary,
TCNS Clothing Co. Ltd.**
Piramal Agastya Corporate Park, Building A,
Unit No 401, 403, 501, 502, 4th and 5th Floor, L
B S Road, Kurla, Mumbai, Maharashtra, 400070

Dear Sir/Madam,

Sub: Observation Letter regarding the Scheme of Amalgamation between Aditya Birla Fashion and Retail Limited (Transferee Company) and TCNS Clothing Co. Ltd (Transferor Company) and its Shareholders and Creditors

We are in receipt of the Scheme of Amalgamation between Aditya Birla Fashion and Retail Limited (Transferee Company) and TCNS Clothing Co. Ltd (Transferor Company) and its Shareholders and Creditors by Aditya Birla Fashion and Retail Limited (Transferee Company) and TCNS Clothing Co. Ltd (Transferor Company) as required under SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 along with SEBI circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156 dated November 17, 2022 and Regulation 59A & 94A & Schedule XI OF Listing Regulations and Chapter XII of the SEBI operational Circular ref. no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29,2022, SEBI (LODR) Regulations, 2015; SEBI vide its letter dated September 01, 2023, has inter alia given the following comment(s) on the Scheme of Amalgamation:

- A. “The proposed Scheme of Arrangement for merger by absorption of TCNS Clothing Co. Ltd with Aditya Birla Fashion and Retail Limited shall be in compliance with the provisions of Regulation 11 of the Listing Regulations.”
- 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, for listing obligations and disclosure requirements for Non- Convertible Securities, Securitized Debt Instrument and/ or Commercial Paper.”
- C. “The entities involved in the scheme are advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the Company obliged to bring the observations to the notice of Hon’ble NCLT.”
- D. “Company shall ensure that additional information, if any, submitted by the Listed Entity, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Entity and the Stock Exchange.”
- 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 to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against



the resultant Company, its promoters and directors are disclosed in the scheme filed before Hon'ble NCLT.”

- G. “The resultant Company shall ensure that the “Scheme” shall be acted upon subject to the entities complying with the relevant clause mentioned in the scheme document.”
- H. “Company to 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.”
- I. “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.”
- J. “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.”

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

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. 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 company involved in the format prescribed for abridged prospectus as specified in the circular 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.

Kindly note that as required under Regulation 59A 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 does 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,


Sabah Vaze
Senior Manager


Jayanti Pradhan
Assistant Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/39805/39731_I

March 15, 2024

The Company Secretary TCNS Clothing Co. 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.: Ms. Sonia Bhandari	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
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Dear Sir/ Madam,

Sub: Observation Letter for draft scheme of amalgamation by way of merger by absorption among TCNS Clothing Co. Limited ("TCNS" or "Transferor Company") and Aditya Birla Fashion and Retail Limited ("ABFRL" or "Transferee Company") and their respective shareholders and creditors.

We are in receipt for updated draft scheme of amalgamation by way of merger by absorption among TCNS Clothing Co. Limited ("TCNS" or "Transferor Company") and Aditya Birla Fashion and Retail Limited ("ABFRL" or "Transferee Company") and their respective shareholders and creditors vide application dated January 31, 2024 and January 25, 2024 respectively.

Based on our letter reference no. NSE/LIST/39805/39731 dated February 01,2024, submitted to SEBI pursuant to SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and 94(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), SEBI vide its letter dated March 14, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- 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.*
- The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Companies and the Stock Exchanges.*
- The entities involved in the Scheme shall duly comply with various provisions of the SEBI circulars issued from time to time and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*

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- d) *The Company shall ensure that information pertaining to all the Unlisted Companies involved 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.*
- e) *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.*
- f) *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.*
- g) *The Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- h) *The entities involved in the Scheme shall ensure that no changes to the draft scheme shall be made subsequent to filing the draft scheme with SEBI by the Stock Exchange(s), except those mandated by the regulators/authorities/ tribunals.*
- i) *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.*
- j) *The Company shall ensure that all the applicable provisions under the Companies Act, 2013 and the rules and regulations thereunder are complied, including obtaining the consent from the creditors for the proposed scheme.*
- k) *The Company shall ensure to additionally disclose the following to public shareholders to enable them to take an informed decision:*
- *Details of asset, liabilities, networth, revenue of the companies involved in the Scheme, for both pre and post scheme of arrangement.*
 - *Write up history of amalgamating company.*
 - *Latest net worth certificates along with statement of assets and liabilities of both amalgamating and amalgamated company for both pre and post scheme of arrangement.*
 - *Comparison of revenue and networth of both amalgamating and amalgamating Company in last three financial years*
 - *The need, rationale and synergies of the Scheme along with its impact on the shareholders, as a part of the explanatory statement or notice or proposed 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.*

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Signer: DIPTI VIPIL CHINCHKEDE
Date: Fri, Mar 15, 2024 14:20:05 IST
Location: NSE

- l) *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.*
- m) *The Company shall ensure that applicable additional information submitted by the Company to Stock Exchanges, as advised by the Exchange vide letter dated October 04, 2023 shall form part of the disclosure to shareholders.*

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.

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 March 15, 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.

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Signer: DIPTI VIPIL CHINCHKEDE
Date: Fri, Mar 15, 2024 14:20:05 IST
Location: NSE

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

Dipti Chinchkhede
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>

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Signer: DIPTI VIPIL CHINCHKHEDE
Date: Fri, Mar 15, 2024 14:20:05 IST
Location: NSE



SUMMARY OF THE JOINT VALUATION REPORT ALONG WITH BASIS OF VALUATION

1. Aditya Birla Fashion and Retail Limited ("ABFRL") engaged Bansi S. Mehta Valuers LLP, Registered Valuer having registration No. IBBI Registration No. IBBI/RV-E/06/2022/172 and TCNS Clothing Co. Limited ("TCNS") engaged GT Valuation Advisors Private Limited, Registered Valuer having registration No. IBBI Registration No. IBBI/RV-E/05/2020/134, (collectively referred as "Joint Valuers") for undertaking and jointly advising the fair share exchange ratio for the proposed amalgamation of TCNS with ABFRL.
2. A joint share exchange ratio report dated May 4, 2023 ("Joint Valuation Report"), was issued by the Joint Valuers, inter-alia, recommending the fair share exchange ratio for the proposed amalgamation of TCNS with and into ABFRL, as stipulated in the Scheme of Amalgamation (by way of Merger by Absorption) among Aditya Birla Fashion and Retail Limited and TCNS Clothing Co. Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("Scheme").
3. The summary as submitted by the Joint Valuers of the Joint Valuation Report is as under:
The fair share exchange ratio has been arrived at on the basis of a relative valuation of the equity shares of the ABFRL and TCNS (hereinafter jointly referred as "Companies" and individually referred to as "Company") based on the methodologies explained in the Joint Valuation Report and various qualitative factors relevant to each Company. As stated in the Joint Valuation Report, the Joint Valuers have adopted the Income Approach – DCF Method, Market Price Method, Comparable Transaction Method and Comparable Companies Multiples Method by assigning appropriate weightages to arrive at the consensus fair equity share exchange ratio of 11 (Eleven) equity shares of ABFRL of INR 10/- each, fully paid-up for every 6 (Six) equity shares of TCNS of INR 2/- each, fully paid-up ("Share Exchange Ratio").
4. ABFRL appointed Axis Capital Limited ("Axis") (SEBI Registration No. INM000012029) and TCNS appointed ICICI Securities Limited ("ICICI Securities") (SEBI Registration No. INM000011179), both SEBI registered Category 1 Merchant Bankers, to provide their respective independent opinions to the Board of Directors of the respective companies on the fairness of Share Exchange Ratio arrived at by the Joint Valuers, from a financial point of view.
5. Axis and ICICI Securities, submitted their respective fairness opinions vide their reports dated May 5, 2023, certifying that the Share Exchange Ratio provided in the Joint Valuation Report is fair from a financial point of view.
6. The Joint Valuation Report issued by the Joint Valuers and the fairness opinion provided by Axis was approved by the Board of Directors of ABFRL at its meeting held on May 5, 2023.
7. The Joint Valuation Report issued by the Joint Valuers and the fairness opinion provided by ICICI Securities was approved by the Board of Directors of TCNS at its meeting held on May 5, 2023.

ADITYA BIRLA FASHION AND RETAIL LIMITED

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REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ADITYA BIRLA FASHION AND RETAIL LIMITED AT ITS MEETING HELD ON FRIDAY, MAY 5, 2023, EXPLAINING THE EFFECT OF THE DRAFT SCHEME OF AMALGAMATION OF TCNS CLOTHING CO. LTD. INTO AND WITH ADITYA BIRLA FASHION AND RETAIL LIMITED, ON EACH CLASS OF SHAREHOLDERS (PROMOTER AND NON-PROMOTERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND HOLDERS OF NON-CONVERTIBLE DEBENTURES (NCDs) OF ADITYA BIRLA FASHION AND RETAIL LIMITED AND SPECIFYING ANY SPECIAL VALUATION DIFFICULTIES

1. Background

1. Based on the recommendations of the Committee of Independent Directors and the Audit Committee, the Board of Directors ("*Board*") of Aditya Birla Fashion and Retail Limited ("*Transferee Company*" or "*Company*") at its meeting held on May 5, 2023, approved the draft Scheme of Amalgamation by way of merger by absorption involving the Company and TCNS Clothing Co. Limited ("*Transferor Company*") and their respective shareholders and Creditors (*hereinafter referred to as "Scheme"*), wherein the Transferor Company shall amalgamate into and with the Transferee Company in terms of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 ("*Act*") read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) or other amendment(s) thereof for the time being in force), Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("*Listing Regulations*") and other applicable laws including SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("*SEBI Circular*") and SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1 /P/CIR/2022/0000000103 dated July 29, 2022 as amended from time to time ("*SEBI Operational Circular*").
2. In terms of Section 232(2)(c) of the Act, a report from the Board of the Company, explaining the effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), creditors, key managerial personnel ("*KMPs*") and employees of the Company, setting out, among other things, the share exchange ratio specifying any special valuation difficulties, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and creditors, if such meeting is ordered by the National Company Law Tribunal. Further, pursuant to Para A (2)(d) of Part I of Annex XII-A to the SEBI Operational Circular, the Board is also required to comment on:
 - i. impact of the scheme on the holders of Non-Convertible Debentures ("*NCDs*");
 - ii. safeguards for the protection of holders of NCDs;
 - iii. exit offer to the dissenting holders of NCDs, if any.

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3. Accordingly, this report of the Board is prepared to comply with the requirements of Section 232(2)(c) of the Act and the SEBI Operational Circular.
4. While deliberating on the Scheme, the Board, *inter alia*, considered and took on record the following documents:
 - a. Draft Scheme duly initialled by the Company Secretary of the Company for the purpose of identification;
 - b. Draft Merger implementation agreement;
 - c. Valuation Report dated May 5, 2023, issued by Banshi S. Mehta & Co., Registered Valuer (IBBI Reg no. IBBI/RV/06/2019/10666) ("*Valuation Report*"), who in his report has recommended the share exchange ratio of 11 equity shares of the Company for every 6 equity shares of TCNS Clothing Co. Limited ("*Share Exchange Ratio*"), as set out in valuation report;
 - d. Fairness opinion dated May 5, 2023, issued by Axis Capital Limited, independent SEBI registered Category-I Merchant Banker providing fairness opinion on the recommended Share Exchange Ratio in the Valuation Report prepared by Banshi S. Mehta & Co. ("*Fairness Opinion*");
 - e. Auditor's Certificate by the Statutory Auditors of the Company i.e., Price Waterhouse & Co. Chartered Accountants LLP ("*Auditors Certificate*") in terms of Para (A)(5) of Part I of the SEBI Circular, Para (A)(6) of Part I of Annex XII-A of SEBI Operational Circular and proviso to sub-clause (j) of Section 232(3) of the Act to the effect that (a) the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Act, and (b) the Company is capable of payment of interest/ repayment of principal on its listed non-convertible debentures;
 - f. Undertaking given by the Company confirming that approval of majority of public shareholders as prescribed under Paragraph (A)(10)(b) of Part I of the SEBI Circular is not applicable to the Scheme along with certificate of the Statutory Auditors of the Company, certifying the said undertaking;
 - g. Report of the Committee of Independent Directors of the Company dated May 5, 2023, recommending the Scheme, taking into consideration *inter alia*, that the Scheme is not detrimental to the shareholders of the Company and
 - h. Report of the Audit Committee of the Company dated May 5, 2023, recommending the Scheme, taking into consideration *inter alia*, the valuation report, and commenting on the need for the Scheme, rationale of the Scheme, cost benefit analysis of the Scheme, impact of the Scheme on the shareholders of the Company and synergies of business of entities involved.
5. The Scheme, amongst others, contemplates the following arrangements (capitalised terms used and not defined herein shall have the meaning ascribed to them in the Scheme):

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L.B.S. Road, Kurla, Mumbai - 400 070

110 | Aditya Birla Fashion and Retail Limited

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E-mail: secretarial@abfrl.adityabirla.com



- a. Amalgamation by way of merger by absorption of the Transferor Company into and with the Transferee Company in accordance with Sections 230 to 232 of the Act and other applicable laws.
 - b. Pursuant to the sanction of the Scheme by the Tribunals and upon the fulfilment of conditions for the Scheme, the Scheme shall become effective from date on which certified copies of the last of the Sanction Orders are filed with the RoC in accordance with the terms of Clause 33 of the Scheme. (i.e. "Effective Date"). The 'Appointed Date' for the Scheme shall be the Effective Date or such other date as approved by the Tribunals.
 - c. With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (as defined in the Scheme) of the Transferor Company shall stand transferred to and vested in and/ or be deemed to have been and stand transferred to and vested in the Transferee Company to become the Undertaking of the Transferee Company, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Act, and other applicable laws.
 - d. The entire paid-up share capital of the Transferor Company including the shares held by the Transferee Company in the Transferor Company shall stand cancelled in its entirety without any further acts or deed.
 - e. Allotment of Equity shares of the Transferee Company to the shareholders of the Transferor Company (other than the Transferee Company) in accordance with the Share Exchange Ratio, as set out in valuation report. No shares shall be issued and allotted by the Transferee Company in respect of the shares held by the Company itself in the Transferor Company.
 - f. Transfer of the authorized share capital of the Transferor Company to the Transferee Company and consequential increase in the authorized share capital of the Transferee Company as provided in the Scheme.
 - g. The Transferor Company shall stand dissolved without being wound up.
6. The effectiveness of the Scheme is conditional upon fulfilment of the 'Conditions Precedent to effectiveness' as specified in the Scheme ("*said conditions*"), which include:
- (i) pursuant to the provisions of the Competition Act, 2002 (including any statutory modification or re-enactment thereof) and the rules and regulations thereunder, the first of the CCI (or any appellate authority in India having appropriate jurisdiction) having, by the Long Stop Date, either:
 - (a) granted approval to the Scheme; or
 - (b) been deemed to have granted approval to the Scheme through the expiration of time periods available for their investigation

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- (ii) acquisition of 51% (fifty-one percent) of the Expanded Share Capital (*as defined in the Scheme*) of the Transferor Company by the Transferee Company, pursuant to the open offer by the Transferee Company and the underlying transactions thereto, on or prior to the Long Stop Date.
- (iii) the Stock Exchanges having issued their observation/ no-objection letters as required under the SEBI LODR Regulations read with the SEBI Scheme Circular and the SEBI Scheme Circular – Debt;
- (iv) the Scheme being approved by the respective requisite majorities of the various classes of members (passed through postal ballot/ e-voting, as applicable) and creditors (where applicable) of the Transferor Company and the Transferee Company, as required under the Act and the SEBI Scheme Circular, subject to any dispensation that may be granted by the Tribunals;
- (v) grant of Sanction Orders under the provisions of Sections 230 to 232 of the Act;
- (vi) there not being any Governmental Order from any Governmental Authority (other than a competition and/or anti-trust authority) that has the effect of making the Scheme illegal or otherwise restraining or preventing its consummation.

Upon the fulfilment of the said conditions, the Scheme shall become effective from the Effective Date.

2. Effect of the Scheme on each class of shareholders (promoter, shareholders and non-promoter shareholders), Key Managerial Personnel ("KMPs"), creditors, staff or employees and Non-Convertible Debentures ("NCDs") holders.

The Valuation Report recommends the share exchange ratio of 11 equity shares of the Company for every 6 equity shares of TCNS Clothing Co. Limited, as set out in valuation report.

No special valuation difficulties were reported by the valuer.

a. Effect on the equity shareholders (promoter shareholders and non-promoter shareholders)

The Scheme is subject to various conditions, including that the Company shall acquire 51% of the Expanded Share Capital (*as defined in the Scheme*) of the Transferor Company



pursuant to the open offer to be made under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and the underlying transactions thereto.

Further, as per the Scheme, the Transferee Company shall issue Equity shares as per the Share Exchange Ratio to the shareholders of Transferor Company (other than the Transferee Company), which shares shall rank *pari passu* in all respects with the existing equity shares of the Transferee Company. Hence, there shall be no change in numbers of shares held by promoter shareholders and non-promoter shareholders. However, the holding percentage to the total capital of the Company shall dilute to that extent of new equity shares issued to the shareholders of Transferor Company.

b. Effect on the KMPs

There shall be no effect of the Scheme on the KMPs of the Transferee Company. The effect of the Scheme on the interests of the KMPs and their relatives holding shares in the Company, is not different from the effect of the Scheme on other shareholders of the Company.

c. Effect on the creditors

Under the Scheme, no arrangement or compromise is being proposed with the creditors (secured or unsecured, including debenture holders) of the Company. The liability of the creditors of the Company, under the Scheme, is neither being reduced nor being extinguished.

d. Effect on staff or employees

Under the Scheme, no rights of the staff and employees (who are on payroll) of the Company are being affected. The services of the staff and employees of the Company shall continue on the same terms and conditions applicable prior to the proposed Scheme.

Further, upon the Scheme becoming effective, the employees of the Transferor Company ("*Employees*") will be deemed to have become employees of the Transferee Company pursuant to the Scheme with effect from the Effective Date.

All such Employees shall be deemed to have become employees of the Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Company, shall not be less favorable than those applicable to them with reference to their employment in the Transferor Company as on the Effective Date.



e. Effect of the Scheme on holders of NCDs

i. Impact of the scheme on the holders of NCDs

The holders of the NCDs in the Transferee Company shall continue to hold the NCDs in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued. Thus, the rights of the holders of the NCDs are in no manner affected by the Scheme becoming effective.

ii. Safeguards for the protection of holders of NCDs

Under the Scheme, no arrangement or compromise is being proposed with the holders of the NCDs of the Company. The liability of the Company towards the NCD holders of the Company, is neither being reduced nor being extinguished under the Scheme. Further, the holders of the NCDs shall continue to hold the NCDs in the Transferee Company even post the Scheme becoming effective, on the same terms and conditions at which they were issued. The Scheme, therefore, has adequate safeguards for the protection of holders of NCDs.

iii. Exit offer to the dissenting holders of NCDs, if any

Since the holders of the NCDs in the Transferee Company shall continue to hold the NCDs in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued, the holders of the NCDs are not affected by the Scheme. Further, the liability of the Company towards the NCD holders of the Company, is neither being reduced nor being extinguished under the Scheme. Therefore, the Scheme, does not envisage any exit offer to the dissenting holders of NCDs, if any.

Basis the details provided in paragraphs 2(e) (i) to (iii) above, the Board confirmed that the Scheme will not be detrimental to the interests of the holders of NCDs in the Company.



3. Conclusion

While deliberating on the Scheme, the Board has considered its impact on each of the shareholders (promoters and non-promoter shareholders), KMPs, creditors, employees and holders of the NCDs. In the opinion of the Board, the Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), KMPs, creditors, employees and holders of the NCDs of the Company and there will be no prejudice caused to them in any manner by the Scheme.

The Board has adopted this Report after noting and considering the documents and information set forth in this Report. In order for the Transferee Company to comply with the requirements of extant regulations applicable to companies undertaking any scheme of amalgamation, this report of the Board may please be taken on record while considering the Scheme.

For and on behalf of the Board of
Aditya Birla Fashion and Retail Limited


Ashish Dikshit
Managing Director
DIN: 01842066



Date: May 5, 2023

Place: Mumbai

CERTIFIED TRUE COPY OF THE REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TCNS CLOTHING CO. LIMITED ("COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON 05th MAY, 2023.

Members Present

- | | |
|--------------------------------|--|
| 1. Mr. Onkar Singh Pasricha | Chairman (Executive Director) |
| 2. Mr. Anant Kumar Daga | Member (Executive Director) |
| 3. Mr. Bhaskar Pramanik | Member (Non-Executive Independent Director) |
| 4. Ms. Sangeeta Talwar | Member (Non-Executive Independent Director) |
| 5. Ms. Neeru Abrol | Member (Non-Executive Independent Director) |
| 6. Mr. Suresh Jayaraman | Member (Non-Executive Independent Director) |
| 7. Mr. Arvinder Singh Pasricha | Member (Non-Executive Director) |
| 8. Mr. Naveen Wadhwa | Member (Non-Executive Non -Independent Director) |

In attendance

Mr. Piyush Asija: Company Secretary and Compliance Officer

Mr. Amit Chand: Chief Financial Officer

1. Background of the Proposed Scheme:

- 1.1 A draft Scheme of Amalgamation under Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") including rules made thereunder, between TCNS Clothing Co. Limited (the "**Transferor Company**" or "**the Company**") and Aditya Birla Fashion and Retail Limited (the "**Transferee Company**") and their respective shareholders and creditors ("**Scheme**" or "**the Scheme**" or "**this Scheme**") has been placed before the Board of Directors for it to consider and approve the said draft Scheme. Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
- 1.2 The Scheme, *inter-alia* provides for the following:
- (a) The amalgamation of the Transferor Company into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up and the consequent issuance of the Merger Consideration Shares (*as defined under the Scheme*) in accordance with the Share Exchange Ratio (*as defined under the Scheme*) to the Eligible Shareholders (*as defined under the Scheme*), in respect of each shares of the Transferor Company held by them in accordance with the Scheme and;
- (b) Various other matters incidental, consequential or otherwise integrally connected therewith, including the increase in the share capital of the Transferee Company.
- 1.3 The equity shares of the Transferor Company are listed on National Stock Exchange of India Limited and BSE Limited (collectively "**Stock Exchanges**"). Accordingly, the transferor company will file the said scheme along with necessary information/ documents with the stock exchange.
- 1.4 The Scheme will also be presented before the Tribunals (*as defined under the Scheme*) in terms of the provisions of section 230 to 232 and other applicable provisions of the Act, the rules and regulations made thereunder, and will also be in compliance with applicable sections of the Income Tax Act, 1961, Circular number SEBI/HO/CFD/DIL 1/CIR/P/2021/0000000665 dated November 23, 2021 issued by Securities and Exchange Board of India ("**SEBI**"), as amended from time to time, (the "**SEBI Circular**") and other applicable laws.
2. As per Section 232(2)(c) of the Act, report is required to be adopted by the Board explaining effect of the Scheme on shareholders including promoter/non-promoter shareholders, key managerial personnel and laying out in particular the Share Exchange Ratio including special valuation difficulties, if any ("**Report**"). This Report is accordingly being made pursuant to the requirements of Section 232(2)(c) of the Act. after considering the following:
- (a) Draft Scheme duly initialled by the Chairperson for the purpose of identification.
- (b) Joint Valuation Report containing the Share Exchange Ratio dated May 04, 2023 as obtained from GT Valuation Advisors Private Limited Registered Valuer - Securities or Financial Assets (Registration No. IBBI/RV-E/05/2020/134) and Bansi S. Mehta Valuers LLP, Registered Valuer - Securities or Financial Assets Registration No. IBBI/RV - E/06/2022/172, Registered Valuers ("**Valuation Report**")
- (c) Fairness Opinion report dated 05th May, 2023 issued by ICICI Securities, a SEBI Registered Category I Merchant Banker ("**Fairness Opinion**")



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116 | Aditya Birla Fashion and Retail Limited, NEELGAGAN TOWER, MANDI ROAD, SULTANPUR, MEHRAULI, NEW DELHI- 110030

CIN- L99999DL1997PLC090978



- (d) The Draft Certificate from Deloitte Haskins and Sells LLP, stated that, upon the Scheme coming into effect which is conditional upon and subject to Transferor Company and Transferee Company complying with the 'Conditions Precedent to Effectiveness' as stated in clause 31 of the Scheme, all assets and liabilities of the transferor company shall be transferred to the transferee company and the transferor company shall stand dissolved without being wound up. Accordingly, there is no accounting treatment prescribed under this Scheme which would have any impact or need to be reflected in the books of the Transferor Company.;
- (e) Audit Committee Report dated 05th May, 2023 in terms of the requirement of the Securities Exchange Board of India ("SEBI") circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI Circular"); and;
- (f) Report of the Committee of Independent Directors dated 05th May, 2023 in terms of the requirement of SEBI Circular.

3. Need and Rationale of the Scheme and synergies involved therein:

The Amalgamation pursuant to the Scheme would, *inter alia*, have the following benefits:

- (a) Strengthening of organizational capabilities around operational and financial areas, driving scale benefits through leveraging resources.
- (b) Enabling coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive apparel portfolio; entering newer markets and driving penetration.
- (c) Creating revenue synergies through sharing of consumer understanding, market insights, channel models to ensure faster go to market and achieve faster growth with fewer resources.
- (d) Driving synergy benefits around back-end such as procurement, logistics, supply chain, technology operations and shared services; driving optimal utilization of resources and building centers of excellence for a larger company.
- (e) Enhancing organizational capabilities arising from pooling of talent and human capital with diverse skill sets and experience in areas such as design, sourcing and consumer insights, providing strength to operate strongly in a highly fragmented market.
- (f) Enabling more coordinated and comprehensive business management with clear focus on driving common goals around building best quality products, wide distribution, efficient operations, brand building; allowing for more efficient allocation of capital and resources for growth.
- (g) Driving channel efficiencies by providing opportunity to cross-sell products across markets.
- (h) Streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses.
- (i) Post Scheme, Transferee Company to become a platform for building category-led business and be better placed to adequately finance the growth prospects of the business.
- (j) Driving cost synergies and reducing overlaps between businesses.

4. Valuation Report containing Share Exchange Ratio and confirmation on accounting treatment:

- (a) The Board of Directors took note of the Joint Valuation Report which, inter-alia, recommended the following Fair Share Exchange Ratio for the purposed amalgamation of the Transferor Company with and into the Transferee Company:
 "11 (Eleven) equity shares of ABFRL of INR 10/- each, fully paid-up for every 6 (Six) equity shares of TCNS of INR. 2/- each, fully paid-up."
- (b) The Fairness Opinion confirmed that the Share Exchange Ratio as set out in the Valuation Report is fair.
- (c) GT Valuation Advisors Private Limited, a Registered Valuer appointed to determine the Share Exchange Ratio as set out in the Joint Valuation Report, has not expressed any difficulty while determining the said Share Exchange Ratio. Further, the Fairness Opinion also does not indicate any special valuation difficulties.
- (d) The Draft Certificate from Deloitte Haskins and Sells LLP, stated that, upon the Scheme coming into effect which is conditional upon and subject to Transferor Company and Transferee Company complying with the 'Conditions Precedent to Effectiveness' as stated in clause 31 of the Scheme, all assets and liabilities of the transferor company shall be transferred to the transferee company and the transferor company shall stand



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dissolved without being wound up. Accordingly, there is no accounting treatment prescribed under this Scheme which would have any impact or need to be reflected in the books of the Transferor Company.

5. Salient Features of the Scheme

The Board considered and took note of the the salient features of Scheme, which *inter-alia* are as under:

- (a) The proposed “**Appointed Date**” of the Scheme shall be the effective date or such date as may be approved by the Tribunal.
- (b) “**Effective Date**” means the date on which the last of the certified copies of the sanction order is filed with the Registrar of Companies.
- (c) The Scheme shall be effective from the Appointed Date and shall be operative from the Effective Date.
- (d) The coming into effect of the Scheme is conditional upon and subject to:
 - (i) pursuant to the provisions of the Competition Act, 2002 (including any statutory modification or re-enactment thereof) and the rules and regulations thereunder, the first of the CCI (or any appellate authority in India having appropriate jurisdiction) having, by the Long Stop Date, either
 - granted approval to the Scheme; or
 - been deemed to have granted approval to the Scheme through the expiration of time periods available for their investigation.
 - (ii) acquisition of 51% (fifty-one percent) of the Expanded Share Capital (as defined under the Scheme) of the Transferor Company by the Transferee Company, pursuant to the open offer by the Transferee Company and the underlying transactions thereto, on or prior to the Long Stop Date.
 - (iii) the Stock Exchanges having issued their observation / no-objection letters as required under the Listing Regulations read with the SEBI Circular and the circular number SEBI/HO/DDHS/DDHSDiv1/P/CIR/2022/0000000103 dated July 29, 2022 issued by SEBI.
 - (iv) the Scheme being approved by the respective requisite majorities of the various classes of members (passed through postal ballot / e-voting, as applicable) and creditors (where applicable) of the Transferor Company and the Transferee Company, as required under the Act and the SEBI Circular, subject to any dispensation of holding and convening meetings of members and creditors, that may be granted by the Tribunals.
 - (v) the approval of the Scheme by the public shareholders of the Transferor Company in accordance with Para A.10 (a) and (b) of Part I of the SEBI Circular provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the votes by the public shareholders against it.
 - (vi) such other conditions as may be mutually agreed between the Transferor Company and the Transferee Company.
 - (vii) grant of sanction orders under the provisions of Sections 230 to 232 of the Act and receipt of certified copies of the sanction orders; and
 - (viii) there not being any Governmental Order from any Governmental Authority (other than a competition and / or anti-trust authority) that has the effect of making the Amalgamation illegal or otherwise restraining or preventing its consummation.

6. Upon effectiveness of the Scheme:

- (a) The Company will amalgamate into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up and the consequent issuance of the Merger Consideration Shares (as defined in the scheme) in accordance with the Share Exchange Ratio to the Eligible Shareholders, in respect of each share of the Transferor Company held by them in accordance with the Scheme, and;
- (b) Various other matters incidental, consequential or otherwise integrally connected therewith, including the increase in the share capital of the Transferee Company.

7. Cost Benefit Analysis

Keeping in view the rationale and purpose of the amalgamation as mentioned in the Scheme, the ID Committee is of the view that post-amalgamation, there would be synergies of business, cost reduction, increase in efficiencies and logistical



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118 | Aditya Birla Fashion and Retail Limited | NEELGAGAN TOWER, MANDI ROAD, SULTANPUR, MEHRAULI, NEW DELHI- 110030

CIN- L99999DL1997PLC090978

advantages thereby contributing to enhancement of stakeholders value. While the Scheme would lead to incurring of certain costs however the long term benefits of the Scheme will far outweigh the costs.

8. Recommendation of the ID Committee

The ID Committee, after due deliberation and due consideration of all terms of the draft Scheme, Valuation Report, Fairness Opinion Report, certificates including accounting treatment certificate from Statutory Auditors, other presentations, reports, documents and information made to/furnished before the ID Committee in relation to the said Scheme and the specific points mentioned above, and considering that the Scheme is not detrimental to the shareholders of the Transferor Company, recommended the draft Scheme for favourable consideration by the Board.

9. Recommendation of the Audit Committee

The Audit Committee, after due deliberation and due consideration of all terms of the draft Scheme, Joint Valuation Report, Fairness Opinion, Draft Certificate from Statutory Auditors, other presentations, reports, documents and information made to/furnished before the Audit Committee in relation to the said Scheme and the specific points mentioned above, and considering that Scheme is not detrimental to the shareholders of the Transferor Company recommended the draft Scheme for favourable consideration by the Board.

10. Impact of the Scheme on the Shareholders of the Company

The members discussed and deliberated upon the rationale and expected benefits of the Scheme. The members also noted that upon the Scheme becoming effective, pursuant to the transfer and vesting of the undertaking of the Transferor Company into the Transferee Company, and in consideration for the said transfer, the shareholders of the Transferor Company (except the Transferee Company) would be issued and allotted fully paid-up equity shares in the Transferee Company as per the Share Exchange Ratio. The equity shares to be issued by the Transferee Company to the shareholders of the Transferor Company shall rank pari-passu in all respects with the then existing equity shares of the Transferee Company.

In light of the above discussions, Valuation Report, Fairness Opinion and other documents presented before the Audit Committee, the Board was of the opinion that the proposed Scheme is likely to be beneficial to the Transferor Company and its shareholders and all other stakeholders at large and is not detrimental to the shareholders of the Transferor Company.

11. Adoption of the Report by the Directors

The Directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board or any person/committee duly authorised by the Board may make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

Certified True Copy

For and on behalf of Board of Directors of TCNS Clothing Co. Limited



Name: Piyush Asija

Designation: Company Secretary and Compliance Officer

ACS 21328

Date: 17.08.2023

Place: New Delhi



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DETAILS OF ONGOING ADJUDICATION AND RECOVERY PROCEEDINGS, PROSECUTION INITIATED AND ALL OTHER ENFORCEMENT ACTION AGAINST TCNS CLOTHING CO LIMITED

Sr. No.	Court/Tribunal	Parties	Brief Summary	Amount (Rs. In Crore)	Current status
1	LID/569-2019, Labour Court, Rouse Avenue Court, New Delhi	Hemlata vs. Stanmax and TCNS Clothing Co. Limited	Hemlata is an ex- employee of TCNS and was terminated due to prolonged unreported absence from the job. She was posted at management MBO outlet in Delhi. So the case was filed by Hemlata against the TCNS for her reinstatement along with back wages.	Rs. 0.12 (This amount is calculated on the basis of last salary drawn by the employee i.e Rs. 16,468/- (Gross monthly salary)	Settled and closed
2	CC/179/2022; Consumer Department Udaipur, Rajasthan	Vikas Dhaka vs. TCNS Clothing Co. Limited	A Case was filed by the Vikas Dhaka (Consumer) in udaipur consumer forum due to difference of Rs.200/- in the billing price i.e Rs. 2,999/- and the Tag Price i.e Rs. 2,799/- while purchasing the TCNS product from one of the company owned retail store located in udaipur rajasthan. Now, the consumer is claiming a compensation from the court of Rs. 96,200/-	0.01	The case is posted on 17th june 2024 for further evidence of TCNS.
3	W.P © 21779/2023;	Shanid K. vs. TCNS Clothing Co. Limited	Shanid.K an ex-employee was posted as customer experience office at capital mall, Kannur,Kerala store of the management. He was terminated by the company/TCNS on the ground of misbehaviour on 08-02-2018. So, the employee filed a complaint on 26-03-2018 before the labour officer against the termination. The Labour Court Kannur passed the order dated 17-02-2023 and further directed to the Company to reinstate the Shanid K (Employee)but without back wages. Now, the shanid K (Ex- Employee) challenged the order dated 17-02-2023 by filing a writ petition(civil) before the Kerala High Court for purpose of claiming the back wages which was duly denied by the labour court of kannur vide order dated 17-02-2023.	0.18 (This amount is calculated on the basis of last salary drawn by the employee i.e Rs. 25,684/- (Gross monthly salary)	Now, it is pending to be listed in the High Court of Kerala.
4	CS SCJ 949/2023; Saket District Court, Delhi	Messers Krishan Behari Exports Pvt Ltd. vs. TCNS Clothing Co. Limited	A case was filed by Krishan Behari (Plaintiff) against the Company/TCNS (Defendant) for the recovery of Rs. 74,449/- against the job work services rendered to the defendant.	0.01	Settled and closed
5	Commissioner of Income Tax (Appeal)	TCNS Clothing Co Limited Vs Assessing Officer (National Faceless Assessment Centre, Delhi	AY 2020-21: Appeal filed against assessment order under Section 143(3) for erroneous adjustment of Income Computation and Disclosure Standards (ICDS) and disallowances of amount paid to employee welfare fund under section 36(1)(va). '-Non-Adjustment and disallowances led to reduction of refund by Rs. 1,85,35,452	Nil	Appeal filed and pending adjudication. Hearing date is awaited
6	Assessing Officer	TCNS Clothing Co Limited Vs Deputy Commissioner of Income Tax, Circle 76(1), New Delhi	AY 2014-15: Assessing Officer relied on Tax Audit report wherein there was discrepancy in reporting of amount and passes an order u/s 201(1)/201(1A) for short Deduction of withholding Tax. '-Aggrieved by the demand order, the company preferred an appeal. '- CIT(A) has remanded back to AO	0.38	Application has been filed for giving effect of CIT(A) order and hearing notice is awaited.



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7	Commissioner of Income Tax (Appeal)	TCNS Clothing Co Limited Vs Deputy Commissioner of Income Tax, Circle 76(1), New Delhi	AY 2015-16: Assessing Officer have contended that Common Area Maintenance charges discharged by the Company is effectively part of the rental and accordingly, tax should have been deducted at the rate of 10% under section 194-I of the Income Tax Act vis-à-vis at 1% / 2% under section 194C of the IT Act and Order under section 201(1)/201(1A) was passed for short deduction of withholding Tax. - Aggrieved by the demand order for short deduction of withholding tax, appeal filed before The commissioner of Income Tax (Appeal).	0.33	Appeal filed and pending adjudication. Hearing date is awaited
8	Commissioner of Income Tax (Appeal)	TCNS Clothing Co Limited Vs Deputy Commissioner of Income Tax, Circle 76(1), New Delhi	AY 2016-17: Assessing Officer have contended that Common Area Maintenance charges discharged by the Company is effectively part of the rental and accordingly, tax should have been deducted at the rate of 10% under section 194-I of the Income Tax Act vis-à-vis at 1% / 2% under section 194C of the IT Act and Order under section 201(1)/201(1A) was passed for short deduction of withholding Tax. - Aggrieved by the demand order for short deduction of withholding tax, appeal filed before The commissioner of Income Tax (Appeal).	0.37	Appeal filed and pending adjudication. Hearing date is awaited
9	Commissioner of Income Tax (Appeal)	TCNS Clothing Co Limited Vs Income Tax Officer, Ward 76(2)	AY 2017-18: Assessing Officer have contended that Common Area Maintenance charges discharged by the Company is effectively part of the rental and accordingly, tax should have been deducted at the rate of 10% under section 194-I of the Income Tax Act vis-à-vis at 1% / 2% under section 194C of the IT Act and Order under section 201(1)/201(1A) was passed for short deduction of withholding Tax. - Aggrieved by the demand order for short deduction of withholding tax, appeal filed before The commissioner of Income Tax (Appeal).	0.86	Appeal filed and pending adjudication. Hearing date is awaited
10	Commissioner of Income Tax (Appeal)	TCNS Clothing Co Limited Vs Income Tax Officer, Ward 76(2)	AY 2018-19: Assessing Officer have contended that Common Area Maintenance charges discharged by the Company is effectively part of the rental and accordingly, tax should have been deducted at the rate of 10% under section 194-I of the Income Tax Act vis-à-vis at 1% / 2% under section 194C of the IT Act and Order under section 201(1)/201(1A) was passed for short deduction of withholding Tax. - Aggrieved by the demand order for short deduction of withholding tax, appeal filed before The commissioner of Income Tax (Appeal).	1.02	Appeal filed and pending adjudication. Hearing date is awaited



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11	CESTAT(Delhi)	TCNS Clothing Co Limited Vs Principal Commissioner of Central Goods & Service Tax Delhi South Commissionerate	<p>Period-01.03.2016 to 30.06.2017: The Adjudicating Authority (Office of the Principal Commissioner of the Central Goods & Service Tax) held that TCNS is liable to pay Excise duty on the final products lying in stock in the owned retail outlets on the intervening night of 29.02.2016 and 01.03.2016. Accordingly, Adjudicating Authority confirmed duty demand of Rs. 32,39,468 along with interest & penalty thereon (Rs. 110,89,453 in total). The Company preferred an appeal against the order with CESTAT.</p> <p>The Adjudicating Authority held that TCNS is entitled to avail benefit of concessional rate of duty as per Exemption Notification as TCNS has reversed the disputed credit of Rs. 33,20,469 availed under Service Tax Act along with interest of Rs. 24,38,662 by itself. Accordingly, the Adjudicating Authority dropped the balance duty demand proposed in the SCN. of Rs. 91,00,72,800 for non-eligibility of concessional rate of duty and also, reduced demand on account of products lying in stock in the owned retail outlets from Rs. 2,02,46,672 to Rs. 32,39,468. Principal Commissioner CGST, Customs & Central Excise preferred an appeal before CESTAT against the order passed in which demand of totaling Rs. 93,03,19,472 along with penalty equal to duty involved and interest thereon of Rs. 120,50,99,140 till 31.01.2024, was reduced to Rs. 32,39,468 plus interest and penalty thereon.</p>	306.57	The company has filed cross objection before CESTAT against the appeal. Hearing is scheduled on 01.07.2024
12	VATO	TCNS Clothing Co Limited Vs Value Added Tax Officer, Ward No 96	Period-01.10.2006 to 31.12.2006: The Company has preferred to file an appeal against an order passed by Value Added Tax Officer, Delhi with Special Commissioner (Appeal) in relation to non submission of Form C/F.	0.80	The Special Commissioner (Appeal) has confirmed the order and matter is pending with Value added Tax Officer.
13	Assistant Commissioner (Appeal), Trade & Tax Department New Delhi	TCNS Clothing Co Limited Vs Value Added Tax Officer, Delhi	FY 2007-08: The Company has preferred to file an appeal against an order passed by Value Added Tax Officer, Delhi with assistant Commissioner (Appeal) in relation to interest on Sales Tax paid for non submission of Form C/F.	0.07	Appeal filed and pending adjudication. Next hearing date is awaited
14	Assistant Commissioner (Appeal)	TCNS Clothing Co Limited Vs Value Added Tax Officer, Delhi	FY 2008-09: The Company has preferred to file an appeal against an order passed by Value Added Tax Officer, Delhi with assistant Commissioner (Appeal) in relation to interest on Sales Tax paid for non submission of Form C/F.	0.05	Appeal filed and pending adjudication. Next hearing date is awaited
15	Assistant Commissioner (Appeal)	TCNS Clothing Co Limited Vs Value Added Tax Officer, Delhi	FY 2009-10: The Company has preferred to file an appeal against an order passed by Value Added Tax Officer, Delhi with assistant Commissioner (Appeal) in relation to tax and interest for non submission of Form C/F.	0.10	Appeal filed and pending adjudication. Next hearing date is awaited
16	Appellate Tribunal	TCNS Clothing Co Limited Vs Commissioner Trade & Taxes Delhi	FY 2010-11: The Company has preferred to file an appeal against an order passed by Value Added Tax Officer, Delhi with Appellate Tribunal in relation to tax and interest for non submission of Form C/F.	0.03	Appeal filed and pending adjudication. Next hearing date is awaited
17	Special Commissioner, Trade & Taxes Delhi	TCNS Clothing Co Limited Vs Assistant Commissioner, Ward-206	FY 2014-15: The Company has preferred to file an appeal against an order passed by Value Added Tax Officer, Delhi with Appellate Tribunal in relation to tax and interest for non submission of Form C/F.	0.15	Appeal filed and pending adjudication. Next hearing date is awaited
18	Assistant Commissioner(Appeal)	TCNS Clothing Co Limited Vs Assistant Commissioner, Ward-206	FY 2015-16: The Company has preferred to file an appeal against an order passed by Value Added Tax Officer, Delhi with Assistant Commissioner(Appeal) in relation to tax and interest for non submission of Form C/F.	0.42	Appeal filed and pending adjudication. Next hearing date is awaited
19	Assistant Commissioner(Appeal)	TCNS Clothing Co Limited Vs Assistant Commissioner, Ward-206	FY 2016-17: The Company has preferred to file an appeal against an order passed by Value Added Tax Officer, Delhi with Assistant Commissioner(Appeal) in relation to tax and interest for non submission of Form C/F.	0.04	Appeal filed and pending adjudication. Next hearing date is awaited



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CIN: L99999MH1997PLC417265

20	Joint Commissioner of Sales Tax (Appeal), Bhubaneswer Range	TCNS Clothing Co Limited Vs Assessing Authority Bhubaneswer II Circle	FY 2013-14: The Company has preferred to file an appeal against an order passed by Assessing Authority, Bhubaneswar, Orissa in relation to Non Submission of Form F.	0.01	Appeal filed and pending adjudication. Next hearing date is awaited
21	Joint Commissioner of Sales Tax (Appeal), Bhubaneswer Range	TCNS Clothing Co Limited Vs Assessing Authority Bhubaneswer II Circle	FY 2014-15: The Company has preferred to file an appeal against an order passed by Assessing Authority, Bhubaneswar, Orissa in relation to Non Submission of Form F.	0.02	Appeal filed and pending adjudication. Next hearing date is awaited
22	Appellate Authority	TCNS Clothing Co Limited Vs Assistant Commercial Tax Officer, Panji Ward	FY 2016-17: The Company has preferred to file an appeal against an order passed by Assessing Authority, Panaji Ward, Goa with Appellate Authority in relation to Non Submission of Form F.	0.05	Case has been remanded back to AO by Appellate Authority
23	Appellate Authority	TCNS Clothing Co Limited Vs Assistant Commercial Tax Officer, Indiranagar, Bengaluru	Period 01.07.2017 to 31.03.2018: The Company preferred an appeal against an order passed by Office of the Assistant Commissioner of Commercial Taxes, Bangalore with Additional Commissioner in relation to mismatch between Input Tax availed in GSTR 3B and Input Tax Credit available in GSTR 2A	0.11	Appeal filed and pending adjudication. Hearing date is awaited
24	Appellate Authority	TCNS Clothing Co Limited Vs Superintendent, Range 42, Gurugram	Period 01.07.2017 to 31.03.2018: An order passed by Office of the Assistant/Deputy Commissioner of CGST, Gurugram, Haryana with Additional Commissioner in relation to mismatch between Input Tax availed in GSTR 3B and Input Tax Credit available in GSTR 2A.	0.62	Appeal filed and pending adjudication. Hearing date is awaited
25	High Court	Trade Association of West Bengal Vs Assistant Commissioner Sales Tax	<p>FY 2015-16: The Company has received Assessment Order under the provisions of West Bengal Tax on Entry of Goods into Local Areas Act, 2012 (WB Entry Tax Act of 2012) read with West Bengal Tax on Entry of Goods into Local Areas Rules, 2012. The demand has been raised on account of non- payment of entry tax goods imported into the territory of West Bengal @1%.</p> <p>The WB Entry Tax Act of 2012 was introduced w.e.f. 01.04.2012. The subject matter of taxation under Entry Tax Act was only on such goods which were imported into West Bengal from outside the State of West Bengal.</p> <p>The vires of this Act was challenged before the Hon'ble Calcutta High Court, and the Single Bench of Hon'ble Calcutta High Court had struck down the aforesaid enactment vide judgement dated 24.06.2013 in the case of Tata Steel v. State of West Bengal [MANU/WB/0151/2013]</p> <p>The verdict in Tata Steel (supra) was challenged by the State before the Hon'ble Divisional Bench of Calcutta High Court which is still pending.</p> <p>In the meantime, the State of West Bengal introduced WB Finance Act, 2017 (Amending Act of 2017) purporting to validate the WB Entry Tax Act. The said amendment were challenged before the West Bengal Tax tribunal [Case No. RN-08 of 2018 - Tata Steel Ltd And Others] which held that the state government does not have the power to amend laws pertaining to levy tax on the entry of goods into the state.</p> <p>In view of the aforesaid understanding, the said matter is pending.</p>	0.19	Appeal filed and pending adjudication. Next hearing date is awaited



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26	High Court	Trade Association of West Bengal Vs Assistant Commissioner Sales Tax	<p>Period 01.04.2017 to 30.06.2017: The Company has received Assessment Order under the provisions of West Bengal Tax on Entry of Goods into Local Areas Act, 2012 (WB Entry Tax Act of 2012) read with West Bengal Tax on Entry of Goods into Local Areas Rules, 2012. The demand has been raised on account of non- payment of entry tax goods imported into the territory of West Bengal @1%.</p> <p>The WB Entry Tax Act of 2012 was introduced w.e.f. 01.04.2012. The subject matter of taxation under Entry Tax Act was only on such goods which were imported into West Bengal from outside the State of West Bengal.</p> <p>The vires of this Act was challenged before the Hon'ble Calcutta High Court, and the Single Bench of Hon'ble Calcutta High Court had struck down the aforesaid enactment vide judgement dated 24.06.2013 in the case of Tata Steel v. State of West Bengal [MANU/WB/0151/2013]</p> <p>The verdict in Tata Steel (supra) was challenged by the State before the Hon'ble Divisional Bench of Calcutta High Court which is still pending.</p> <p>In the meantime, the State of West Bengal introduced WB Finance Act, 2017 (Amending Act of 2017) purporting to validate the WB Entry Tax Act. The said amendment were challenged before the West Bengal Tax tribunal [Case No. RN-08 of 2018 - Tata Steel Ltd And Others] which held that the state government does not have the power to amend laws pertaining to levy tax on the entry of goods into the state.</p> <p>In view of the aforesaid understanding, the said matter is pending.</p>	0.07	Appeal filed and pending adjudication. Next hearing date is awaited
27	Appellate Authority	TCNS Clothing Co Limited Vs Deputy Commissioner (A)-1 Dehradun, Uttrakhand	<p>Period 01.04.2018 to 31.03.2019: An order passed by Office of the Deputy Commissioner of Dehradun Sector-1, Uttrakhand in relation to mismatch between Input Tax availed in GSTR 3B and Input Tax Credit available in GSTR 2A.</p>	0.02	Appeal to be filed



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DETAILS OF ONGOING ADJUDICATION AND RECOVERY PROCEEDINGS, PROSECUTION INITIATED AND ALL OTHER ENFORCEMENT ACTION AGAINST ADITYA BIRLA FASHION AND RETAIL LIMITED

S.no	Court/Tribunal	Parties	Brief Summary	Amount claimed against ABFRL in RS. (Crore)	Current Status
1	Commissioner of Income-tax (Appeals) ("CIT(Appeals)"), NFAC	Aditya Birla Fashion and Retail Ltd Vs. Dy Comm. Of Income-tax, Cir 1(1).	AY 2017-18 : Appeal filed against assessment order under section 143(3): 1) The company had disallowed gratuity provision made during the year under section 40A(7) of the Income Tax Act, 1961 ("Act"). Subsequently upon receiving an approval from the CIT-9 with retrospective effect, company made an application before the AO for allowing the claim of the earlier disallowance which was rejected by the AO quoting Goetz India SC judgement - Rs. 3.52 crs 2) Disallowance of Provision for leave encashment - Rs.21.08 crs * As the Company has carried forward losses, said amounts are adjusted against that and there is no demand outstanding	Nil *	Appeal filed and pending adjudication. Hearing not yet scheduled
2	Commissioner of Income-tax (Appeals) ("CIT(Appeals)"), NFAC	Aditya Birla Fashion and Retail Ltd Vs. Dy Comm. Of Income-tax, Cir 1(1).	AY 2018-19: Appeal filed against faceless assessment order under section 143(3) for: 1) Disallowance of the claim made by the company under ICDS VI - Rs. 2.50 Cr 2) Disallowance of IT depreciation on additions to fixed assets made during the year, alleging of non submission of bills - Rs. 53.37 Cr 3) Disallowance under section 40A(2)(b) for Remuneration paid to Managing Director- Rs. 0.50 Cr 4) Disallowance of Provision for leave encashment - Rs.12.97 Cr. 5) The company had disallowed gratuity provision made during the year under section 40A(7) of the Income Tax Act, 1961 ("Act"). Subsequently upon receiving an approval from the CIT-9 with retrospective effect, company made an application before the AO for allowing the claim of the earlier disallowance which was rejected by the AO quoting Goetz India SC judgement - Rs. 7.05 Cr 6) Additions of Gross profit, applying the GP rate of the earlier year (FY 2016-17) on the turnover of FY 2017-18 and made an addition to the tune of - Rs. 120.96Cr *As the Company has carried forward losses, said amounts are adjusted against that and there is no demand outstanding	Nil *	Appeal filed, matter heard, pending adjudication.
3	Commissioner of Income-tax (Appeals) ("CIT(Appeals)"), NFAC	Aditya Birla Fashion and Retail Ltd Vs. Dy Comm. Of Income-tax, Cir 1(1).	AY 2020-21: Appeal filed against faceless assessment order under section 143(3) for: 1) Disallowance of Provision for leave encashment- Rs.14.70 Cr 2) AO added back as income u/s. 36(1)(va) of the Act, the late deposit of employee contribution received towards PF / ESI - Rs 0.30 Cr *As the Company has carried forward losses, said amounts are adjusted against that and there is no demand outstanding	Nil *	Appeal filed and pending adjudication. Hearing not yet scheduled
4	Commissioner of Income-tax (Appeals) ("CIT(Appeals)"), NFAC	Aditya Birla Fashion and Retail Ltd Vs. Dy Comm. Of Income-tax, Cir 1(1).	AY 2022-23: Appeal filed against faceless assessment order under section 143(3) for: 1) Disallowance of Provision for leave encashment - Rs.13.97 Cr * As the Company has carried forward losses, said amount is adjusted against that and there is no demand outstanding	Nil *	Appeal filed and pending adjudication. Hearing not yet scheduled
5	First Appellate Authority, Mumbai	ABFRL vs Deputy Commissioner of State Tax, Mumbai, Maharashtra	The authorities have disallowed the Input tax credit on account delayed filing of GST return by the respective vendors.	0.41	Matter pending before Appellate Authority
6	First Appellate Authority, Jaipur	ABFRL vs Office of Deputy Commissioner- B Business Audit Wing-II, Jaipur Rajasthan	Input tax credit (ITC) availed by the Company have been disputed to the extent of the ITC claimed in excess of the ITC reflecting in GSTR-2A report	0.63	Matter pending before Appellate Authority
7	First Appellate Authority, AHMEDABAD	ABFRL vs Superintendent of Central Tax, AHMEDABAD	Differential interest demanded on account of delayed payment of GST under reverse charge mechanism	0.04	Matter pending before Appellate Authority
8	First Appellate Authority, Gurgaon	ABFRL vs Office of Deputy Commissioner of State Tax, Gurgaon	ITC availed by the Company have been disputed due to non compliance by the vendors such as delay in filing returns, registration cancelled/ suspended of the vendors, place of supply being incorrectly provided etc.	0.90	Matter pending before Appellate Authority
9	First Appellate Authority, Kanpur	ABFRL vs Joint Commissioner of Corporate Circle, Kanpur	ITC disputed on account of the ITC availed being in excess of the one reflecting in GSTR2B Demand imposed on account of liability reported in GSTR-1 is higher as compared to the one reported in GSTR9	17.99	Matter pending before Appellate Authority
10	First Appellate Authority, Delhi	ABFRL vs Office of the Assistant Commissioner (DGST), Delhi	- ITC disputed on account of the ITC availed being in excess of the one reflecting in GSTR2B - Demand imposed on the contention that liability has been shortly paid in GSTR9 despite the same being paid while filing GSTR9 - Demand imposed on account of credit claimed towards ineligible credits	6.38	Matter pending before Appellate Authority
11	First Appellate Authority, Visakhapatnam	ABFRL vs Deputy Commissioner Special Circle, State Tax, Visakhapatnam	Input tax credit (ITC) availed by the Company have been disputed to the extent of the ITC claimed in excess of the ITC reflecting in GSTR-2A report	0.55	Matter pending before Appellate Authority
12	First Appellate authority, Kerala	ABFRL vs Kerala State Tax Office	Demand imposed on inward supply of goods assuming the same to be sales affected from the State of Kerala.	0.73	Matter pending before Appellate Authority
13	First Appellate authority, Mumbai	ABFRL vs Additional Commissioner of Customs Group III (Imports) Air Cargo Complex, MH	Demand imposed on account of valuation of imported apparels being disputed by the authorities	0.57	Matter pending before Air Cargo Complex, MH
14	CESTAT (Tribunal), Mumbai	ABFRL vs Office of Commissioner of Customs, NS-III, Raigad Maharashtra	The department is of the view that the Company declared lesser percentage of Royalty amount in the BE, therefore workings provided by the department, the Company is to pay the additional demand of custom duty.	2.98	Matter pending before CESTAT, Mumbai.

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15	High Court Karnataka	ABFRL vs Deputy Commission, Bangalore South Taluk, Karnataka	Demand imposed on account of non-payment of Textile Committee CESS on manufacture of readymade garments.	1.19	Matter pending before Karnataka High court.
16	Commissioner, Central Tax (Bangalore)	ABFRL vs Commissioner, Central Tax (Bangalore)	Demand imposed due to utilization of CENVAT being disputed w.r.t goods removed in domestic area which was originally procured for export purpose.	0.50	The Company has filed an appeal before Commissioner, Bangalore
17	High Court Karnataka	ABFRL vs First Appellate Authority, Bangalore	Demand imposed on account of non submission of declaration forms	2.01	Matter pending before Karnataka High court.
18	Karnataka Appellate Tribunal	ABFRL vs Joint Commissioner of Commercial Tax, Bangalore	Demand imposed due to reversal of input tax credit on stock transfers being disputed	5.31	Matter pending before Karnataka Appellate Tribunal
19	Supreme Court	Kerala Commercial Tax Department vs ABFRL	Demand imposed due to non levy of Kerala surcharge on the movement of goods from and to the State of Kerala	3.14	Single bench and larger bench of Kerala high court issued order in favor of the company. Against which Kerala commercial department has filed appeal before Supreme court.
20	First Appellate Authority, Orissa	ABFRL vs Commercial Taxes - Orissa	Demand imposed on account of non submission of declaration forms	0.01	Matter pending before First Appellate Authority, Orissa
21	First Appellate Authority, Orissa	ABFRL vs Commercial Taxes - Orissa	Demand imposed on account short payment of Entry Tax	0.00	Matter pending before First Appellate Authority, Orissa
22	Second Appellate Authority, Kerala	ABFRL vs Commercial Taxes - Kerala	Demand imposed on account of non submission of declaration forms	0.01	Matter pending before Second Appellate Authority, Kerala
23	First Appellate Authority, Karnataka	ABFRL vs Commercial Taxes - Karnataka	Demand imposed on account of Entry tax to be paid on import of readymade garments.	0.02	Matter pending before First Appellate Authority, Karnataka
24	First Appellate Authority, Andhra Pradesh	ABFRL vs Commercial Taxes - Andhra Pradesh	Demand imposed on account of Entry tax to be paid on import of readymade garments.	0.02	Matter pending before First Appellate Authority, Andhra Pradesh
25	First Appellate Authority, West Bengal	ABFRL vs Commercial Taxes - West Bengal	Authorities issued demand on exparte basis without considering return and submission made by the Company.	0.01	Matter pending before First Appellate Authority, West Bengal
26	Supreme Court	Retailers Association of India vs Government of India	Appeal has been filed by Retailers Association of India ("RAI"), on behalf of its members including our Company challenging the constitutional validity of the imposition of a service tax on renting of immovable property with retrospective effect	24.16	Supreme Court
27	Principal Commissioner	ABFRL vs Principal Commissioner, Customs, Kolkata	Investigation was based on differential value declared in the Bill of Entry (BOE) which has been filed based on commercial invoice of the business house, while the Certificate of Origin (COO) issued is based on value as per Bangladesh exporter invoice.	27.66	Matter pending before principal Commissioner, Customs, Kolkata
28	The Directorate of Revenue	ABFRL vs The Directorate of Revenue Intelligence	Investigation was based on differential rate of GST paid on import of footwear. All the relevant information has been provided to DRI	NA	Matter pending before The Directorate of Revenue Intelligence. DRI has indicated that they may comeback with further requirements
29	First Appellate Authority, Jammu & Kashmir	ABFRL vs Office of Deputy Commissioner of State Tax, Jammu	Input tax credit (ITC) availed by the Company have been disputed to the extent of the ITC claimed in excess of the ITC reflecting in GSTR-2A report & Demand imposed on account of liability reported in GSTR-1 is higher as compared to the one reported in GSTR9	1.89	Company is in process of filing an appeal before the Appellate Authority
30	First Appellate Authority, Jaipur	ABFRL vs Office of Deputy Commissioner of State Tax, Jaipur	Input tax credit (ITC) availed by the Company have been disputed to the extent of the ITC claimed in excess of the ITC reflecting in GSTR-2A report	0.41	Company is in process of filing an appeal before the Appellate Authority
31	First Appellate Authority, Patna	ABFRL vs Office of Deputy Commissioner of State Tax, Patna	Input tax credit (ITC) availed by the Company have been disputed to the extent of the ITC claimed in excess of the ITC reflecting in GSTR-2A report & Demand imposed on account of liability reported in GSTR-1 is higher as compared to the one reported in GSTR9	1.37	Company is in process of filing an appeal before the Appellate Authority
32	First Appellate Authority, Bangalore	ABFRL vs Office of Principal Commissioner of Central Tax, Bangalore	Input tax credit (ITC) availed by the Company have been disputed to the extent of the ITC claimed in excess of the ITC reflecting in GSTR-2A report	4.03	Company is in process of filing an appeal before the Appellate Authority

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33	First Appellate Authority, Visakhapatnam, AP	ABFRL vs Office of Deputy Commissioner of State Tax, Visakhapatnam	Input tax credit (ITC) availed by the Company have been disputed to the extent of the ITC claimed in excess of the ITC reflecting in GSTR-2A report & Demand imposed on account of liability reported in GSTR-1 is higher as compared to the one reported in GSTR9	4.55	Company is in process of filing an appeal before the Appellate Authority
34	High Court of Delhi	Mehra Jewels V. ABFRL Cs(Comm) No. 170/2019	Aditya Birla Fashion and Retail Ltd. has executed a Lease dated 05.03.2013 for the premises bearing No. C-11, Connaught Place, New Delhi with Mr. Chand Mehra. In Sept 2016 ABFRL has requested Mr. Mehra to extend the concession of Rs.3,60,000/- for the period starting from 1.10.2016 till 30.09.2017. ABFRL has assured Mr. Mehra that they would not vacate the premises during the concession period mentioned above, and in the event ABFRL decides to vacate the premises during the concession period ABFRL would pay the concession amount back to Mr. Mehra. However due to some business contingencies on 19.05.2017, ABFRL have issued the termination notice to Mr. Mehra, in response Mr. Mehra responded that as per his understanding, ABFRL cannot vacate the premises during the concession period. Hence the dispute arose between the Parties and Mr. Mehra filed a civil suit for recovery of an alleged amount of Rs.2,10,27,698/-	2.10	Rejoinder (to be filed by the Landlord) to the reply of application seeking modification of the order dated 06.02.2024. The next date of hearing is 12.08.2024.
35	Commercial Court Bengaluru	Dattaray Enterprises v. ABFRL OS No. 8306/2017	Dattaray Enterprises (Sheetal Murthy) engaged as Vendor for doing interiors for our retail stores. Payment towards interior works claimed by Dattaray against ABFRL to a tune of Rs. 2,10,45,906/- which is inclusive of interest amount till the filing of the case.	2.10	Challenging an impugned order on interlocutory application (IA), ABFRL has preferred appeal before High Court of Karnataka the court has stayed the lower courts proceeding till further orders. Last date of Hearing 04.04.2024 (commercial courts/lower courts)
36	High Court at Kolkata	M/s. Isha Distribution House Pvt. Ltd. V. ABFRL CS No 88/2016	M/s. Isha Distribution House Pvt. Ltd. ("Isha") was a distributor of ABFRL for west Bengal and Bihar. ABFRL terminated the agreements due to performance related issues and presented the cheque for recovery of outstanding amount of Rs.4.5 Cr from Isha. Aggrieved by the said termination of the agreements by ABFRL, Isha has filed a suit claiming damages of Rs. 175 Cr against ABFRL. Initially, the suit filed by Isha was dismissed for want of jurisdiction, an SLP was filed before Supreme Court by Isha challenging the High Court Order. SLP was partly allowed and the matter was sent back to Calcutta High Court for trial on the merits. Against the said SC orders, ABFRL filed a review petition which was dismissed. The matter to be listed before the Calcutta High Court for trial	175.00	The matter will be listed in due course of time.
37	Civil Court Senior Division , Thane	SAI Enterprises v. ABFRL Special Civil Suit No. 286 of 2021	Special Civil Suit for Recovery of Arrears of License Fees, Compensation and for other reliefs valued for Rs. 18,11,33,520/- for all purposes. PT store - Gokhale Road, Thane Mumbai - The LL has filed a civil suit for recovery against PT claiming an outstanding amount of 19.06 cr. (approx.) towards closure of store during lock-in period along with damages and interest. The initial lease term had expired on 30th Nov 2019, while renewal discussions were happening with the Sai Enterprises("LL"), PT requested the LL to complete building maintenance works, since the building was in a dilapidated condition. The negotiation extended for 6 month without any resolution and PT continued staying in the said premises. Finally, the LL backed out from doing the maintenance works resulting in PT not renewing the lease and vacated the premises. The LL could not find any new tenant during COVID – 19 period. Aggrieved by the said decision of the PT not willing to renew the lease deed the LL filed the above suit. The PT had filed two interlocutory applications (IA) one for appointment of arbitrator, since dispute resolution (Arbitration) was present and other IA for referring the matter to mandated mediation in the commercial courts.	18.11	The matter was further listed on 15th April 2024 for arguments however the Court allowed the application for adjournment filed by Sai Enterprises and now the matter is scheduled on 10th June 2024 for arguments.

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38	Arbitration (R S Virk) District & Sessions Judge (Retd.)	Dayanand v. Aditya Birla Fashion & Retail Limited Case No. 350	<p>Mr. Dayanand, leased, a warehouse located in village Pataudi, Tehsil Pataudi, District Gurugram entered into a lease deed dated 20.04.2016 with Aditya Birla Fashion and Retail Limited. Notably, on 16.10.2018 an incident of fire occurred at the Premise consequent whereupon, the entire said premise was damaged. Thereafter, ABFRL terminated the lease of the Premise. Subsequently and consequent upon such termination, the Lessor approached the insurance company under insurance contract and claimed a loss/ damage of Rs. 8,00,00,000/- (Rupees Eight Crores only) from Insurance Company. Pertinently, after due assessment of the said claim, the Insurance Company had paid a sum of Rs. 2,50,00,000/- (Rupees Two Crores and Fifty Lakhs only) to the Lessor towards the damages caused due to the fire.</p> <p>Notably, despite the clearance of the claims of the Lessor by the Insurance Company, the Lessor, undeterred, issued a legal notice on 29.07.2019 upon ABFRL, inter alia, claiming the damages/ compensation to a tune of Rs. 3,00,00,000/- (Rupees Three Crores only) and to pay and surrender security deposit of Rs. 60,00,000/- (Rupees Sixty Lakhs only). Subsequently, in light of the aforesaid, Mr. Dayanand filed an application under Section 11 of the Arbitration and Conciliation Act, 1996 before the Hon'ble High Court of Punjab & Haryana, seeking appointment of an arbitrator for claim amounting to 7,80,46,520/- along with 18% interest.</p> <p>Accordingly, in light of the above, once Mr. Dayanand/ Lessor pursues his claim/ claims before the Arbitrator, ABFRL will file its counter claim upon Mr. Dayanand/ Lessor for refund of its balance IFRSD/ Security Deposit amount of Rs. 15,23,352/- (Rupees Fifteen Lakhs Twenty Three Thousand Three Hundred and Fifty Two only) along with interest @ 18% (Eighteen percent) per annum on the said amount as per clause 5(iii) of the Lease Deed, from date of termination of the lease deed i.e., 18.10.2019.</p> <p>Subsequently, the LL filed an application under Section 11 of the Arbitration and Conciliation Act before the Hon'ble High Court of Punjab & Haryana, seeking appointment of an arbitrator. Upon due</p>	7.80	We have filed the Appeal against impugned order passed by the Arbitrator awarding the amount of Rs. 7.16 Cr including interest. The Landlords have filed the execution petition the same is posted on 03.05.2024. Now both the cases (appeal and execution) is posted on 03.05.2024. We will be arguing on the stay petition on the said date.
39	Commercial Appellate Courts, Bangalore	ABFRL v. Pushplata Kumari 522/2021	<p>ABFRL (MFL Division) had two COFO stores at Dhanbad in the Centre Point Mall.</p> <p>VH (Landlord-Devanand Singh) and AS (Landlord-Sunder Pal Sondhi). Both the stores were operated by the same franchisee named Ms. Pushpalata Kumari".</p> <p>Due to non-viability of business, ABFRL terminated both the lease deeds and franchisee agreements. AS store was peacefully terminated and handed over. However, the franchisee locked the VH store and did not allowed /permitted ABFRL team to enter the store and threatened them with dire consequences. The Franchisee demanded compensation of Rs 40 lakhs towards her investments towards capex.</p>	0.15	By an order dated 28.03.24, the appeal has been admitted and the adverse judgement of the lower court directing refund of security deposit to franchisee has been stayed. Service has been affected by the Court. Once the same is completed, the matter shall be further listed
40	Mumbai NCLT	IBC v. Future Lifestyle Fashion Limited (FLFL)	<p>IBC petition against Future Lifestyle Fashion Limited (FLFL) was admitted before Mumbai NCLT vide order dated 4th May 2023.</p> <p>Pursuant to admission of the said IBC petition Mr. Ravi Sethia was appointed as resolution professional (RP).</p> <p>The RP started sending demand letters to various PT stores across India and as per RP's statement of accounts ABFRL totally owes a sum of Rs. 90.84 Cr.</p> <p>ABFRL legal has engaged a senior IBC Advocate and he is in the process of sending reply to the said demand letters.</p>	90.84	ABFRL has sent reply through email dated 8th February 2024 to the demand notices of Resolution Professional.
41	Patiala District Court, Delhi	Blue Star v. ABFRL CS(Com)1688/2016 & 1689/2016 CS(Com) 500/2016	<p>Blue Star ("Vendor") manufactured excessive ABFRL branded products in an unauthorized manner. ABFRL filed 2 bare injunction suits (VH, LP and PE) in Patiala District Courts at Delhi and obtained favorable orders and conducted raids and seized the goods pertaining to VH, LP & PE.</p> <p>Pursuant to obtaining the orders ABFRL withheld the payment of Rs.0.80 Cr payable to the Vendor. Aggrieved by the said action, the Vendor filed a suit for recovery of Rs.0.80 Cr with interest amounting to RS.1.78 Cr in the High Court of Delhi (CS (com) 500/2016 and in the said case, ABFRL also made a counter claim for ₹ 2.72 Cr. Towards the damages.</p>	1.78	The matter is now scheduled on 7th May 2024 for cross examination of plaintiff (Blue Star).
42	High Court of Karnataka, at Bangalore	Writ Petition No. 32586/2017	<p>A FIR bearing Crime No. 252/2017 was filed by Sheetal Murthy against the managing director and other officers of ABFRL. To quash the said FIR a writ petition No. 32586/2017 was filed before the Hon'ble High Court of Karnataka.</p> <p>On thorough hearing the argument of ABFRL's advocate the Hon'ble Court was pleased to grant stay vide order dated 20.07.2017. Further, it has mentioned in the order that no further investigation or action has to be initiated based on the said FIR.</p> <p>It is pertinent to state that on the same lines of above mentioned FIR (filed by Sheetal Murthy's husband Arun Murthy's) was filed and subsequently quashed vide order dated 25.05.2022</p>	NA	The matter will be listed in due course of time. Last Date of Hearing 23.04.2024

ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered Office:

Piramal Agastya Corporate Park, Building 'A',
4th and 5th Floor, Unit No. 401, 403, 501, 502,
L.B.S. Road, Kuria, Mumbai - 400 070

CIN: L18101MH2007PLC233901
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Website: www.abfrl.com
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S M B C & COMPANY LLP

Chartered Accountants

601, 6th Floor, Nirman Kendra, Dr E Moses Road, Famous
Studio Lane, Mahalaxmi, Mumbai 400 011.

Email: dharmesh@smbcllp.com

Certificate No: CERT/GEN/141/2023-2024

CERTIFICATE OF CHARTERED ACCOUNTANTS

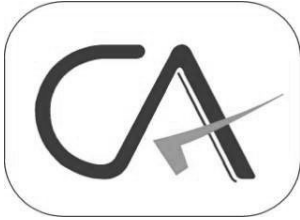
Chartered Accountant's Certificate on Assests, Liabilities, Revenue and Networth of M/s. ADITYA BIRLA FASHION AND RETAIL LIMITED ("Company") and M/s. TCNS CLOTHING CO. LIMITED ("Transferor Company") as on 31st March 2023 both pre and post scheme of arrangement, brief note on the Transferor Company, relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and accounting treatment applied by the company.

1. This Report is issued in accordance with the terms of our engagement letter/agreement dated 6th October 2023.
2. The information and explanation and Standalone Audited Financial Statement provided to us of M/s. ADITYA BIRLA FASHION AND RETAIL LIMITED, having its registered office at Piramal Agastya Corporate Park, Building - A 4th and 5th Floor, Unit No.401/403/501/502, L.B.S Road, Kurla, Mumbai Maharashtra – 400070 and CIN No. L18101MH2007PLC233901 and Standalone Audited Financial Statement of M/s. TCNS CLOTHING CO. LIMITED, having its registered office at 119, New Manglapuri, W House Mandi Road, Sultanpur, Mehrauli, South Delhi, New Delhi - 110030 and CIN No. L99999DL1997PLC090978 for the Financial Year 2022-2023.

Further the Company has also provided the brief note on the Transferor Company, relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and accounting treatment applied by the company.

Management's Responsibility for the Statement

3. The preparation of Merged Financial Statement provided to us of M/s. ADITYA BIRLA FASHION AND RETAILS LIMITED for period ending 31st March 2023, brief note on the Transferor Company, relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and accounting treatment applied by the company is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.



S M B C & COMPANY LLP

Chartered Accountants

601, 6th Floor, Nirman Kendra, Dr E Moses Road, Famous Studio Lane, Mahalaxmi, Mumbai 400 011.

Email: dharmesh@smbcellp.com

4. The Management is also responsible for ensuring that the Company complies with the requirements of Regulation 37 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30,2015 issued by SECURITIES AND EXCHANGE BOARD OF INDIA and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Practitioner's Responsibility

5. Pursuant to the requirements of the as per the Regulation 37 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30,2015 issued by SECURITIES AND EXCHANGE BOARD OF INDIA for seeking No Objection Certificate from Bombay Stock Exchange and National Stock Exchange, it is our responsibility to provide a reasonable assurance whether the amounts of Assets, Liabilities, Revenue and Networth mentioned pre and post scheme for the year ended 31st March 2023 have been accurately prepared from the Standalone Financials of ADITYA BIRLA FASHION AND RETAIL LIMITED and TCNS CLOTHING CO. LIMITED with respect to amount invested is prepared by the Management for the year ended 31st March, 2023. We also provide the reasonable assurance with reference to the brief note on the Transferor Company, Applicability of relevant section of the Companies Act 2013 and Applicability of the relevant Indian Accounting Standard.
6. The Audited Financial Statements referred to in paragraph 5 above, have been audited by other Chartered Accountants, for the year ended 31st March, 2023, the audits of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that the auditors should plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination on the financial information and Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



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Chartered Accountants

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Opinion

9. Based on our examination, on financial information as above, we are of the opinion that the amounts in the Statement in respect of financial information as mentioned in Annexure A along with the Accounting Treatment mentioned as Notes, Brief Note on Transferor Company as mentioned in Annexure B, Applicability of relevant sections of Companies Act 2013 as mentioned in Annexure C and Applicability of relevant Indian Accounting Standards (Ind AS) mentioned in Annexure D, GN on Reports or Certificates for Special Purposes (Revised 2016) 56 have been accurately extracted from the standalone financial information prepared by the Management.

Restriction on Use

10. The certificate is addressed to and provided to the Management of the Company solely for the purpose to enable comply with requirement as per the Regulation 37 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30,2015 issued by SECURITIES AND EXCHANGE BOARD OF INDIA for seeking No Objection Certificate from Bombay Stock Exchange and National Stock Exchange and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For and on behalf of
S M B C & Company LLP
Chartered Accountants
FRN No. 121388W/W100687

MUKESH
CHANDER
BHATIA

Digitally signed by MUKESH CHANDER BHATIA
DN: cn=MUKESH CHANDER BHATIA, o=SMBCLLP, ou=MEMBERSHIP NO. 110016, email=MUKESH.CHANDER.BHATIA@SMBCLLP.COM, c=IN

Mukesh Bhatia
Partner

Membership No. 110016

Place: Mumbai

Date: 21th October 2023

UDIN: 23110016BGZNF8549

Encl: Annexure A to Annexure D



S M B C & COMPANY LLP

Chartered Accountants

601, 6th Floor, Nirman Kendra, Dr E Moses Road, Famous Studio Lane, Mahalaxmi, Mumbai 400 011.

Email: dharmesh@smbcllp.com

Annexure A: Assets, Liabilities, Revenue and Networth of M/s. ADITYA BIRLA FASHION AND RETAIL LIMITED (“Company”) and M/s. TCNS CLOTHING CO. LIMITED (“Transferor Company”) as on 31st March 2023 of pre and post scheme of arrangement:

(All amounts in ₹ Crore except otherwise specified)				
		PRE SCHEME - ABFRL Standalone	PRE SCHEME – TCNS	POST SCHEME – ABFRL Standalone + TCNS
Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2023	As at March 31, 2023
1.	Total Assets (Refer Note 1)	15,473.22	1,486.28	18,628.95
2.	Total Liabilities (Refer Note 2)	11,686.33	874.58	14,187.15
3.	Networth (Refer Note 3)	3,786.89	611.70	4,441.80
4.	Revenue (Refer Note 4)	11,736.86	1,201.59	12,938.45

Notes*:

Note 1: Assets include all current assets and non-current assets including merger related adjustments

Note 2: Liabilities includes all current liabilities and non-current liabilities and does not include equity share capital and other equity as the same has been shown separately under Net worth.

Note 3: Net worth includes Paid up Equity Share capital, other equity and Non-Controlling Interest (excluding merger related adjustments). Also, refer to Note 5 of Accounting Treatment Notes for Merger below.

Note 4: Revenue represents Revenue from operations and does not include other income.

**All nomenclatures that have been used in notes above are as mentioned in the audited financial statements for the year ended March 31, 2023.*

Accounting Treatment Notes for Merger (on account of amalgamation of companies):

- For the preparation of Merged financial information as mentioned above it is assumed that TCNS CLOTHING CO. LIMITED is amalgamated with ADITYA BIRLA FASHION AND RETAIL LIMITED on 31st March 2023.
- For the purpose preparation of Merged financial information, standalone financial statements



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Studio Lane, Mahalaxmi, Mumbai 400 011.

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of ADITYA BIRLA FASHION AND RETAIL LIMITED has been considered.

3. The accounts of both the companies have been audited by the other chartered accountants and we have relied on the audited financial statements for the preparation of Merged financial information as mentioned above.
4. Line by line consolidation of the financial statements of both the companies have been carried out for the purpose of amalgamation as on 31st March 2023.
5. Amount paid of Rs. 1,626.24 crores paid for purchase of Equity of TCNS CLOTHING CO. LIMITED is through borrowings, equity share capital of Rs. 55.55 crores to be issued by ADITYA BIRLA FASHION AND RETAIL LIMITED pursuant to amalgamation of companies.
6. As per the Audited Financial for the financial year ended 31st March, 2023 Statements, TCNS CLOTHING CO. LIMITED does not have subsidiaries.

Annexure B: Brief Note on Transferor Company:

TCNS CLOTHING CO. LIMITED (“Transferor Company”) is India’s leading women’s branded Apparel Company. The Transferor Company designs, manufactures, markets, and retails a wide portfolio of women’s branded apparel across multiple brands. Its product portfolio includes top-wear, bottom-wear, drapes, combination sets, and accessories that cater to a wide variety of the wardrobe requirements of the Indian woman, including everyday wear, casual wear, work-wear, and occasion wear. It sells its products across India and through multiple distribution channels. As of March 31st, 2023, it sold its products through 650 + exclusive brand outlets, 2000+ large format store outlets, and 1000+ multi-brand outlets. It also sells its products through exclusive brand outlets in Nepal, Mauritius, and Sri Lanka. In addition, it sells its products through its website and online retailers. The shares of the Company got listed on the National Stock Exchange of India Limited and Bombay Stock Exchange on 31st July 2018.

Annexure C: Applicability of Relevant Section of Companies Act 2013

Section of Companies Act 2013 applicable for the Proposed Scheme is as under:

Section 230 - 231 deals with compromise or arrangement.

Section 232 deals with mergers and amalgamations.

Annexure D: Applicability of relevant Indian Accounting Standards (Ind AS):

Appendix C to Indian Accounting Standard (Ind AS) 103 ‘Business Combinations’ is applicable to the Company for preparation of Merged financial statements for the Proposed Scheme

GHOSH KHANNA & CO LLP

CHARTERED ACCOUNTANTS

(LLP Identification No: AAV-9018)

L-2A Hauz Khas Enclave, New Delhi-110016, India
Phones: +91(011) 2696 2981/82, Fax: +91 (011) 2696 2985
Email: gkc@gkcindia.com Website: www.gkcindia.com

October 09, 2023

To
TCNS Clothing Co. Limited
119, New Manglapuri,
W House Mandi Road, Sultanpur,
Mehrauli, New Delhi – 110030

Certificate on the statement of Assets, Liabilities, Revenue and Net Worth - Pre and Post Amalgamation

1. We, Ghosh Khanna & Co LLP, Chartered Accountants (Firm Registration No: AAV-9018), have been requested by the Company to certify the statement of pre-amalgamation Assets, Liabilities, Revenue and Net Worth as at March 31, 2023 and post-amalgamation Assets, Liabilities, Revenue and Net Worth of the Company as given in the attached statement (“the Statement”) pursuant to Scheme of Arrangement between Aditya Birla Fashion & Retail Limited and the Company (“the Scheme”), provided to us by the management. This certificate is required by the Company for submission to the Securities and Exchange Board of India, National Stock Exchange, Bombay Stock Exchange and National Company Law Tribunal.

Our Responsibility

2. Pursuant to the requirement of the document, it is our responsibility to provide a reasonable assurance as to whether the amounts in the Statement that form part of the pre-amalgamation Assets, Liabilities, Revenue and Net Worth as at March 31, 2023 have been accurately extracted from the audited Standalone financial statements for the year ended March 31, 2023 and the computation thereon is arithmetically correct and whether the computation of provisional post amalgamation Assets, Liabilities, Revenue and Net Worth is in accordance with the Scheme as stated above.
3. The procedure performed vary in nature and timing from, and are less extent that for, a reasonable assurance and consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



4. With regards to the amounts mentioned in the Statement, we have performed the following procedures:
 - a) In respect of the pre-amalgamation Assets, Liabilities, Revenue and Net Worth, we have traced the amounts mentioned in the Column (I) of the Statement to the audited standalone financial statements for the year ended March 31, 2023 obtained from the management. Verified the computation thereof as defined in the notes to the Statement.
 - b) The post amalgamation Assets, Liabilities, Revenue and Net Worth in Column (II) of the Statement has been stated as Nil considering that the Company shall stand dissolved without being wound-up on the coming into effect of the Scheme.
 - c) Verified the arithmetical accuracy of the Statement.
5. The audited standalone financial statements referred to in paragraph 6 above were not audited by us but were audited by another firm of Chartered Accountants.

Opinion

6. Based on the procedure performed by us as referred in paragraph 7 above and according to the information and explanations given to us, nothing has come to our attention that causes us to believe that the amounts in the Statements that form part of the pre-amalgamation Assets, Liabilities, Revenue and Net Worth as at March 31, 2023 been not accurately extracted from the audited standalone financial statements for the year ended March 31, 2023 and the computation thereof is not arithmetically correct and post-amalgamation Assets, Liabilities, Revenue and Net Worth have not been computed by the management in accordance with the Scheme, read with Notes as mentioned in the Statement.

Restrictions on use

7. The certificate has been issued on request of the Company, solely for the purpose set forth in the paragraph 2 of this certificate. It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this certificate.

For Ghosh Khanna & Co LLP

Chartered Accountants

ICAI Firm Registration Number: (LLP Identification No. AAV-9018)



Varun Maingi

Partner

Membership Number: 554330

UDIN: 23554330BGXYZ5507

Place: Delhi

Date: October 09, 2023



Statement to the Certificate dated October 09, 2023

Computation of pre-amalgamation Assets, Liabilities, Revenue and Net Worth and post-amalgamation Assets, Liabilities, Revenue and Net Worth of TCNS Clothing Co. Limited (“the Company”) pursuant to scheme of Arrangement between Aditya Birla Fashion & Retail Limited and the Company (“the Scheme”).

S. No	Particulars	Notes	Amount in INR Crores	
			I	II
			Pre-amalgamation (As at March 31, 2023) (Standalone Audited)	Post-amalgamation
1.	Assets	Note 1	1,486.28	-
2	Liabilities	Note 2	874.58	-
3	Net Worth	Note 3	611.70	-
4	Revenue	Note 4	1,201.59	-

Notes*:

Note 1: Assets includes all current assets and non-current assets.

Note 2: Liabilities includes all current liabilities and non-current liabilities and does not include equity share capital and other equity as the same has been shown separately under Net worth.

Note 3: Net worth includes Paid up Equity Share capital and other equity.

Note 4: Revenue represents Revenue from operations and does not include other income.

**All nomenclatures that have been used in notes above are as mentioned in the audited financial statements for the year ended March 31, 2023.*

Applicability of Relevant Section of Companies Act 2013 :

Section of Companies Act 2013 applicable for the Proposed Scheme is as under:

Section 230- 231 deals with compromise or arrangement.

Section 232 deals with mergers and amalgamations including demergers.





October 25, 2023

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J.Towers, Dalal Street,
Mumbai – 400 001.

Subject: Application under Regulation 37 and Regulation 59A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations”) for the proposed scheme of amalgamation between TCNS Clothing Co. Limited (“Transferor Company/ TCNS”), Aditya Birla Fashion and Retail Limited (“Transferee Company”/ ABFRL”) and their respective shareholders and creditors.

Dear Sir/Ma’am,

We are in receipt of your email dated October 5, 2023 (“**Query**”) on the application submitted by us dated May 19, 2023 for the proposed scheme of amalgamation between TCNS, ABFRL and their respective shareholders and creditors (“**Application**”).

Enclosed is our point wise response to your Query.

Thanking you,
Yours faithfully,
For **Aditya Birla Fashion and Retail Limited**

ANIL KUMAR MALIK
Digitally signed by
ANIL KUMAR MALIK
Date: 2023.10.25
11:43:36 +05'30'

Name: Anil Malik
Designation: President & Company Secretary
Enclosures: As stated in the table below

ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered Office:

Piramal Agastya Corporate Park, Building ‘A’,
4th and 5th Floor, Unit No. 401, 403, 501, 502,
L.B.S. Road, Kurla, Mumbai - 400 070

CIN: L18101MH2007PLC233901
Tel.: +91 86529 05000
Fax: +91 86529 05400

Website: www.abfrl.com
E-mail: secretarial@abfrl.adityabirla.com



Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
1.	In cases of Demerger, Apportionment of losses of the listed company among the companies involved in the scheme.	Not Applicable	Since this is Case of Merger by Absorption. Hence no apportionment of Losses is required.	NA
2.	Details of assets, liabilities, revenue and net worth of the Companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the demerged undertaking/Transferor Company certified by Chartered Accountant (CA).	Yes	Nil	Annexure A
3.	Any type of arrangement or agreement between the demerged company/resulting company/merged/amalgamated company/ creditors / shareholders / promoters / directors/etc., which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.	No	While there is no arrangement contemplated in the Scheme which may have any implications on Scheme as well as on the shareholders of listed entity, the Company has other than in normal course of business entered into (i) Share Purchase Agreement with the Promoters of the Transferor Company and the Transferor Company and (ii) Merger	NA

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E-mail: secretarial@abfrl.adityabirla.com



Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
			Implementation Agreement with the Transferor Company.	
4.	In cases of Capital reduction, reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve, certified by CA.	Not Applicable	Being a merger scheme and not a scheme of capital reduction.	NA
5.	In cases of Capital reduction, Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA.	Not Applicable	Being a merger scheme and not a scheme of capital reduction.	NA
6.	In cases of Capital reduction, Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA.	Not Applicable	Being a merger scheme and not a scheme of capital reduction.	NA
7.	In cases of Capital reduction, the built up of the accumulated losses over the years, certified by CA.	Not Applicable	Being a merger scheme and not a scheme of capital reduction.	NA
8.	Relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and Accounting treatment, certified by CA.	Yes	Nil	Annexure A
9.	In case of Composite Scheme, details of shareholding of companies involved in the scheme at each stage,	Not Applicable	This is not a composite scheme	NA
10.	Whether the Board of unlisted Company has taken the decision regarding issuance of Bonus shares. If yes provide the details thereof.	Not Applicable	No unlisted company involved in Scheme	NA
11.	List of comparable companies considered for comparable companies' multiple method, if the same method is used in valuation.	Yes	As per letter dated June 23, 2023 from the Valuer	Annexure B
12.	Share Capital built-up in case of scheme of	Not	No unlisted	NA

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Website: www.abfrl.com

E-mail: secretarial@abfrl.adityabirla.com



Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
	arrangement involving unlisted entity/entities, certified by CA.	Applicable	company involved in Scheme	
13.	Any action taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme for the period of recent 8 years.	No	No action taken / pending by any regulatory authority i.e. RBI, NCLT, MCA, SEBI, BSE and NSE	NA
14.	Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed entity in last three financial years.	Not Applicable	No Demerger under the Scheme	NA
15.	Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company.	Yes	Please refer pt. no. 6 of the draft Scheme, Annexed	Annexure C
16.	In case of Demerger, basis for division of assets and liabilities between divisions of Demerged entity.	Not Applicable	No Demerger under the Scheme	NA
17.	How the scheme will be beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.	Yes	Please refer pt. no. 6 of the draft Scheme, Annexed	Annexure C
18.	Tax/other liability/benefit arising to the entities involved in the scheme, if any.	Yes	Please refer pt. no. 19 of the draft Scheme, Annexed	Annexure C
19.	Comments of the Company on the Accounting treatment specified in the scheme to conform whether it is in compliance with the Accounting Standards/Indian Accounting Standards.	Yes	Letter dated June 2, 2023 received from the valuer	Annexure D
20.	If the Income Approach method used in the Valuation, Revenue, PAT and EBIDTA (in value and percentage terms) details of entities involved in the scheme for all the	Yes	Letter dated June 2, 2023 received from the valuer	Annexure D

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Website: www.abfirl.com
E-mail: secretarial@abfirl.adityabirla.com



Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
	number of years considered for valuation. Reasons justifying the EBIDTA/PAT margin considered in the valuation report.			
21.	Confirmation that the valuation done in the scheme is in accordance with applicable valuation standards	Yes	Please refer para 1 on page 3, para 3 on page 13 and para 1 on page 17 of the Valuation Report, Annexed	Annexure E
22.	Confirmation that the scheme is in compliance with the applicable securities laws.	Yes	Confirmed	
23.	Confirmation that the arrangement proposed in the scheme is yet to be executed.	Yes	Confirmed	

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Website: www.abfirl.com
E-mail: secretarial@abfirl.adityabirla.com



October 25, 2023

To,
The Deputy Manager,
National Stock Exchange of India Limited
Exchange Plaza, C /1, Block G,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Subject: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations”) for the proposed scheme of amalgamation between TCNS Clothing Co. Limited (“Transferor Company/ TCNS”), Aditya Birla Fashion and Retail Limited (“Transferee Company”/ ABFRL) and their respective shareholders and creditors.

Dear Ma’am,

We are in receipt of your query *vide* your email dated October 4, 2023 (“**Email**”) on the application dated May 19, 2023, submitted by us for the proposed scheme of amalgamation between TCNS, ABFRL and their respective shareholders and creditors (“**Application**”).

While we have replied to query no. 1 *vide* our email dated October 5, 2013, enclosed is our response to query no. 2 raised in the Email.

Thanking you,
Yours faithfully,
For **Aditya Birla Fashion and Retail Limited**

ANIL KUMAR Digitally signed by ANIL
MALIK KUMAR MALIK
Date: 2023.10.25
11:47:24 +05'30'

Name: Anil Malik
Designation: President & Company Secretary
Place: Mumbai
Enclosures: As stated in the table below

ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered Office:

Piramal Agastya Corporate Park, Building ‘A’,
4th and 5th Floor, Unit No. 401, 403, 501, 502,
L.B.S. Road, Kurla, Mumbai - 400 070

CIN: L18101MH2007PLC233901
Tel.: +91 86529 05000
Fax: +91 86529 05400

Website: www.abfrl.com
E-mail: secretarial@abfrl.adityabirla.com



Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
1.	Apportionment of losses of the listed company among the companies involved in the scheme.	Not Applicable	Since this is Case of Merger by Absorption. Hence no apportionment of Losses is required.	NA
2.	Details of assets, liabilities, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the demerged undertaking/Transferor Company certified by Chartered Accountant (CA).	Yes	Nil	Annexure A
3.	Any type of arrangement or agreement between the demerged company/resulting company/merged/amalgamated company/creditors / shareholders / promoters / directors/etc., which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.	No	While there is no arrangement contemplated in the Scheme which may have any implications on Scheme as well as on the shareholders of listed entity, the Company has other than in normal course of business entered into (i) Share Purchase Agreement with the Promoters of the Transferor Company and the Transferor Company and (ii) Merger Implementation Agreement with the Transferor	NA

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Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
			Company.	
4.	Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve, certified by CA.	Not Applicable	Being a merger scheme and not a scheme of capital reduction.	NA
5.	Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA.	Not Applicable	Being a merger scheme and not a scheme of capital reduction.	NA
6.	Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA.	Not Applicable	Being a merger scheme and not a scheme of capital reduction.	NA
7.	The built up of the accumulated losses over the years, certified by CA.	Not Applicable	Being a merger scheme and not a scheme of capital reduction.	NA
8.	Relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and Accounting treatment, certified by CA.	Yes	Nil	Annexure A
9.	Details of shareholding of companies involved in the scheme at each stage, in case of composite scheme.	Not Applicable	This is not a composite scheme	NA
10.	Whether the Board of unlisted company has taken the decision regarding issuance of Bonus shares. If yes provide the details thereof. If not, provide the reasons thereof.	Not Applicable	No unlisted company involved in Scheme	NA
11.	List of comparable companies considered for comparable companies' multiple method.	Yes	As per letter dated June 23, 2023 from the Valuer	Annexure B
12.	Share Capital built-up in case of scheme of arrangement involving unlisted entity/entities, certified by CA.	Not Applicable	No unlisted company involved in Scheme	NA
13.	Any action taken/pending by	No	No action taken /	NA

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Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
	Govt./Regulatory body/Agency against all the entities involved in the scheme.		pending by any regulatory authority i.e. RBI, NCLT, MCA, SEBI, BSE and NSE	
14.	Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed entity in last three financial years.	Not Applicable	No Demerger under the Scheme	NA
15.	Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company.	Yes	Please refer pt. no. 6 of the draft Scheme, Annexed	Annexure C
16.	In case of Demerger, basis for division of assets and liabilities between divisions of Demerged entity.	Not Applicable	No Demerger under the Scheme	NA
17.	How the scheme will be beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.	Yes	Please refer pt. no. 6 of the draft Scheme, Annexed	Annexure C
18.	Tax/other liability/benefit arising to the entities involved in the scheme, if any.	Yes	Please refer pt. no. 19 of the draft Scheme, Annexed	Annexure C
19.	Revenue, PAT and EBIDTA (in value and percentage terms) details of entities involved in the scheme for all the number of years considered for valuation. Reasons justifying the EBIDTA/PAT margin considered in the valuation report.	Yes	Letter dated June 2, 2023 received from the valuer	Annexure D
20.	Confirmation from valuer that the valuation done in the scheme is in accordance with applicable valuation standards.	Yes	Please refer para 1 on page 3, para 3 on page 13 and para 1 on page 17 of the Valuation Report, Annexed	Annexure E
21.	Confirmation from Company that the scheme is in compliance with the applicable securities	Yes	Confirmed	

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E-mail: secretarial@abfrl.adityabirla.com



Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
	laws.			
22.	Confirmation that the arrangement proposed in the scheme is yet to be executed.	Yes	Confirmed	

ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered Office:

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Website: www.abfrl.com
E-mail: secretarial@abfrl.adityabirla.com

Bansi S. Mehta Valuers LLP
Registered Valuer

Address:
11/13 Botawala Building, 2nd Floor,
Horniman Circle, Fort,
Mumbai – 400 001

June 23, 2023

To,
Aditya Birla Fashion & 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.

Re: Recommendation of fair share exchange ratio for the proposed amalgamation of TCNS Clothing Co. Limited ("TCNS") into Aditya Birla Fashion and Retail Limited ("ABFRL")

Dear Sir / Madam,

This is in response to your email dated June 19, 2023, requesting certain clarification on query raised by BSE Limited:

Query 1

Kindly provide detailed workings from the valuers for Enterprise Value, future cash flows and the names of the Companies involved for CCMM approach along with their valuation.

Response

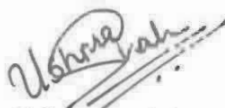
The working has been attached as Annexure A and B.

This letter should be read in conjunction with our report and the limitations mentioned therein. Any terms not defined in this letter shall derive their meaning from our Report.

Trust this clarifies.

Thanking you,

For Bansi S. Mehta Valuers LLP
Registered Valuer
IBBI Registration Number: IBBI/RV-E /06/2022/172



Ushma A. Shah
Partner
Date: June 23, 2023



Annexure A: Workings

Comparable Companies Multiple Method

Aditya Birla Fashion Retail Limited

Annexure 1 : Lifestyle and Store business comparable companies

Sr. No.	Name of Company	EV/EBITDA	INR in crores	
			Enterprise Value *	EBITDA - FY24 forward **
1	TCNS Clothing Co. Limited	14.9	3,383.6	227.0
2	V-Mart Retail Limited	14.7	5,752.8	390.3
3	Aditya Birla Fashion And Retail Limited	12.3	24,737.0	2,011.0
4	Kewal Kiran Clothing Limited	13.3	2,333.0	176.0
5	Shoppers Stop	11.4	9,271.2	814.9
Average		13.3		

Annexure 2: Innerwear segment comparable company

Sr. No.	Name of Company	EV/EBITDA	INR in crores	
			Enterprise Value *	EBITDA - FY25 forward **
1	Page Industries Limited	32.6	28,731.4	881.4
Average		32.6		

* We have computed Enterprise value by taking market capitalization of comparable companies (considering three months' weighted average price) and making adjustments for cash, debt, and surplus assets.

** We have taken into consideration forward estimates from analyst reports to compute EBITDA for FY24/FY 25.



Discounted Cash Flow Method

Aditya Birla Fashion Retail Limited
DCF Approach (Free Cash Flow to Firm)

PARTICULARS	For the year ended March 31,									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
(A) Free Cash Flow for ABFRL (excluding Ethnic business and TMRW)	137.9	350.6	473.9	887.6	1,418.2	1,872.7	2,220.7	2,606.5	3,008.9	3,241.5
(B) WACC	11.9%	11.5%	11.5%	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%
(C) Mid-year Discounting Factor	0.95	0.94	0.95	0.97	0.60	0.54	0.48	0.43	0.38	0.34
(D) Discounted Free Cash Flow	130.3	250.0	357.6	598.5	854.5	1,008.3	1,068.5	1,120.7	1,156.0	1,112.8
Present Value of Cashflows	7,703.2									
Add: Terminal Value	20,874.2									
Enterprise Value of ABFRL (excluding Ethnic business and TMRW)	28,577.4									

Terminal Value	Rs. in Cr
Free Cash Flow for terminal year	3,463.8
WACC for Perpetuity	11.7%
Terminal growth	6.0%
Perpetuity value using Gordon's growth model as at March 31, 2033	60,801.7
Mid-year Discounting Factor for FY33	0.34
Present Value of Terminal Value	20,874.2

Particulars	Rs. in Cr
Enterprise Value (excluding ethnic and TMRW) as at Valuation Date	28,577.4
Less: Debt as at March 31, 2023	2,077.5
Business Value as at Valuation Date	26,500.0
Add: Business value of Ethnic businesses	1,348.3
Add: Investment in TMRW	315.5
Add: Cash and Bank Balance as on March 31, 2023	2,147.7
Add: Surplus Assets as at Valuation Date	160.6
Less: Impact of Acquisition	11.4
Adjusted Business Value as at Valuation Date	30,460.7
Divide by: Number of Shares	101.6
Value per share in Rs. as at Valuation Date	299.7

Note : We have relied on the projected financial statements of the Client for FY 24 to FY 28 to derive the free cash flows. Beyond FY 28, we have extrapolated the projections for a period of five years to capture the high growth period.



Annexure B: Workings

Comparable Companies Multiple Method

TCNS Clothing Co. Limited ("TCNS")

Sr. No.	Name of Company	EV/EBITDA	INR in crores	
			Enterprise Value *	EBITDA - FY24 forward *
1	TCNS Clothing Co. Limited	14.9	3,383.6	227.0
2	Aditya Birla Fashion And Retail Limited	12.3	24,737.0	2,011.0
3	Kewal Kiran Clothing Limited	13.3	2,333.0	176.0
4	Go Fashion Limited	20.3	5,485.2	269.9
Average		15.2		

* We have computed Enterprise value by taking market capitalization of comparable companies (considering three months' weighted average price) and making adjustments for cash, debt, and surplus assets.

** We have taken into consideration forward estimates from analyst reports to compute EBITDA for FY24/FY 25.



Discounted Cash Flow Method

TCNS Clothing Co. Limited ('TCNS')
DCF Approach (Free Cash Flow to Firm)

Rs. in Cr

PARTICULARS	For the year to end March 31,										
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
(A) Free Cash Flow	94.5	4.0	12.8	65.6	117.0	149.6	199.5	255.9	313.1	370.4	
(B) WACC	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	
(C) Mid-year Discounting Factor	0.95	0.85	0.76	0.68	0.61	0.54	0.49	0.44	0.39	0.35	
(D) Discounted Free Cash Flow	89.4	3.4	9.7	44.6	71.2	81.5	97.3	111.8	122.4	129.7	
Present Value of Cashflows	761.0										
Add: Terminal Value	2,525.3										
Enterprise Value	3,286.3										

Terminal Value	
Free Cash Flow for terminal year	394.2
WACC for Perpetuity	11.5%
Terminal growth	6.0%
Perpetuity value using Gordon's growth model as at March 31, 2033	7,211.0
Mid-year Discounting Factor for FY33	0.35
Present Value of Terminal Value	2,525.3

Particulars	Rs. in Cr
Enterprise Value as at Valuation Date	3,286.3
Less: Debt as at March 31, 2023	39.5
Business Value as at Valuation Date	3,246.8
Add: Other Surplus Assets	2.1
Add: Surplus Cash and Bank balance	87.7
Adjusted Business Value as at Valuation Date	3,336.6
Divide by: Number of Shares	6.5
Value per share in Rs. as at Valuation Date	517.2

Note : We have relied on the projected financial statements of the Client for FY 24 to FY 28 to derive the free cash flows. Beyond FY 28, we have extrapolated the projections for a period of five years to capture high growth period.



Bansi S. Mehta Valuers LLP
Registered Valuer

Address:
11/13 Botawala Building, 2nd Floor,
Horniman Circle, Fort,
Mumbai – 400 001

June 02, 2023

To,
Aditya Birla Fashion & 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.

Re: Recommendation of fair share exchange ratio for the proposed amalgamation of TCNS Clothing Co. Limited ("TCNS") into Aditya Birla Fashion and Retail Limited ("ABFRL")

Dear Sir / Madam,

This is in response to your email dated May 28, 2023, requesting certain clarification on queries raised by National Stock Exchange of India Limited:

Query 1 & 2

It has been observed that the scheme is conditional and subject to acquisition of 51% of the expanded share capital of the Transferor Company by the Transferee Company, pursuant to open offer by the Transferee Company. Kindly clarify the impact on the scheme and the valuation considered by the valuer if the open offer is not successful;

Further, it has been observed that in the valuation report provided, the valuer has mentioned that 'any change in the above assumption would impact the fair exchange ratio'. Kindly provide reason that would probably impact the share exchange ratio.

Response

We understand that the merger is conditional upon the acquisition of 51% in TCNS by ABFRL. While computing the Share Exchange Ratio based on the fair value, our underlying assumption is that such condition would be met. While calculating the fair value of ABFRL, we have considered the impact of the acquisition of 51% in TCNS being the difference between the fair value of TCNS computed in the valuation report (i.e. INR 499.5) and the open offer price (i.e. INR 503.0) which amounts to INR 11.43 crores. The impact of above adjustment on per share basis for ABFRL translates to INR 0.11 per share.

Query 3

It has also been observed that in the valuation exercise, the valuer has considered the provisional financials as of March 31, 2023 for both the Companies. Kindly clarify how the same is in compliance with Exchange SOP Circular dated December 20, 2022.

Response

As per NSE circular dated December 20, 2022, "the audited financials considered for valuations, other than Income Approach, should not be older than 3 months."

It may be noted that the valuation exercise was conducted between between April 18, 2023, and May 4, 2023. For the purpose of the valuation, the latest available limited reviewed financial statements were for the quarter ended December 31, 2022. While the audited financial statements for March 2023



Bansi S. Mehta Valuers LLP
Registered Valuer

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Horniman Circle, Fort,
Mumbai – 400 001

were not available, we have considered the provisional financial statements for March 31, 2023, for both companies.

Without prejudice to the foregoing, we have tested our workings for audited financial statements as on March 31, 2023 and note that there is no change in the fair share exchange ratio.

Query 4

Also, request you to provide the detailed working undertaken by the valuer for arriving at the exchange ratio using the DCF approach and Market approach.

Response

The working has been attached as Annexure A.

This letter should be read in conjunction with our report and the limitations mentioned therein. Any terms not defined in this letter shall derive their meaning from our Report.

Trust this clarifies.

Thanking you,

For Bansi S. Mehta Valuers LLP
Registered Valuer
IBBI Registration Number: IBBI/RV-E /06/2022/172



Drushti R. Desai
Partner
Date: June 02, 2023



Annexure A : Workings supporting recommendation of share entitlement ratio for the proposed amalgamation of TCNS Clothing Co. Limited ("TCNS") into Aditya Birla Fashion Retail Limited ("ABFRL")

Summary

Particulars	ABFRL	TCNS
Value per Share in INR	273.5	499.5
Fair Equity Share Exchange Ratio	6 : 11	

For every 6 (six) Equity shares of face and paid up value of Rs. 2/- (Two) held in TCNS, 1. (eleven) Equity share of face and paid up value of Rs. 10/-(Ten) in ABFRL



Aditya Birla Fashion Retail Limited ("ABERL")

Valuation Date: May 04, 2022

Summary

<i>Particulars</i>	<i>Business Value (Rs. in Cr)</i>	<i>Value per Share (Rs.)</i>	<i>Weight</i>	<i>Reference</i>
Market Approach	26,455.9	260.3	66.7%	
Comparable Companies Multiple Method <i>Based on EV/EBITDA</i>	29,412.6	289.4	33.3%	Table 1.1
Market Price Method	23,499.1	231.2	33.3%	Table 1.2
Income Approach	30,460.7	299.7	33.3%	
DCF Method (FCFF)	30,460.7	299.7	33.3%	Table 1.3

27,790.8

273.5



Table I.1
Comparable Companies multiple method - EV/EBITDA Approach

Particulars	Rs. in Cr
Operating EBITDA - FY 24 Forward	2,285.0
<i>Multiply By:</i>	
EV/EBITDA Multiple	13.3
Enterprise Value - Lifestyle and Store Business (a)	30,426.3
Enterprise Value - Innerwear Business (b) (Note (i))	726.1
Enterprise Value (other than Ethnic Business) (a) + (b)	31,152.4
Add: Business value of Ethnic businesses (Note (vi))	1,348.3
Add: Investment in TMRW	315.5
Less: Borrowings as on 31.03.2023	5,700.5
Add: Cash and Bank Balance as on 31.03.2023 (Note (ii))	2,147.7
Add: Surplus Assets as at Valuation Date (Note (iii))	160.6
Less: Impact of Acquisition (Note (iv))	11.4
Adjusted Business Value as at Valuation Date	29,412.6
Divide by: No of Shares (Note (v))	101.6
Value per Share (In Rs.) as at Valuation Date	289.4

Note (i) Innerwear segment

Particulars	Rs. in Cr
Operating EBITDA - FY 25 Forward	22.3
<i>Multiply By:</i>	
EV/EBITDA Multiple	32.6
Enterprise Value	726.2

Note (ii) Cash and Bank balance

Particulars	Rs. in Cr
Cash and Bank Balance as per Balance Sheet	643.0
(+) Cash Inflow on exercise of ESOPs	80.0
(-) Cash outflow on exercise of SARs	0.3
(+) Cash Inflow on exercise of warrants	1,425.0
Total	2,147.7

Note (iii) Surplus assets include investment in mutual funds as on March 31, 2023

Note (iv) Adjustment has been made to reflect the impact of the difference between acquisition price and fair value.

Note (v) Number of shares

Particulars	Number of shares
Number of shares as at valuation date	94,88,13,663
Add: Number of ESOPs	16,08,302
Add: Number of warrants	6,58,00,866
Total number of shares	1,01,62,22,831
Total number of shares (in crores)	101.6



Note (vi) Value of Ethnic subsidiaries net of minority interest

Total A	1,053.4
Total B	103.7
Total C	191.2
Value of Ethnic subsidiaries	1,348.3

Particulars	Enterprise Value	Debt (Excluding lease liabilities)	Cash	Other surplus assets	Business value	Acquisition cost [stake value]	Stake	Acquisition Value (100% stake)	Max of Fair value or Acquisition cost	Value of Minority interest	Value net of Minority interest
House of Masaba Lifestyle Pvt Ltd	286.0	-	1.2	19.2	306.3	90.0	52%	171.8	306.3	145.8	160.5
Subyasreehi Calcutta LLP (formerly Subyasreehi Couture)	1,264.7	122.2	17.3	9.0	1,168.8	388.7	51%	762.2	1,168.8	572.7	596.1
Indivinity Clothing Retail Private Limited	175.8	47.0	1.6	-	130.4	63.0	80%	78.8	130.4	26.1	104.3
Finesse International Design Private Limited	343.1	15.5	0.4	-	328.0	75.8	59%	129.1	328.0	135.5	192.5
Total A											1,053.4

Particulars	Enterprise Value	Debt (Excluding lease liabilities)	Cash	Other surplus assets	Business value	Acquisition cost [stake value]	Stake	Acquisition Value (100% stake)	Max of Fair value or Acquisition cost	Value of Minority interest	Value net of Minority interest
Jaypore E-Commerce Private Limited	27.6	47.8	0.9	-	-19.3	103.7	100%	103.7	103.7	-	103.7
Total B											103.7

Particulars	Enterprise Value	Debt (Excluding lease liabilities)	Cash	Other surplus assets	Business value	Acquisition cost [stake value]	Stake	Proportionate fair value	Max of Fair value or Acquisition cost	Value net of Minority interest
Goodview Fashion Private Limited [Joint Venture]	552.1	-	4.7	13.9	570.7	67.2	34%	191.2	191.2	191.2
Total C										191.2

Note : We have valued Ethnic subsidiaries using Income approach - Discounted cash flow method



Aditya Birla Fashion Retail Limited ("ABFRL")

Valuation Date: May 04, 2022

Market Approach

Market Price Method

Table 1.2

Particulars	INR
Total Turnover for 60 days (in crores)	3,332.5
Total Traded Volume for 60 days (in crores)	14.4
60 days volume weighted average price	231.2

Date	Open (Unit/Curr)	High (Unit/Curr)	Low (Unit/Curr)	Close (Unit/Curr)	Volume	Value
01-Feb-23	258.0	265.5	246.9	251.9	45,66,228.0	1,17,08,05,277.4
02-Feb-23	251.8	254.5	247.4	248.1	13,35,362.0	33,39,25,466.5
03-Feb-23	250.7	251.3	245.6	250.5	7,70,472.0	19,14,14,912.7
06-Feb-23	250.6	256.3	248.4	255.7	23,19,266.0	58,49,19,511.5
07-Feb-23	257.0	262.4	248.1	251.7	54,01,153.0	1,37,28,77,244.3
08-Feb-23	250.2	253.5	244.6	250.5	33,43,437.0	83,07,05,969.3
09-Feb-23	250.0	257.1	247.2	256.3	30,34,157.0	76,54,34,501.1
10-Feb-23	255.0	257.8	251.6	254.7	15,57,281.0	39,63,92,946.5
13-Feb-23	255.0	257.3	247.2	248.3	21,68,092.0	54,64,30,269.5
14-Feb-23	248.4	250.0	240.0	247.9	37,00,884.0	90,93,75,941.3
15-Feb-23	247.9	257.5	246.5	256.9	36,98,763.0	93,62,57,097.2
16-Feb-23	257.1	261.9	252.0	261.3	34,05,148.0	88,10,78,179.7
17-Feb-23	260.0	265.4	259.0	262.3	30,43,491.0	79,97,82,455.1
20-Feb-23	263.8	264.5	257.7	258.9	12,70,699.0	33,17,15,588.2
21-Feb-23	258.8	260.3	245.3	246.6	46,06,130.0	1,14,75,08,676.2
22-Feb-23	245.0	246.9	233.1	234.4	49,05,914.0	1,16,28,85,163.3
23-Feb-23	234.4	236.7	228.4	229.9	14,95,426.0	34,68,81,654.3
24-Feb-23	230.0	232.1	225.6	231.0	19,77,540.0	45,25,97,267.2
27-Feb-23	232.0	234.0	228.9	229.7	14,05,768.0	32,56,34,242.2
28-Feb-23	230.9	235.9	229.7	235.4	22,39,545.0	52,17,45,096.5
01-Mar-23	236.5	238.0	233.0	236.6	22,48,411.0	52,96,54,195.1
03-Mar-23	237.0	237.8	233.7	236.0	14,65,579.0	34,56,85,438.3
06-Mar-23	237.5	239.7	236.0	236.7	13,39,447.0	31,85,40,338.1
08-Mar-23	235.5	236.3	232.8	235.9	9,32,280.0	21,85,84,951.2
09-Mar-23	235.0	237.4	232.8	235.1	24,35,271.0	57,15,25,666.3
10-Mar-23	233.7	236.3	228.6	235.0	18,82,495.0	43,95,26,025.7
13-Mar-23	234.1	235.8	226.3	227.8	13,35,604.0	30,73,39,362.2
14-Mar-23	227.8	228.2	217.0	218.2	45,11,059.0	99,53,32,937.2
15-Mar-23	216.5	220.3	213.5	214.8	31,15,656.0	67,78,63,727
16-Mar-23	215.0	217.6	209.4	215.0	26,23,576.0	56,08,10,753.7

Date	Open (Unit/Curr)	High (Unit/Curr)	Low (Unit/Curr)	Close (Unit/Curr)	Volume	Value
17-Mar-23	216.1	217.8	213.1	215.1	15,59,082.0	33,59,35,556.6
20-Mar-23	215.1	216.6	210.3	215.6	12,58,202.0	26,91,04,628.2
21-Mar-23	216.0	219.7	214.6	217.7	18,10,450.0	39,34,98,979.0
22-Mar-23	218.6	221.0	216.3	216.9	12,14,055.0	26,49,64,588.0
23-Mar-23	216.9	216.9	210.1	211.3	16,89,761.0	36,01,13,781.6
24-Mar-23	211.0	213.8	209.1	211.9	26,39,184.0	55,83,56,947.4
27-Mar-23	211.8	211.8	207.7	209.0	11,64,916.0	24,36,99,011.2
28-Mar-23	209.1	210.3	206.2	208.6	10,99,009.0	22,87,26,205.9
29-Mar-23	209.0	211.9	207.6	211.2	16,92,084.0	35,44,83,773.0
31-Mar-23	212.1	216.0	211.4	214.4	12,48,974.0	26,80,21,705.1
03-Apr-23	215.5	216.7	213.3	215.3	7,70,020.0	16,55,68,071.9
05-Apr-23	216.0	216.6	206.4	206.9	58,00,666.0	1,21,40,28,263.3
06-Apr-23	206.5	217.0	202.7	215.9	1,04,96,663.0	2,20,48,38,940.9
10-Apr-23	217.3	222.6	217.1	222.0	45,10,592.0	99,43,65,747.8
11-Apr-23	223.0	223.5	219.6	222.2	39,06,433.0	86,35,03,714.6
12-Apr-23	223.0	223.9	220.1	222.8	11,07,288.0	24,63,52,646.3
13-Apr-23	223.4	227.6	222.0	226.8	34,16,826.0	76,92,24,944.2
17-Apr-23	226.1	226.6	222.3	224.8	17,00,999.0	38,12,47,050.5
18-Apr-23	225.8	226.5	222.0	223.7	9,22,411.0	20,67,13,502.6
19-Apr-23	223.5	223.7	220.1	220.8	9,45,578.0	20,91,86,871.1
20-Apr-23	221.3	225.0	220.3	223.3	10,78,790.0	24,07,16,611.2
21-Apr-23	224.2	224.3	217.8	219.6	10,61,045.0	23,33,84,330.2
24-Apr-23	223.0	224.0	218.6	223.1	13,40,042.0	29,68,61,258.0
25-Apr-23	223.5	223.9	219.8	220.7	12,89,795.0	28,53,04,020.4
26-Apr-23	220.7	221.1	217.4	218.6	12,03,694.0	26,37,70,287.5
27-Apr-23	219.1	221.9	218.7	219.6	10,68,942.0	23,53,88,622.7
28-Apr-23	220.2	224.7	219.0	222.7	27,13,641.0	60,35,02,088.1
02-May-23	223.4	226.4	222.1	224.2	15,39,787.0	34,47,21,534.1
03-May-23	224.7	226.9	223.1	224.8	17,39,590.0	39,14,16,607.3



Aditya Birla Fashion Retail Limited ("ABFRL")

Valuation Date: May 04, 2022

DCF Approach (Free Cash Flow to Firm)

Table 1.3

Based on Financial Statements for the period ended March 31, 2023

Particulars	Es. in Cr
Enterprise Value as at Valuation Date	28,577.4
Less: Debt as at March 31, 2023	2,077.5
Business Value as at Valuation Date	26,500.0
Add: Business value of Ethnic businesses	1,348.3
Add: Investment in TMRW	315.5
Add: Cash and Bank Balance as on 31.03.2023	2,147.7
Add: Surplus Assets as at Valuation Date	160.6
Less: Impact of Acquisition	11.4
Adjusted Business Value as at Valuation Date	30,460.7
Divide by: Number of Shares	101.6
Value per share in Rs. as at Valuation Date	299.7



TCNS Clothing Co. Limited ("TCNS")

Valuation Date: May 04, 2022

Summary

Particulars	Business Value (Rs. in Cr)	Value per Share (Rs.)	Weight	Reference
Market Approach	3,165.43	490.67	66.7%	
Comparable Companies Multiple Method <i>Based on E1/EBITDA</i>	3,119.3	483.5	22.2%	Table 2.1
Comparable Transaction Multiple Method *	3,244.9	503.0	22.2%	
Market Price Method	3,132.1	485.5	22.2%	Table 2.2
Income Approach	3,336.6	517.2	33.3%	
DCF Method (FCFF)	3,336.6	517.2	33.3%	Table 2.3
	3,222.3	499.5		

* As represented to us, the value under this Method for TCNS is based on the price negotiated for acquisition under the share purchase agreement being INR 503 per share.



Table 2.1 Comparable Companies multiple method - EV/EBITDA Approach

Particulars	Rs. in Cr
Operating EBITDA - FY 24 Forward	235 0
Multiplied By:	
EV/EBITDA Multiple	15 2
Enterprise Value	3,570 8
Less: Borrowings (including lease liabilities) as at March 31, 2023	541 4
Add: Cash and Bank Balance (including cash on account of ESOPs) (Note (i))	87 7
Add: Surplus Assets as at March 31, 2023 (Note (ii))	2 1
Adjusted Business Value as at Valuation Date	3,119 3
Divide by: No of Shares (Note (iii))	6 5
Value per Share (In Rs.) as at Valuation Date	483 5

Note (i) Calculation of Cash and Bank balances

Particulars	Amount
Cash & Bank Balances	
Cash & Bank Balance as on 31.03.2023	22.9
Add: Cash Inflow on exercise of ESOPs	64.7
Less: Amount pledged against debt	0.3
Add: Interest accrued on Fixed deposits	0.4
Total	87.7

Note (ii) Surplus assets include investment in mutual funds as on March 31, 2023

Note (iii) Number of shares

Particulars	Number of shares
Number of shares as at September 30, 2022	6,17,23,668
Add: Allotment of equity shares on exercise of stock options under IIFL Securities Limited Employee Stock Option Scheme – 2018 dated November 10, 2022	27,87,459
Total number of shares	6,45,11,127
Total number of shares (in crores)	6 5



Table 2.2 Market Approach
Market Price Method

Particulars	INR
Total Turnover for 60 days (in crores)	667.5
Total Traded Volume for 60 days (in crores)	1.4
60 days volume weighted average price	485.5

Date	Open (Unit Curr)	High (Unit Curr)	Low (Unit Curr)	Close (Unit Curr)	Volume	Value
01-Feb-23	483.0	493.0	472.9	476.8	19,140.0	92,06,926.6
02-Feb-23	485.0	486.3	475.0	476.1	6,678.0	31,94,813.3
03-Feb-23	472.0	480.8	472.0	475.5	6,670.0	31,72,114.1
06-Feb-23	475.0	497.9	474.4	489.9	26,912.0	1,31,66,007.7
07-Feb-23	498.8	503.0	480.1	484.2	18,129.0	89,22,570.5
08-Feb-23	486.8	491.0	478.0	480.1	13,172.0	63,54,642.9
09-Feb-23	480.0	487.5	479.6	479.6	19,603.0	49,19,257.7
10-Feb-23	480.0	485.0	470.0	475.8	19,603.0	93,68,415.7
13-Feb-23	473.1	485.6	464.1	467.5	11,760.0	1,03,39,577.3
14-Feb-23	444.8	458.0	432.5	436.9	2,57,731.0	55,49,991.0
15-Feb-23	442.3	458.0	433.3	441.8	4,36,520.0	19,77,96,658.8
16-Feb-23	450.0	464.0	431.3	441.8	12,41,596.0	61,46,43,080.4
17-Feb-23	444.8	530.2	431.3	501.6	1,36,460.0	6,54,21,332.5
20-Feb-23	494.9	498.0	465.0	467.6	93,120.0	4,26,59,184.2
21-Feb-23	467.0	470.3	450.5	460.7	32,071.0	88,77,83,555.9
22-Feb-23	464.9	499.0	462.2	472.4	18,21,171.0	8,73,25,755.7
23-Feb-23	467.9	471.5	458.5	464.3	80,444.0	3,73,25,755.7
24-Feb-23	477.7	491.2	474.2	481.3	3,66,464.0	17,70,06,618.6
27-Feb-23	477.6	477.6	460.5	462.1	62,205.0	2,88,34,538.9
28-Feb-23	466.3	468.6	457.4	461.2	32,071.0	1,48,67,678.0
01-Mar-23	458.0	468.0	455.7	461.2	40,686.0	1,87,31,873.9
02-Mar-23	468.0	474.4	458.9	460.5	28,634.0	1,32,94,654.8
03-Mar-23	465.6	469.4	455.4	457.8	38,039.0	1,75,01,407.2
06-Mar-23	462.8	468.9	455.2	456.6	30,019.0	1,37,92,558.1
08-Mar-23	457.0	516.9	457.0	489.7	26,34,270.0	1,30,94,56,541.8
09-Mar-23	482.1	487.9	473.4	478.2	1,75,350.0	8,40,94,136.1
10-Mar-23	472.0	477.0	460.0	462.7	86,661.0	4,05,16,895.9
13-Mar-23	470.2	503.0	464.0	481.4	20,88,196.0	1,02,82,16,239.0
14-Mar-23	473.4	482.4	460.0	467.2	2,02,151.0	9,44,26,935.0
15-Mar-23	474.3	495.0	455.6	458.9	1,34,102.0	6,28,81,930.0
16-Mar-23	458.5	459.0	450.1	454.8	50,994.0	2,31,97,310.0

Date	Open (Unit Curr)	High (Unit Curr)	Low (Unit Curr)	Close (Unit Curr)	Volume	Value
17-Mar-23	454.0	476.6	453.0	469.1	85,758.0	3,96,36,732.0
20-Mar-23	481.0	485.0	452.1	454.3	67,831.0	3,10,83,220.7
21-Mar-23	455.2	466.0	455.2	457.5	2,47,913.0	11,34,76,586.9
22-Mar-23	462.6	462.6	450.4	452.6	45,502.0	2,07,04,310.6
23-Mar-23	457.6	459.4	450.1	451.2	37,729.0	1,70,82,642.9
24-Mar-23	455.7	455.7	446.0	448.9	50,823.0	2,28,60,857.7
27-Mar-23	450.0	452.0	431.1	435.0	37,461.0	1,64,99,239.4
28-Mar-23	430.4	438.0	420.4	423.3	34,715.0	1,48,24,826.0
29-Mar-23	421.8	435.8	416.0	422.4	1,25,770.0	5,29,53,204.3
31-Mar-23	428.4	432.4	416.1	420.9	1,11,744.0	4,73,10,361.2
03-Apr-23	425.0	445.0	421.0	437.3	78,942.0	3,42,05,331.8
05-Apr-23	434.0	447.9	434.0	443.1	39,952.0	1,77,14,225.2
06-Apr-23	442.0	475.7	442.0	453.9	6,84,496.0	31,91,69,367.9
10-Apr-23	457.7	474.0	455.0	464.5	1,04,534.0	4,85,52,787.9
11-Apr-23	464.5	468.9	452.2	457.5	46,763.0	2,14,01,538.8
12-Apr-23	457.5	467.7	457.0	458.0	19,835.0	91,52,168.5
13-Apr-23	462.6	465.0	459.0	460.5	12,639.0	58,25,684.5
17-Apr-23	456.0	463.1	456.0	459.2	18,436.0	84,59,447.0
18-Apr-23	463.0	463.2	458.0	459.1	15,479.0	71,23,085.4
19-Apr-23	460.0	476.0	455.6	462.5	44,735.0	2,09,19,984.3
20-Apr-23	467.1	474.5	460.0	465.7	32,222.0	1,50,93,602.8
21-Apr-23	461.1	470.4	461.0	462.5	42,233.0	1,96,61,444.9
24-Apr-23	462.7	470.0	460.2	465.2	27,441.0	1,27,61,605.8
25-Apr-23	472.0	473.9	460.8	463.6	21,142.0	98,85,460.4
26-Apr-23	463.6	469.5	461.0	464.6	18,225.0	84,80,219.3
27-Apr-23	464.1	473.0	463.0	466.5	27,549.0	1,28,88,507.0
28-Apr-23	471.2	497.8	466.0	492.8	1,92,072.0	9,32,97,352.5
02-May-23	496.1	542.0	496.1	502.8	11,97,881.0	62,88,34,345.7
03-May-23	502.7	513.0	496.0	501.5	87,479.0	4,42,08,295.7



TCNS Clothing Co. Limited ("TCNS")

Valuation Date: May 04, 2022

DCF Approach (Free Cash Flow to Firm)

Table 2.3

Based on Financial Statements for the period ended March 31, 2023

Particulars	Rs. in Cr
Business Value as at Valuation Date	3,286.3
Less: Debt as at March 31, 2023	39.5
Business Value as at Valuation Date	3,246.8
Add: Other Surplus Assets	2.1
Add: Surplus Cash and Bank balance	87.7
Adjusted Business Value as at Valuation Date	3,336.6
Divide by: Number of Shares	6.5
Value per share in Rs. as at Valuation Date	517.2



Board of Directors of
TCNS Clothing Co. Limited
119, New Manglapuri, W House, Mandi Road,
Sultanpur, Mehrauli, New Delhi – 110 030.
India

**GT Valuation Advisors
Private Limited**
11th Floor, Tower II
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29 May 2023

Sub: Recommendation of Fair Share Exchange Ratio for the proposed amalgamation of TCNS Clothing Co. Ltd (“TCNS”) into Aditya Birla Fashion and Retail Limited (“ABFRL”)

Dear Sir / Madam,

We refer to your request to provide summary workings in connection with the recommendation of fair share exchange ratio related to the Proposed Transaction as per our report dated 04 May 2023 (“Report”) for submission to the Stock Exchanges in India.

Please find attached, the summary workings in connection with the recommendation of fair share exchange ratio for your reference.

These summary workings should be referred in conjunction with the terms, conditions and caveats mentioned in the Report as well as our Engagement Letter dated 27 April 2023.

Thanking you

For GT Valuation Advisors Private Limited
Registered Valuer Entity – Securities and Financial Assets
IBBI Registration Number: IBBI/RV-E/05/2020/134

eSigned using Aadhaar
(Leegality.com - GdoDalB)
Darshana Kadakia

Date: Mon May 29 12:15:45 IST
2023

Darshana Kadakia
Director
Register Valuer – Securities and Financial Assets
IBBI Registration Number: IBBI/RV/05/2022/14711
Date: 29 May 2023

Annexure 1 - Fair Share Exchange Ratio

Annexure 2 - Valuation of TCNS Clothing Co. Limited ("TCNS")

Annexure 3 - Market Price analysis of TCNS

Annexure 4 - Valuation of Aditya Birla Fashion and Retail Limited ("ABFRL")

Annexure 5 - Market Price analysis of ABFRL

Amalgamation of TCNS Clothing Co. Limited ("TCNS") into Aditya Birla Fashion and Retail Limited ("ABFRL")	
Equity Value of TCNS Clothing Co. Limited (Annexure 2) in INR Mn	30,884.6
Number of shares of TCNS Clothing Co. Limited *	64,511,127
Per Equity Share Value of TCNS in INR	488.2
Equity Value of Aditya Birla Fashion and Retail Limited (Annexure 4) in INR Mn	265,242.2
Number of shares of Aditya Birla Fashion and Retail Limited *	1,016,222,831
Per Equity share Value of ABFRL in INR	266.1
Fair Share Exchange Ratio (Rounded off)	1.83
11 (Eleven) fully paid Equity shares of face value of INR 10 each of ABFRL for every 6 (Six) fully paid-up equity shares of face value of INR 2 each of TCNS.	

**including shares to be issued on account of Employee Stock Option Plan*

Discounted Cash Flow Method ("DCF")	
	(INR Million)
Particulars	Amount
Present Value of Cash flows for Explicit Period (a)	2,414.1
Present Value for Terminal Period (b)	28,547.6
Enterprise Value (c)	30,961.7
Add: Adjustments (d)	502.6
Equity Value of TCNS in INR Million	31,464.3
Number of equity shares of TCNS Clothing Co. Limited (e)	64,511,127
Equity Value Per Share (INR)	487.7

Footnotes

(a) We have used management projections from FY24 - FY28 for cash flow projections in the explicit period.

(b) Terminal Value is calculated by applying the H - Model, at the end of the explicit period. Assumptions of H-Model are as below :-

H-Model Assumptions	Values
Short Term Growth Rate	17.5%
Long Term Growth Rate	5.0%
Period to Normalization	6 Years

(c) The present value of explicit period and terminal period cashflows are derived based on discount rate of 11.6%.

(d) Adjustments primarily consists of Cash & Cash Equivalents, Investments, Debt & debt like items, Contingent liability and Cash to be received on account of exercise of Employee Stock options.

(based on the financial statements for period ended 31 March 2023)

(e) The number of shares includes shares to be issued under Employee Stock Option Plan as provided by the management of TCNS.

Market Approach	
Market Price Method	
Particulars	Amount
Equity Value Per Share (INR)*	485.5
No. of Equity Shares outstanding**	61,723,668
Equity Value of TCNS in INR Million	29,967.6

* represents the 60 Trading Days volume weighted average price as on 3rd May 2023

** Excluding shares to be issued under Employee Stock Option Plan as provided by the management of TCNS

Market Approach	
Market Multiple Method ("MM Method")	
	(INR Million)
Particulars	EV / FY24 EBITDA
Aditya Birla Fashion and Retail Limited	12.1x
Go Fashion (India) Limited	20.5x
Kewal Kiran Clothing Limited	12.4x
Average	15.0x
EV / FY24 EBITDA multiple of comparable companies	15.0x
FY2024 EBITDA *	2,349.3
Enterprise Value (c)	35,282.4
Adjustments **	(4,512.8)
Equity Value of TCNS in INR Million	30,769.6
Number of shares of TCNS Clothing Co. Limited ***	64,511,127
Equity Value Per Share (INR)	477.0

* As per financial estimates for FY2024

** Adjustments primarily consists of Cash & Cash Equivalents, Investments, Debt & debt like items and cash to be received on account of exercise of Employee Stock options.

(based on the financial statements for period ended 31 March 2023)

*** including shares to be issued under Employee Stock Option Plan as provided by the management of TCNS

Particulars	Weights	Value in INR Million	Value per Share (INR)
Income Approach (DCF Method)	33%	31,464.3	487.7
Market Approach (Market Price Method)	22%	29,967.6	485.5
Market Approach (MM Method)	22%	30,769.6	477.0
Market Approach (Transaction Price method)*	22%	31,047.0	503.0
Weighted Average Equity Value of TCNS		30,884.6	488.2

* Based on the proposed transaction price for acquisition of significant stake from the promoters of TCNS.

Valuation workings as per Market Price Method

Date	Turnover (INR)	Total Traded Quantity
03-May-23	44,208,295.7	87,479
02-May-23	628,834,345.7	1,197,881
28-Apr-23	93,297,352.5	192,072
27-Apr-23	12,888,507.0	27,549
26-Apr-23	8,480,219.3	18,225
25-Apr-23	9,885,460.4	21,142
24-Apr-23	12,761,605.8	27,441
21-Apr-23	19,661,444.9	42,233
20-Apr-23	15,093,602.8	32,222
19-Apr-23	20,919,984.3	44,735
18-Apr-23	7,123,085.4	15,479
17-Apr-23	8,459,447.0	18,436
13-Apr-23	5,825,684.5	12,639
12-Apr-23	9,152,168.5	19,835
11-Apr-23	21,401,538.8	46,763
10-Apr-23	48,552,787.9	104,534
06-Apr-23	319,169,367.9	684,496
05-Apr-23	17,714,225.2	39,952
03-Apr-23	34,205,331.8	78,942
31-Mar-23	47,310,361.2	111,744
29-Mar-23	52,953,204.3	125,770
28-Mar-23	14,824,826.0	34,715
27-Mar-23	16,499,239.4	37,461
24-Mar-23	22,860,857.7	50,823
23-Mar-23	17,082,642.9	37,729
22-Mar-23	20,704,310.6	45,502
21-Mar-23	113,476,586.9	247,913
20-Mar-23	31,083,220.7	67,831
17-Mar-23	39,636,732.0	85,758
16-Mar-23	23,197,310.0	50,994

60 Trading Days volume weighted average price

485.5

Total Number of Equity shares outstanding as on valuation date

61,723,668.0

Total Value as per Market Price Method (INR Mn)**29,967.6**

Valuation workings as per Market Price Method

Date	Turnover (INR)	Total Traded Quantity
15-Mar-23	62,881,950.0	134,102
14-Mar-23	94,426,935.0	202,151
13-Mar-23	1,028,216,259.0	2,088,196
10-Mar-23	40,516,895.9	86,661
09-Mar-23	84,094,136.1	175,350
08-Mar-23	1,309,456,541.8	2,634,270
06-Mar-23	13,792,568.1	30,019
03-Mar-23	17,501,407.2	38,039
02-Mar-23	13,294,654.8	28,634
01-Mar-23	18,731,873.9	40,686
28-Feb-23	14,867,678.0	32,071
27-Feb-23	28,834,588.9	62,205
24-Feb-23	177,006,618.6	366,464
23-Feb-23	37,325,765.7	80,444
22-Feb-23	887,783,555.9	1,821,171
21-Feb-23	42,659,184.2	93,120
20-Feb-23	65,421,332.5	136,460
17-Feb-23	614,643,080.4	1,241,596
16-Feb-23	197,796,668.8	436,520
15-Feb-23	114,270,299.6	257,731
14-Feb-23	5,549,991.0	11,760
13-Feb-23	10,339,577.3	21,845
10-Feb-23	9,368,415.7	19,603
09-Feb-23	4,919,257.7	10,227
08-Feb-23	6,354,642.9	13,172
07-Feb-23	8,922,570.5	18,129
06-Feb-23	13,166,007.7	26,912
03-Feb-23	3,172,114.1	6,670
02-Feb-23	3,194,813.3	6,678
01-Feb-23	9,206,926.6	19,140

Discounted Cash Flow Method ("DCF")	
	(INR Million)
Particulars	Amount
Present Value of Cash flows for Explicit Period (a)	22,639.8
Present Value for Terminal Period (b)	248,555.1
Value of Standalone Business (c)	271,194.9
Value of Operating Investee Companies (d)	17,315.1
Total Enterprise Value	288,510.0
Add: Adjustments (e)	2,328.7
Equity Value of ABFRL in INR Million	290,838.7
Number of equity shares of Aditya Birla Fashion and Retail Limited (f)	1,016,222,831
Equity Value Per Share (INR)	286.2

Footnotes

- (a) We have used management projections from FY24 - FY28 for cash flow projections in the explicit period on a standalone basis.
(b) Terminal Value is calculated by applying the H - Model, at the end of the explicit period. Assumptions of H-Model are as below : -

H-Model Assumptions	Values
Short Term Growth Rate	18.4%
Long Term Growth Rate	5.0%
Period to Normalization	6 Years

- (c) The present value of explicit period and terminal period cashflows are derived based on discount rate of 11.6%.
(d) It includes Value of Ethnic Subsidiaries which is calculated as the higher of the estimated value (arrived at using FY25 EV/ Revenue multiple of 2.1x based on Industry Research) and the Carrying Value of the Investment as on 31 March 2023.
(e) Adjustments primarily consists of Cash & Cash Equivalents, Investments, Debt & debt like items and cash to be received on account of exercise of Employee Stock options, Stock Appreciation rights & Warrants.
(based on the financial statements for period ended 31 March 2023)
(f) The number of shares includes shares to be issued under Employee Stock Option Plan as provided by the management of ABFRL.

Market Approach	
Market Price Method	
Particulars	Amount
Equity Value Per Share (INR)*	231.2
No of Equity Shares outstanding**	948,813,663
Equity Value of ABFRL in INR Million	219,403.1

* represents the 60 Trading Days volume weighted average price as on 3rd May 2023

** Excluding shares to be issued under Employee Stock Option Plan provided by the management of ABFRL

Market Approach	
Market Multiple Method ("MM Method")	
	(INR Million)
Particulars	EV / FY24 EBITDA
Kewal Kiran Clothing Limited	12.4x
TCNS Clothing Co. Limited	14.6x
Shoppers Stop Limited	11.5x
V-Mart Retail Limited	15.0x
Median	13.5x
EV / FY24 EBITDA multiple of comparable companies	13.5x
FY2024 EBITDA *	22,375.7
Value of Standalone Business	302,071.3
Value of Operating Investee Companies **	17,315.1
Total Enterprise Value	319,386.4
Adjustments ***	(33,901.8)
Equity Value of ABFRL in INR Million	285,484.6
Number of shares of Aditya Birla Fashion and Retail Limited ****	1,016,222,831
Equity Value Per Share (INR)	280.9

* As per financial estimates for FY2024

** It includes Value of Ethnic Subsidiaries which is calculated as the higher of the estimated value (arrived at using FY25 EV/ Revenue multiple of 2.1x based on Industry Research) and the Carrying Value of the Investment as on 31 March 2023

*** Adjustments primarily consists of Cash & Cash Equivalents, Investments, Debt & debt like items and cash to be received on account of exercise of Employee Stock options, Stock Appreciation rights & Warrants.
(based on the financial statements for period ended 31 March 2023)

**** including shares to be issued under Employee Stock Option Plan provided by the management of ABFRL.

Particulars	Weights	Value in INR Million	Value per Share (INR)
Income Approach (DCF Method)	33%	290,838.7	286.2
Market Approach (Market Price Method)	33%	219,403.1	231.2
Market Approach (MM Method)	33%	285,484.6	280.9
Weighted Average Equity Value of ABFRL		265,242.2	266.1

Valuation workings as per Market Price Method

Date	Turnover (INR)	Total Traded Quantity
03-May-23	391,416,607.3	1,739,590
02-May-23	344,721,534.1	1,539,787
28-Apr-23	603,502,088.1	2,713,641
27-Apr-23	235,388,622.7	1,068,942
26-Apr-23	263,770,287.5	1,203,694
25-Apr-23	285,304,020.4	1,289,795
24-Apr-23	296,861,258.0	1,340,042
21-Apr-23	233,384,330.2	1,061,045
20-Apr-23	240,716,611.2	1,078,790
19-Apr-23	209,186,871.1	945,578
18-Apr-23	206,713,502.6	922,411
17-Apr-23	381,247,050.5	1,700,999
13-Apr-23	769,224,944.2	3,416,826
12-Apr-23	246,352,646.3	1,107,288
11-Apr-23	863,503,714.6	3,906,433
10-Apr-23	994,365,747.8	4,510,592
06-Apr-23	2,204,838,940.9	10,496,663
05-Apr-23	1,214,028,263.3	5,800,666
03-Apr-23	165,568,071.9	770,020
31-Mar-23	268,021,705.1	1,248,974
29-Mar-23	354,483,773.0	1,692,084
28-Mar-23	228,726,205.9	1,099,009
27-Mar-23	243,699,011.2	1,164,916
24-Mar-23	558,356,947.4	2,639,184
23-Mar-23	360,113,781.6	1,689,761
22-Mar-23	264,964,588.0	1,214,055
21-Mar-23	393,498,979.0	1,810,450
20-Mar-23	269,104,628.2	1,258,202
17-Mar-23	335,935,556.6	1,559,082
16-Mar-23	560,810,753.7	2,623,576

60 Trading Days volume weighted average price	231.2
Total Number of Equity shares outstanding as on valuation date	948,813,663.0
Total Value as per Market Price Method (INR Mn)	219,403.1

Date	Turnover (INR)	Total Traded Quantity
15-Mar-23	677,863,727.1	3,115,656
14-Mar-23	995,332,937.6	4,511,059
13-Mar-23	307,339,362.9	1,335,604
10-Mar-23	439,526,025.7	1,882,495
09-Mar-23	571,525,666.3	2,435,271
08-Mar-23	218,584,991.2	932,280
06-Mar-23	318,540,338.3	1,339,447
03-Mar-23	345,685,438.8	1,465,579
02-Mar-23	529,654,195.1	2,248,411
01-Mar-23	521,745,096.5	2,239,545
28-Feb-23	325,634,242.9	1,405,768
27-Feb-23	452,597,267.9	1,977,540
24-Feb-23	346,881,634.3	1,495,426
23-Feb-23	924,426,929.6	3,990,553
22-Feb-23	1,162,885,163.3	4,905,914
21-Feb-23	1,147,508,676.9	4,606,130
20-Feb-23	331,715,588.2	1,270,699
17-Feb-23	799,782,455.0	3,043,491
16-Feb-23	881,078,179.7	3,405,148
15-Feb-23	936,257,097.9	3,698,763
14-Feb-23	909,375,941.8	3,700,884
13-Feb-23	546,430,269.5	2,168,092
10-Feb-23	396,392,946.5	1,557,281
09-Feb-23	765,434,501.1	3,034,157
08-Feb-23	830,705,969.3	3,343,437
07-Feb-23	1,372,877,244.3	5,401,153
06-Feb-23	584,919,511.9	2,319,266
03-Feb-23	191,414,912.7	770,472
02-Feb-23	333,925,466.6	1,335,362
01-Feb-23	1,170,805,277.4	4,566,228

TCNS Clothing Co. Limited ("TCNS")

Valuation Date: May 04, 2022

DCF Approach (Free Cash Flow to Firm)

Based on Financial Statements for the period ended March 31, 2023

Table 2.3

Particulars	Rs. in Cr
Business Value as at Valuation Date	
Less: Debt as at March 31, 2023	3,286.3
	39.5
Business Value as at Valuation Date	3,246.8
Add: Other Surplus Assets	2.1
Add: Surplus Cash and Bank balance	87.7
Adjusted Business Value as at Valuation Date	3,336.6
Divide by: Number of Shares	6.5
Value per share in Rs. as at Valuation Date	517.2



Price Waterhouse & Co Chartered Accountants LLP

Review Report

To

The Board of Directors

M/s. TCNS Clothing Co. Limited

Piramal Agastya Corporate Park, Building A, 4th and 5th floor,

Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai,

Mumbai, Maharashtra, India, 400070

1. We have reviewed the unaudited financial results of TCNS Clothing Co. Limited (the "Company") for the quarter ended December 31, 2023 and the year to date results for the period April 01, 2023 to December 31, 2023, which are included in the accompanying Unaudited Financial Results for the quarter and nine months ended December 31, 2023 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. (a) The financial results of the Company for the quarter ended December 31, 2022 and the year to date results for the period April 01, 2022 to December 31, 2022 were reviewed by another firm of chartered accountants who issued their unmodified conclusion, vide their report dated February 14, 2023.



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Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata - 700 091

Price Waterhouse & Co (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership) with LLP identity no. LLPIN AAG-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 2014071E300001 (ICAI registration number prior to conversion was 304026E)

(b) The financial statements of the Company for the year ended March 31, 2023 was audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their report dated May 29, 2023.

Our conclusion is not modified in respect of these matters.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009



A. J. Shaikh
Partner
Membership Number: 203637
UDIN: 24203637BKENIO7600

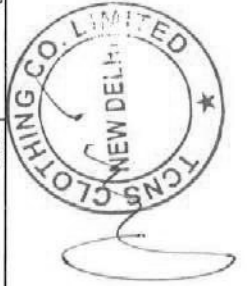
Place: New Delhi
Date: February 02, 2024

TCNS CLOTHING CO. LIMITED
CIN: L99999MH1997PLC417265

Registered Office : Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai, Maharashtra - 400070
 Unaudited Financial Results for the Quarter and Nine months ended December 31, 2023

Particulars	(All amounts in Rs. million except otherwise specified)					
	Quarter ended December 31, 2023 (Unaudited)	Quarter ended September 30, 2023 (Unaudited)	Quarter ended December 31, 2022 (Unaudited)	Nine months ended December 31, 2023 (Unaudited)	Nine months ended December 31, 2022 (Unaudited)	Year ended March 31, 2023 (Audited)
Income						
Revenue from operations	2,784.97	2,256.73	3,061.37	7,482.37	9,330.34	12,015.89
Other income	19.46	18.24	37.96	84.60	122.08	160.09
Total income	2,804.43	2,274.97	3,099.33	7,566.97	9,452.42	12,175.98
Expenses						
Cost of materials consumed	542.95	537.39	1,193.29	1,696.05	4,260.63	5,007.69
Purchases of stock-in-trade	20.66	21.21	94.31	55.18	223.83	251.83
Changes in inventories of work-in-progress, stock-in-trade and finished goods	268.87	548.82	(317.28)	824.63	(1,511.39)	(1,255.23)
Employee benefits expense	497.98	493.84	455.26	1,477.98	1,401.79	1,867.30
Finance costs	179.58	190.12	133.65	511.83	338.11	520.20
Depreciation and amortisation expense	310.40	328.31	294.21	933.55	821.82	1,208.18
Other expenses	1,552.02	1,927.22	1,238.74	4,900.54	3,783.97	4,888.15
Total expenses	3,372.46	4,046.91	3,092.18	10,399.76	9,318.76	12,488.12
(Loss)/profit before tax	(568.03)	(1,771.94)	7.15	(2,832.79)	133.66	(312.14)
Income tax expense						
Current tax	-	-	-	-	7.67	-
Adjustment for income tax related to prior years	-	-	-	-	-	(60.47)
Deferred tax (credit)/charge	(51.84)	(442.93)	2.13	(617.81)	20.23	(76.20)
Adjustment for deferred tax related to prior years	-	34.42	-	34.42	-	-
Total tax expense	(51.84)	(408.51)	2.13	(583.39)	27.90	(136.67)
(Loss)/profit after tax	(516.19)	(1,363.43)	5.02	(2,249.40)	105.76	(175.47)
Other comprehensive income						
Items that will not be classified to profit or loss:						
Remeasurements of defined benefit liability	0.23	0.63	6.19	3.74	18.34	11.33
Income tax relating to the above (charge)	(0.05)	(0.15)	(1.56)	(0.94)	(4.62)	(2.85)
Total other comprehensive income, net of tax	0.18	0.48	4.63	2.80	13.72	8.48
Total comprehensive (loss)/income	(516.01)	(1,362.95)	9.65	(2,246.60)	119.48	(166.99)
Paid up equity share capital (face value of Rs. 2 per share)	126.42	126.42	123.44	126.42	123.44	123.45
Earnings Per Share#						
Basic (Rs.)	(8.03)	(21.45)	0.08	(35.00)	1.66	(2.75)
Diluted (Rs.)	(8.03)	(21.45)	0.08	(35.00)	1.62	(2.75)

EPS is not annualised for the quarter and nine months ended December 31, 2023, quarter ended September 30, 2023 and nine months ended December 31, 2022.

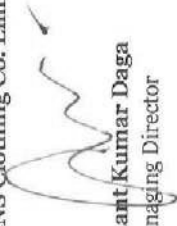


Notes to the Unaudited Financial Results

1. The above unaudited financial results of the Company for the quarter and nine months ended December 31, 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 02, 2024.
2. These unaudited financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian accounting Standard) Rules, 2015 as amended.
3. The Board of Directors at its meeting held on May 5 2023, approved a draft Scheme of Amalgamation by way of merger by absorption ("Scheme") between TCNS Clothing Co. Limited (Transferor Company) and Aditya Birla Fashion and Retail Limited (Transferee Company) and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013. The Amalgamation is conditional upon and subject to Transferor Company and Transferee Company complying with the 'Conditions Precedent to Effectiveness' as stated in clause 31 of the Scheme and receipt of requisite approvals from Statutory and Regulatory authorities, the respective shareholders and creditors, under applicable laws. On the scheme becoming effective, 11 fully paid-up equity shares of the face value of Rs. 10 of Transferee Company will be issued for every 6 fully paid-up equity shares of the face value of Rs. 2 of the Transferor Company.

During the quarter ended September 30, 2023, the Transferee Company had acquired 18,712,577 equity shares by way of open offer and 14,195,748 equity shares by way of purchase of shares from erstwhile promoters of the Company, collectively representing 52.06% of the share capital of the Company. Pursuant to completion of above, Aditya Birla Fashion and Retail Limited has acquired control with effect from September 26, 2023 and has become the Holding Company of the Company.
4. During the quarter ended September 30, 2023, the Company had revised its estimates for provision for obsolescence on inventories due to high levels of unsold inventory levels given the subdued demand in the market. This resulted in increase in cost of materials consumed and changes in inventories of work-in-progress, stock-in-trade and finished goods by Rs. 7.53 million and Rs. 453.40 million respectively with a corresponding decrease in Inventories by Rs. 460.93 million. Further, the Company had revised its estimates for anticipated returns from customers who have a right to return goods as per Company's policy owing to the above mentioned reason. This had resulted in decrease in revenues by Rs. 358.57 million and a corresponding impact in other liabilities and a decrease in cost of materials consumed by Rs. 122.95 million and a corresponding impact in other assets for the quarter ended September 30, 2023.
5. During the quarter ended December 31, 2023, the Company has cancelled 4,001,853 employee stock options due to non-achievement of the market vesting conditions by the long-stop date (i.e. December 31, 2023) as specified in the Scheme. The accumulated share based payment expense charged on these employee stock options, over the vesting period till December 31, 2023 is Rs. 331.66 million. Upon cancellation of these employee stock options, tax loss has decreased resulting in a reduction in the deferred tax asset balance (with a corresponding reduction in the deferred tax credit for the quarter ended December 31, 2023) by Rs. 83.47 million.
6. The Company has allotted 1,487,250 equity shares during the nine months ended December 31, 2023 of face value of Rs. 2 per share arising from exercise of Employee Stock Options Plans (ESOPs), which were granted under "TCNS ESOP Scheme 2014-2017".
7. During the quarter ended December 31, 2023, the Company has changed its registered address from 119, New Manglapuri, W House, Mandi Road, Sultanpur, Mehrauli, New Delhi-110030 to Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai, Maharashtra - 400070.
8. The Company is primarily engaged in the business of women apparel and accessories in India. Accordingly, the Company views its business activities as one business segment, therefore there are no separate reportable segments as per Indian Accounting Standard (Ind AS) 108 - "Operating Segments".

For and on behalf of the Board of Directors of
TCNS Clothing Co. Limited



Anant Kumar Daga
Managing Director



Place: New Delhi
Date : February 02, 2024

Price Waterhouse & Co Chartered Accountants LLP

Review Report

To
The Board of Directors,
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- 400070

1. We have reviewed the unaudited standalone financial results of Aditya Birla Fashion and Retail Limited (the "Company"), which includes financial information of ABFRL Employee Welfare Trust, for the quarter ended September 30, 2023 and the year to date results for the period April 1, 2023 to September 30, 2023, which are included in the accompanying 'Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2023', the 'Standalone Statement of Assets and Liabilities as at September 30, 2023' and the 'Standalone Statement of Cash Flows for the six months ended September 30, 2023' together with notes thereon (together referred to as the "Standalone Financial Results"). The Standalone Financial Results has been prepared by the Company pursuant to Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. This Standalone Financial Results, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Standalone Financial Results based on our review.
3. We conducted our review of the Standalone Financial Results in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Standalone Financial Results is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E3300009. Its ICAI registration number before conversion was 304026E.

Price Waterhouse & Co Chartered Accountants LLP

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Standalone Financial Results has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants

Firm Registration Number: 304026E/ E-300009



A.J. Shaikh
Partner

Membership Number: 203637

UDIN: 23203637BGXPDN2409

Place: Mumbai

Date: November 9, 2023



Aditya Birla Fashion and Retail Limited

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2023

₹ In Crore

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2023 (Unaudited)	June 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	March 31, 2023 (Audited)
I	Revenue from operations	2,995.28	2,987.15	2,952.76	5,982.43	5,726.71	11,736.86
II	Other income	44.87	58.47	21.41	103.34	50.11	110.16
III	Total Income (I + II)	3,040.15	3,045.62	2,974.17	6,085.77	5,776.82	11,847.02
IV	Expenses						
	(a) Cost of materials consumed	322.73	313.75	246.39	636.48	561.32	1,099.59
	(b) Purchases of stock-in-trade	1,469.92	964.49	1,835.03	2,434.41	3,069.65	5,401.11
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(353.22)	117.12	(722.18)	(235.10)	(1,019.54)	(1,091.30)
	(d) Employee benefits expense	329.98	351.39	328.42	681.37	630.54	1,338.06
	(e) Finance costs	183.87	164.71	94.39	348.58	183.15	424.23
	(f) Depreciation and amortisation expense	343.06	323.26	265.36	666.32	517.14	1,114.46
	(g) Rent expense	205.84	222.91	199.84	428.75	406.36	885.28
	(h) Other expenses	638.75	553.19	621.79	1,291.94	1,159.86	2,509.34
	Total expenses	3,140.93	3,110.82	2,869.04	6,251.75	5,508.48	11,680.77
V	Profit/ (loss) before tax (III - IV)	(100.78)	(65.20)	105.13	(165.98)	268.34	166.25
VI	Income tax expense						
	(a) Current tax	-	-	-	-	-	-
	(b) Current tax relating to earlier years	-	-	-	-	-	(2.22)
	(c) Deferred tax charge/ (credit)	(25.83)	(16.60)	25.00	(42.48)	64.62	35.95
VII	Net profit/ (loss) after tax (V - VI)	(74.90)	(48.60)	80.13	(123.50)	203.72	132.52
VIII	Other comprehensive Income/ (loss)						
	Items that will not be reclassified to profit or loss						
	(a) Re-measurement gains/ (losses) on defined benefit plans	0.63	(3.16)	(6.07)	(2.53)	0.17	(1.13)
	Income tax effect on above	(0.16)	0.80	1.53	0.64	(0.04)	0.28
	(b) Fair value gains/ (losses) on equity instruments	3.62	-	3.26	3.62	3.26	3.26
	Income tax effect on above	(0.91)	-	(0.82)	(0.91)	(0.82)	(0.82)
	Total other comprehensive income/ (loss)	3.18	(2.36)	(2.10)	0.82	2.57	1.59
IX	Total comprehensive income/ (loss) (VII + VIII)	(71.72)	(50.96)	78.03	(122.68)	206.29	134.11
X	Paid-up equity share capital (Face value of ₹ 10/- each)	949.17	948.83	948.68	949.17	948.68	948.79
XI	Other equity (excluding share suspense)						2,838.08
XII	Earnings per equity share (of ₹ 10/- each) (not annualised) (including share suspense)						
	(a) Basic (₹)	(0.78)	(0.50)	0.86	(1.29)	2.18	1.40
	(b) Diluted (₹)	(0.78)	(0.50)	0.85	(1.29)	2.17	1.39

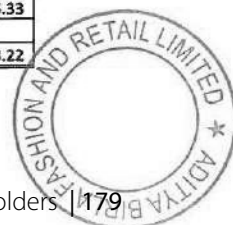


Notes:

1 Standalone Statement of Assets and Liabilities as at September 30, 2023

₹ in Crore

	Particulars	As at September 30, 2023 (Unaudited)	As at March 31, 2023 (Audited)
A	ASSETS		
I	Non-current assets		
	(a) Property, plant and equipment	879.99	799.39
	(b) Capital work-in-progress	84.50	88.95
	(c) Right-of-use assets	3,409.42	3,043.15
	(d) Goodwill	1,859.60	1,859.60
	(e) Other intangible assets	615.79	542.59
	(f) Intangible assets under development	3.08	57.03
	(g) Financial assets		
	(i) Investment in subsidiaries and joint venture	3,121.68	1,390.50
	(ii) Other investments	14.20	10.57
	(iii) Loans	0.79	1.15
	(iv) Security deposits	415.03	400.10
	(v) Other financial assets	480.92	424.26
	(h) Deferred tax assets (net)	358.82	316.61
	(i) Non-current tax assets (net)	6.92	2.10
	(j) Other non-current assets	89.04	99.56
	Total - Non-current assets	11,339.78	9,035.56
II	Current assets		
	(a) Inventories	4,047.84	3,764.03
	(b) Financial assets		
	(i) Current investments	217.44	150.02
	(ii) Loans	175.68	26.33
	(iii) Security deposits	100.56	92.56
	(iv) Trade receivables	1,394.38	835.10
	(v) Cash and cash equivalents	195.50	642.48
	(vi) Bank balance other than cash and cash equivalents	0.51	0.54
	(vii) Other financial assets	86.63	70.05
	(c) Other current assets	1,129.25	856.55
	Total - Current assets	7,347.79	6,437.66
	TOTAL - ASSETS	18,687.57	15,473.22
B	EQUITY AND LIABILITIES		
I	Equity		
	(a) Equity share capital	949.17	948.79
	(b) Other equity	2,726.36	2,838.10
	Total - Equity	3,675.53	3,786.89
II	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	2,249.04	1,415.41
	(ii) Lease liabilities	3,136.61	2,786.52
	(iii) Deposits	248.42	251.10
	(iv) Other financial liabilities	730.06	576.07
	(b) Provisions	94.42	93.78
	(c) Other non-current liabilities	21.10	20.20
	Total - Non-current liabilities	6,479.65	5,143.08
III	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	2,105.10	614.50
	(ii) Lease liabilities	982.30	862.19
	(iii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	88.46	97.35
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	4,041.55	3,565.34
	(iv) Deposits	240.15	189.89
	(v) Other financial liabilities	214.24	446.67
	(b) Provisions	148.30	126.62
	(c) Other current liabilities	712.29	640.69
	Total - Current liabilities	8,532.39	6,543.25
	Total - Liabilities	15,012.04	11,686.33
	TOTAL - EQUITY AND LIABILITIES	18,687.57	15,473.22



2 Standalone Statement of Cash Flows for six months ended September 30, 2023

₹ in Crore

	Particulars	Six months ended September 30, 2023 (Unaudited)	Six months ended September 30, 2022 (Unaudited)
I	Cash flows from operating activities		
	Profit/(Loss) before tax	(165.98)	268.34
	Adjustments for:		
	Depreciation and amortisation expense	666.32	517.14
	Finance costs	348.58	183.15
	Gain on retirement of right-of-use assets	(16.71)	(12.28)
	Rent concession on lease rentals	-	(0.17)
	Loss on sale of property, plant and equipment	2.09	0.30
	Fair value changes on derivative financial instrument (net)	(3.99)	(9.63)
	Share-based payment to employees	12.27	13.06
	Interest income	(19.93)	(5.92)
	Net gain on sale of current investments	(18.87)	(9.68)
	Net unrealised exchange (gain)/ loss	8.15	2.27
	Loss/ (gain) on financial assets/ liabilities that is designated as fair value through profit or loss	(16.35)	(14.46)
	Provision for doubtful debts, deposits and advances	0.21	2.43
	Operating profit before working capital changes	795.79	934.55
	Changes in working capital:		
	(Increase)/ decrease in trade receivables	(563.01)	(355.96)
	(Increase)/ decrease in inventories	(283.81)	(1,156.34)
	(Increase)/ decrease in other assets	(260.48)	(212.53)
	Increase/ (decrease) in trade payables	465.70	1,352.01
Increase/ (decrease) in provisions	10.14	10.66	
Increase/ (decrease) in other liabilities	39.20	59.53	
Cash generated from operations	203.53	631.92	
Income taxes refund (net)	(4.82)	11.12	
Net cash flow from operating activities	198.71	643.04	
II	Cash flows from investing activities		
	Purchase of property, plant and equipment, intangible assets and capital advance	(313.56)	(232.63)
	Consideration paid for acquisition of investment in subsidiaries	(1,731.20)	(150.99)
	Purchase of current investments	(8,756.41)	(6,292.95)
	Inter-corporate deposits to subsidiaries	(147.48)	(55.15)
	Proceeds from sale of property, plant and equipment and intangible assets	3.37	3.15
	Proceeds from sale/ maturity of current investments	8,707.86	5,903.80
	Interest received	19.12	5.09
Net cash flow used in investing activities	(2,218.30)	(819.68)	
III	Cash flows from financing activities		
	Proceeds from issue of equity shares	6.04	2.34
	Proceeds from Preferential Issue (net off share issue expenses)	-	769.05
	Investment in treasury shares held by ESOP Trust	2.73	(10.17)
	Proceeds from non-current borrowings (net off charges)	1,240.18	-
	Proceeds/ (repayments) from current borrowings (net)	1,416.31	0.15
	Repayment of non-current borrowings	(332.26)	-
	Repayment of lease liabilities	(425.15)	(411.95)
	Interest paid	(335.24)	(160.46)
	Net cash flow from/ (used in) financing activities	1,572.61	188.96
	Net Increase/(decrease) in cash and cash equivalents	(446.98)	12.32
	Cash and cash equivalents at the beginning of the year	642.48	107.81
	Cash and cash equivalents at the end of the year	195.50	120.13



Notes:

- 3 The above standalone financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) - 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 4 The above standalone financial results, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors at its meeting held on November 09, 2023.
- 5 The audit as required under Regulation 33 and 52 read with regulations 63 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) has been completed by the Auditors of the Company and the related report is being submitted to the concerned Stock Exchanges.
- 6 The segment information as per Ind AS 108 "Operating Segments" is provided on the basis of consolidated financial results, hence the same is not provided separately for the standalone financial results.
- 7 ESOP Share Allotment: Pursuant to various Employees Stock Option Schemes, following Equity Shares of Rs. 10/- each were allotted /transferred to the option grantees:

Particulars	Quarter ended	Six months ended
	September 30, 2023	September 30, 2023
Allotment [Non-Trust Route]	3,33,523	3,74,195
Allotment [by way of transfer from ESOP Trust]	85,066	1,22,772

8 Acquisition of TCNS Clothing Co. Ltd. :

- a) On May 5, 2023, the Board of Directors of the Company approved acquisition of TCNS Clothing Co. Ltd. ("TCNS"), subject to requisite regulatory approvals.
 - b) On August 31, 2023, the Company completed the acquisition of 1,87,12,577 equity shares constituting 29% of the Expanded Share Capital of TCNS (as defined in the letter of offer for the Open Offer) pursuant to the open offer.
 - c) On September 26, 2023, the Company completed the acquisition of 1,41,95,748 equity shares constituting 22% of the Expanded Share Capital of TCNS pursuant to the Share Purchase Agreement dated May 5, 2023 ("SPA").
- Pursuant to the completion of the Open Offer and acquisition of shares as specified in the SPA, the Company acquired 51% of the Expanded Share Capital, thereby acquired control over TCNS. The Company has also become Promoter of TCNS w.e.f. September 26, 2023.
- d) The Company will now be taking steps for amalgamation of TCNS (as a going concern) with the Company under the Companies Act, 2013 read with relevant circulars and regulations of Securities and Exchange Board of India, and other applicable laws. Pursuant to the amalgamation, 11 full paid equity shares of ₹ 10 each of the Company will be issued for every 6 fully paid-up equity shares of ₹ 2 each held by the shareholders of TCNS (other than ABFRL). The effectiveness of the Scheme will be subject to inter alia approval of the National Company Law Tribunals and filing of the approved schemes with the Registrar of Companies.

9 Additional disclosures as per Regulation 63 read with Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Debt service coverage ratio (times) ¹	(0.25)	0.00	3.77	(0.04)	4.65	0.52
Interest service coverage ratio (times) ²	(0.26)	0.00	4.18	(0.14)	5.15	2.25
Net profit/ (loss) after tax (₹ in Crore)	(74.90)	(48.60)	80.13	(123.50)	203.72	132.52
Earnings per share (not annualised)						
- Basic (₹)	(0.78)	(0.50)	0.86	(1.29)	2.18	1.40
- Diluted (₹)	(0.78)	(0.50)	0.85	(1.29)	2.17	1.39
Bad debts to Account receivable ratio (times) ³	-	-	-	-	-	-
Debtors turnover (times) (annualised) ⁴	10.18	13.31	11.90	10.73	12.29	14.77
Inventory turnover (times) (annualised) ⁵	3.10	3.21	3.37	3.06	3.46	3.62
Operating margin (%) ⁶	2.77%	3.33%	6.76%	3.05%	7.88%	5.03%
Net profit margin (%) ⁷	-2.50%	-1.63%	2.71%	-2.06%	3.56%	1.13%
Debt equity ratio (times) ⁸	0.90	0.41	0.04	0.90	0.04	0.28
Outstanding redeemable preference shares						
- Quantity (Nos)	5,00,500	5,00,500	5,00,500	5,00,500	5,00,500	5,00,500
- Value (₹ in Crore)	0.51	0.51	0.51	0.51	0.51	0.51
Net worth (₹ in Crore)	3,675.53	3,738.21	3,857.82	3,675.53	3,857.82	3,786.89
Current ratio (times) ⁹	0.97	1.18	1.08	0.97	1.08	1.13
Long term debt to working capital (times) ¹⁰	1.40	0.76	0.82	1.40	0.82	1.60
Current liability ratio (times) ¹¹	0.69	0.68	0.87	0.69	0.87	0.71
Total debts to total assets (times) ¹²	0.28	0.24	0.10	0.28	0.10	0.16



Ratios have been computed as follows:

1. Debt service coverage ratio = Earnings before interest* and tax / (Finance cost* + Principal repayment of borrowings)
 2. Interest service coverage ratio = Earnings before interest* and tax / Finance cost*
 3. Bad debts to Account receivable ratio = Bad debts / Average of opening and closing Accounts receivables
 4. Debtors turnover (annualised) = Revenue from Operations for the period / Average of opening and closing Trade Receivables
 5. Inventory turnover (annualised) = Revenue from Operations for the period / Average of opening and closing Inventories
 6. Operating margin = Earnings before interest and tax / Revenue from Operations
 7. Net profit margin = Profit After Tax / Revenue from Operations
 8. Debt equity ratio = Debt / Equity
Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) - Cash and Bank Balance (includes fixed deposits) - Liquid Investments
Equity = Equity share capital + Other equity (excluding impact of Ind AS 116)
 9. Current ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
 10. Long term debt to working capital = Long term debt / Net working capital
Long term debt = Non current borrowings + Current maturity of long term borrowings
Net working capital = Inventory + Trade receivable + Cash and Bank balances + Other Assets - Trade payables - Other liabilities (excluding impact of Ind AS 116 and current borrowings)
 11. Current liability ratio = Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116) / Total liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
 12. Total debts to total assets = Total Debts / Total Assets
Total Debts = Non current borrowings + Current borrowings
Total assets = Non-current assets (excluding right of use assets accounted as per Ind AS 116) + Current assets
- * Finance cost/ interest comprises of Interest expense on borrowings and excludes interest expense on lease liabilities and interest charge on fair value of financial instruments.
13. The Company is not required to maintain Debenture Redemption Reserve as Non Convertible Debentures are privately placed debentures. The Company has maintained the required Capital Redemption Reserve as the preference shares are to be redeemed during the financial year.
 14. The Sector specific equivalent ratios are not applicable to the Company.

Place : Mumbai
Date : November 09, 2023


Ashish Dikshit
Managing Director

Aditya Birla Fashion and Retail Limited
Registered Office: Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor,
Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070
CIN: L18101MH2007PLC233901 E-mail: secretarial.abfrl@adityabirla.com
Tel: (+91) 86529 05000 | Fax: (+91) 86529 05400 Website: www.abfrl.com



Price Waterhouse & Co Chartered Accountants LLP

Review Report

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

1. We have reviewed the unaudited consolidated financial results of Aditya Birla Fashion and Retail Limited (the "Holding Company"), which includes financial information of ABFRL Employee Welfare Trust, its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), and its share of the net loss after tax and total comprehensive loss of its joint ventures (refer paragraph 5 below) for the quarter ended September 30, 2023 and the year to date results for the period April 1, 2023 to September 30, 2023 which are included in the accompanying 'Statement of Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2023', the 'Consolidated Statement of Assets and Liabilities as at September 30, 2023' and the 'Consolidated Statement of Cash Flows for six months ended September 30, 2023' together with notes thereon (together referred to as the "Consolidated Financial Results"). The Consolidated Financial Results is being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. This Consolidated Financial Results, which is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Consolidated Financial Results based on our review.
3. We conducted our review of the Consolidated Financial Results in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Consolidated Financial Results is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



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Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata - 700 091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)

Price Waterhouse & Co Chartered Accountants LLP

5. The Consolidated Financial Results includes the results of the following entities:

Holding Company

Aditya Birla Fashion and Retail Limited

Trust controlled by the Holding Company

ABFRL Employee Welfare Trust

Subsidiaries (including step-down subsidiaries)

Sabyasachi Calcutta LLP

Sabyasachi Inc., USA

Jaypore E-Commerce Private Limited

Jayapore Inc., USA

TG Apparel & Décor Private Limited

Indivinity Clothing Retail Private Limited

Finesse International Design Private Limited

Aditya Birla Digital Fashion Ventures Limited

Aditya Birla Garments Limited

House of Masaba Lifestyle Private Limited

Pratyaya E-Commerce Private Limited

Imperial Online Services Private Limited

Awesomefab Shopping Private Limited

Bewakoof Brands Private Limited

Next Tree Products Private Limited

TCNS Clothing Co. Limited

Joint Ventures

Goodview Fashion Private Limited

CLI Footwear and Accessories Private Limited

6. Based on our review conducted and procedures performed as stated in paragraph 3 and 4 above and based on the consideration of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Consolidated Financial Results has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

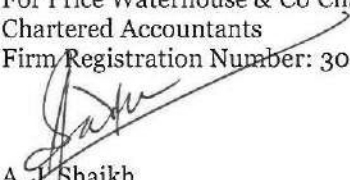


Price Waterhouse & Co Chartered Accountants LLP

7. We did not review the interim financial information of 7 subsidiaries (including a step down subsidiary) included in the Consolidated Financial Results, whose interim financial information reflect total assets of Rs.1,501.01 crores and net assets of Rs.919.88 crores as at September 30, 2023 and total revenues of Rs.148.23 crores and Rs.270.62 crores, total net loss after tax of Rs.12.91 crores and Rs.35.09 crores and total comprehensive loss of Rs.12.56 crores and Rs.35.06 crores, for the quarter ended and period from April 1, 2023 to September 30, 2023, respectively, and cash outflows (net) of Rs.1.55 crores for the period from April 1, 2023 to September 30, 2023, as considered in the consolidated financial results. These interim financial information have been reviewed by other auditors in accordance with SRE 2410 and their reports, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 4 above.

Our conclusion on the Consolidated Financial Results is not modified in respect of the above matter.

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
Firm Registration Number: 304026E/E-300009


A. J. Shaikh
Partner

Membership Number: 203637

UDIN: 23203637BGXPD04645

Place: Mumbai

Date: November 9, 2023



Aditya Birla Fashion and Retail Limited

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2023

₹ in Crore

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2023 (Unaudited)	June 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	March 31, 2023 (Audited)
I	Revenue from operations	3,226.44	3,196.06	3,074.61	6,422.50	5,949.37	12,417.90
II	Other income	45.74	60.29	22.01	106.03	53.13	116.46
III	Total Income (I + II)	3,272.18	3,256.35	3,096.62	6,528.53	6,002.50	12,534.36
IV	Expenses						
	(a) Cost of materials consumed	337.27	370.21	292.55	707.48	627.27	1,245.88
	(b) Purchases of stock-in-trade	1,508.96	997.25	1,875.44	2,506.21	3,147.60	5,546.76
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(342.52)	78.56	(787.65)	(263.96)	(1,125.10)	(1,240.66)
	(d) Employee benefits expense	423.10	437.55	378.99	860.65	726.35	1,563.36
	(e) Finance costs	208.36	187.31	103.58	395.67	198.00	472.36
	(f) Depreciation and amortisation expense	388.80	366.98	290.66	755.78	560.94	1,226.96
	(g) Rent expense	209.86	226.78	201.77	436.64	410.70	897.02
	(h) Other expenses	766.44	793.38	716.80	1,559.82	1,297.40	2,911.96
	Total expenses	3,500.27	3,458.02	3,072.14	6,958.29	5,843.16	12,623.64
V	Profit/ (loss) before Share in Profit/(loss) of Joint Venture and Tax (III - IV)	(228.09)	(201.67)	24.48	(429.76)	159.34	(89.28)
VI	Add : Share in Profit/ (loss) of Joint Venture	(0.46)	0.37	(0.69)	(0.09)	(0.06)	6.84
VII	Profit/ (loss) before tax (V+VI)	(228.55)	(201.30)	23.79	(429.85)	159.28	(82.44)
VIII	Income tax expense						
	(a) Current tax	(0.09)	0.11	(0.30)	0.02	3.09	15.92
	(b) Current tax relating to earlier years	0.01	-	-	0.01	-	(2.22)
	(c) Deferred tax charges/ (credit)	(28.13)	(39.79)	(5.33)	(67.92)	32.33	(36.67)
IX	Net profit/ (loss) after tax (VII - VIII)	(200.34)	(161.62)	29.42	(361.96)	123.86	(59.47)
X	Other comprehensive income/ (loss)						
	Items that will not be reclassified to profit or loss						
	(a) Re-measurement gains/ (losses) on defined benefit plans	1.17	(3.80)	(6.60)	(2.63)	0.41	(0.68)
	Income tax effect on above	(0.24)	1.05	1.74	0.81	(0.08)	0.14
	(b) Fair value gains/ (losses) on equity instruments	3.62	-	3.26	3.62	3.26	3.26
	Income tax effect on above	(0.91)	-	(0.82)	(0.91)	(0.82)	(0.82)
	Items that will be reclassified to profit or loss						
	(a) Exchange differences on translation of foreign operations	0.24	(0.04)	0.02	0.20	0.11	0.05
	Income tax effect on above	-	-	-	-	-	-
	(b) Effective Portion of Cashflow Hedge	(0.02)	0.26	0.87	0.24	1.00	0.75
	Income tax effect on above	0.01	(0.09)	(0.30)	(0.08)	(0.34)	(0.26)
	Total other comprehensive income/ (loss)	3.87	(2.62)	(1.83)	1.25	3.54	2.44
XI	Total comprehensive income/ (loss) (IX + X)	(196.47)	(164.24)	27.59	(360.71)	127.40	(57.03)
XII	Profit/ (loss) attributable to						
	- Owners of the Company	(179.15)	(141.43)	37.69	(320.58)	135.15	(36.00)
	- Non-controlling interest	(21.19)	(20.19)	(8.27)	(41.38)	(11.29)	(23.47)
		(200.34)	(161.62)	29.42	(361.96)	123.86	(59.47)
XIII	Other comprehensive income attributable to						
	- Owners of the Company	3.63	(2.46)	(2.04)	1.17	2.98	2.36
	- Non-controlling interest	0.24	(0.16)	0.21	0.08	0.56	0.08
		3.87	(2.62)	(1.83)	1.25	3.54	2.44
XIV	Total comprehensive income attributable to						
	- Owners of the Company	(175.52)	(143.89)	35.65	(319.41)	138.13	(33.64)
	- Non-controlling interest	(20.95)	(20.35)	(8.06)	(41.30)	(10.73)	(23.39)
		(196.47)	(164.24)	27.59	(360.71)	127.40	(57.03)
XV	Paid-up equity share capital (Face value of ₹ 10/- each)	949.17	948.83	948.68	949.17	948.68	948.79
XVI	Other equity (excluding share suspense)						2,394.48
XVII	Earnings per equity share (of ₹ 10/- each) (not annualised) (including share suspense)						
	(a) Basic (₹)	(1.86)	(1.47)	0.40	(3.34)	1.44	(0.38)
	(b) Diluted (₹)	(1.86)	(1.47)	0.40	(3.34)	1.44	(0.38)



UNAUDITED CONSOLIDATED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2023

₹ in Crore

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2023 (Unaudited)	June 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	March 31, 2023 (Audited)
I	Segment revenue						
	Madura Fashion & Lifestyle	2,275.94	2,220.92	2,108.56	4,496.86	4,018.92	8,640.30
	Pantaloons	1,021.50	1,029.74	1,098.74	2,051.24	2,112.77	4,069.30
	Total segment revenue	3,297.44	3,250.66	3,207.30	6,548.10	6,131.69	12,709.60
	Less: Inter-segment revenue	71.00	54.60	127.69	125.60	182.32	291.70
	Revenue from operations	3,226.44	3,196.06	3,079.61	6,422.50	5,949.37	12,417.90
II	Segment results [Profit/ (loss) before finance costs and tax]						
	Madura Fashion & Lifestyle	56.86	(1.39)	78.44	55.47	206.40	257.88
	Pantaloons	(48.53)	(9.86)	53.55	(58.39)	158.33	126.09
	Total segment results	8.33	(11.25)	131.99	(2.92)	364.73	383.97
	Add/(Less): Inter-segment results	(29.71)	(16.18)	(21.17)	(45.89)	(27.00)	(23.11)
	Net segment results before finance costs, tax and share in Profit/ (loss) of Joint Venture	(21.38)	(27.43)	110.82	(48.81)	337.73	360.86
	Less: i) Finance costs	208.36	187.31	103.58	395.67	198.00	472.36
	ii) Other unallocable expenditure/ (income) - net	(1.65)	(13.07)	(17.24)	(14.72)	(19.61)	(22.22)
	Add: i) Share in Profit/ (loss) of Joint Venture	(0.46)	0.37	(0.69)	(0.09)	(0.06)	6.84
	Profit/ (loss) before tax	(228.55)	(201.30)	23.79	(429.85)	159.28	(82.44)
III	Segment assets	As at September 30, 2023	As at June 30, 2023	As at September 30, 2022	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Madura Fashion & Lifestyle	15,401.53	11,267.01	9,196.34	15,401.53	9,196.34	10,222.00
	Pantaloons	5,456.18	5,083.69	4,763.35	5,456.18	4,763.35	5,142.42
	Total segment assets	20,857.71	16,350.70	13,959.69	20,857.71	13,959.69	15,364.42
	Inter-segment eliminations	(368.47)	(196.44)	(261.91)	(368.47)	(261.91)	(198.60)
	Investment in Joint Venture	73.52	73.84	68.44	73.52	68.44	73.58
	Unallocated corporate assets	1,398.20	2,157.26	1,684.93	1,398.20	1,684.93	1,801.88
	Total assets	21,960.96	18,385.36	15,451.15	21,960.96	15,451.15	17,041.28
IV	Segment liabilities	As at September 30, 2023	As at June 30, 2023	As at September 30, 2022	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Madura Fashion & Lifestyle	9,298.24	7,862.25	6,575.30	9,298.24	6,575.30	7,606.86
	Pantaloons	3,879.97	3,440.57	3,560.74	3,879.97	3,560.74	3,535.14
	Total segment liabilities	13,178.21	11,302.82	10,136.04	13,178.21	10,136.04	11,142.00
	Inter-segment eliminations	(250.05)	(107.71)	(185.45)	(250.05)	(185.45)	(126.06)
	Unallocated corporate liabilities (including borrowings)	5,552.96	4,036.18	1,900.14	5,552.96	1,900.14	2,679.34
	Total liabilities	18,481.12	15,231.29	11,850.73	18,481.12	11,850.73	13,695.28

Note:

The business of the Group is divided into two business segments – Madura Fashion & Lifestyle and Pantaloons. These segments are the basis for management decision and hence the basis for reporting.



Notes:

Consolidated Statement of Assets and Liabilities as at September 30, 2023

1

₹ in Crore

	Particulars	As at September 30, 2023 (Unaudited)	As at March 31, 2023 (Audited)
A	ASSETS		
I	Non-current assets		
	(a) Property, plant and equipment	1,224.51	1,009.13
	(b) Capital work-in-progress	137.33	145.68
	(c) Right-of-use assets	4,525.91	3,623.44
	(d) Investment property	3.63	3.66
	(e) Goodwill	3,365.87	2,329.70
	(f) Other intangible assets	2,360.92	1,393.46
	(g) Intangible assets under development	4.71	58.02
	(h) Financial assets		
	(i) Investment in Joint Venture	73.52	73.58
	(ii) Other Investments	14.20	10.57
	(iii) Loans	0.79	1.15
	(iv) Security deposits	506.72	434.31
	(v) Other financial assets	275.34	244.86
	(i) Deferred tax assets	608.76	408.50
	(j) Non-current tax assets (net)	23.59	6.42
	(k) Other non-current assets	108.56	128.75
	Total - Non-current assets	13,234.36	9,871.23
II	Current assets		
	(a) Inventories	4,953.45	4,214.38
	(b) Financial assets		
	(i) Current Investments	229.82	182.43
	(ii) Loans	11.50	10.04
	(iii) Security deposits	104.01	97.09
	(iv) Trade receivables	1,703.73	886.44
	(v) Cash and cash equivalents	230.79	692.69
	(vi) Bank balance other than cash and cash equivalents	5.15	8.37
	(vii) Other financial assets	76.55	71.23
	(c) Other current assets	1,411.60	1,007.38
	Total - Current assets	8,726.60	7,170.05
	TOTAL - ASSETS	21,960.96	17,041.28
B	EQUITY AND LIABILITIES		
I	Equity		
	(a) Equity share capital	949.17	948.79
	(b) Other equity	1,990.17	2,394.50
	Equity attributable to owners of the Company	2,939.34	3,343.29
	(c) Non-controlling interest	540.50	2.71
	Total - Equity	3,479.84	3,346.00
II	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	2,388.09	1,507.62
	(ii) Lease liabilities	4,222.91	3,346.23
	(iii) Deposits	258.85	253.22
	(iv) Other financial liabilities	1,310.19	1,117.09
	(b) Deferred tax liabilities	493.51	251.68
	(c) Provisions	132.38	111.73
	(d) Other non-current liabilities	21.57	20.20
	Total - Non-current liabilities	8,827.50	6,607.77
III	Current liabilities		
	(a) Financial liabilities:		
	(i) Borrowings	2,432.59	797.90
	(ii) Lease liabilities	1,131.18	921.11
	(iii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	300.16	120.63
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	4,231.91	3,725.49
	(iv) Deposits	245.78	189.91
	(v) Other financial liabilities	285.78	497.00
	(b) Liabilities for current tax (net)	-	0.41
	(c) Provisions	156.91	133.30
	(d) Other current liabilities	859.31	701.76
	Total - Current liabilities	9,653.62	7,087.51
	TOTAL - EQUITY AND LIABILITIES	21,960.96	17,041.28



₹ in Crore

	Particulars	Six months ended September 30, 2023 (Unaudited)	Six months ended September 30, 2022 (Unaudited)
I	Cash flows from operating activities		
	Profit/ (Loss) before tax	(429.85)	159.28
	Adjustments for:		
	Depreciation and amortisation expense	755.78	560.94
	Finance costs	395.67	198.00
	Gain on retirement of right-of-use assets	(17.12)	(14.09)
	Rent concession on lease rentals	-	(0.22)
	Loss on sale of property, plant and equipment	2.55	0.16
	Share-based payment to employees	15.19	13.16
	Interest income	(18.31)	(6.19)
	Liabilities no longer required written back	(1.17)	(0.26)
	Net gain on sale of current investments	(20.79)	(9.88)
	Net unrealised exchange (gain)/ loss	8.10	2.27
	Loss/ (gain) on financial assets/ liabilities that is designated as fair value through profit or loss	(19.42)	(14.31)
	Provision for doubtful debts, deposits and advances	0.30	2.43
	Share of (profit)/ loss of Joint Venture	0.09	0.06
	Operating profit before working capital changes	671.02	891.35
	Changes in working capital:		
	(Increase)/ decrease in trade receivables	(589.61)	(368.86)
	(Increase)/ decrease in inventories	(304.25)	(1,293.86)
	(Increase)/ decrease in other assets	(294.66)	(217.87)
	Increase/ (decrease) in trade payables	416.88	1,381.62
	Increase/ (decrease) in provisions	9.67	13.77
	Increase/ (decrease) in other liabilities	64.98	80.76
	Cash generated from operations	(25.97)	486.91
	Income taxes refund/(paid) (net)	(12.07)	5.61
	Net cash flow from operating activities	(38.04)	492.52
II	Cash flows from investing activities		
	Purchase of property, plant and equipment, intangible assets and capital advance	(403.17)	(309.73)
	Consideration paid for acquisition of subsidiaries (net of cash acquired)	(1,608.52)	(79.50)
	Purchase of current investments	(8,824.75)	(6,347.20)
	Proceeds from sale of property, plant and equipment and intangible assets	3.45	3.30
	Proceeds from sale/ maturity of current investments	8,798.15	5,988.78
	Interest received	18.30	4.40
	Net cash flow used in investing activities	(2,016.54)	(739.95)
III	Cash flows from financing activities		
	Proceeds from issue of equity shares	6.04	2.34
	Proceeds from Preferential issue (net off share issue expenses)	-	769.05
	Proceeds from non-current borrowings (net off charges)	1,312.45	38.98
	Proceeds/ (Investment) in treasury shares held by ESOP Trust	2.73	(10.17)
	Proceeds/ (Repayment) from current borrowings (net)	1,448.99	94.76
	Repayment of non-current borrowings	(338.64)	(3.62)
	Repayment of lease liabilities	(455.61)	(437.48)
	Interest paid	(383.28)	(172.35)
	Net cash flow used in financing activities	1,592.68	281.51
	Net increase/ (decrease) in cash and cash equivalents	(461.90)	34.08
	Cash and cash equivalents at the beginning of the year	692.69	118.22
	Cash and cash equivalents at the end of the period	230.79	152.30



Notes:

- 1 The above consolidated financial results have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 2 The above consolidated financial results, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors at its meeting held on November 09, 2023.
- 3 The limited review as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Auditors of the Company and the related report is being submitted to the concerned Stock Exchanges.
- 4 ESOP Share Allotment: Pursuant to various Employees Stock Option Schemes, following Equity Shares of Rs. 10/- each were allotted /transferred to the option grantees :

Particulars	Quarter ended September 30, 2023	Six months ended September 30, 2023
Allotment [Non-Trust Route]	3,33,523	3,74,195
Allotment [by way of transfer from ESOP Trust]	85,066	1,22,772

- 5 Acquisition of TCNS Clothing Co. Ltd. :
 - a) On May 5, 2023, the Board of Directors of the Company approved acquisition of TCNS Clothing Co. Ltd. ("TCNS"), subject to requisite regulatory approvals.
 - b) On August 31, 2023, the Company completed the acquisition of 1,87,12,577 equity shares constituting 29% of the Expanded Share Capital of TCNS (as defined in the letter of offer for the Open Offer) pursuant to the open offer.
 - c) On September 26, 2023, the Company completed the acquisition of 1,41,95,748 equity shares constituting 22% of the Expanded Share Capital of TCNS pursuant to the Share Purchase Agreement dated May 5, 2023 ("SPA"). Pursuant to the completion of the Open Offer and acquisition of shares as specified in the SPA, the Company acquired 51% of the Expanded Share Capital, thereby acquired control over TCNS. The Company has also become Promoter of TCNS w.e.f. September 26, 2023.
 - d) The Company will now be taking steps for amalgamation of TCNS (as a going concern) with the Company under the Companies Act, 2013 read with relevant circulars and regulations of Securities and Exchange Board of India, and other applicable laws. Pursuant to the amalgamation, 11 full paid equity shares of ₹ 10 each of the Company will be issued for every 6 fully paid-up equity shares of ₹ 2 each held by the shareholders of TCNS (other than ABFRL) . The effectiveness of the Scheme will be subject to inter alia approval of the National Company Law Tribunals and filing of the approved schemes with the Registrar of Companies.
 - e) Company is in the process of completing the purchase price allocation for the purpose of determining the fair values of assets and liabilities acquired pursuant to the amalgamation. As per Ind AS 103, Business Combinations, the Company is permitted to complete the purchase price allocation within a period of 12 months from the date of transfer of control and retrospectively adjust the provisional amounts of assets, liabilities and goodwill as recorded in these consolidated financial results.
- 6 Acquisition of 51% stake in Styleverse Lifestyle Private Limited (SLPL) by Group: On October 20, 2023, Aditya Birla Digital Fashion Ventures Limited ("ABDFVL"), wholly owned subsidiary of the Company, has entered into Shareholders Agreement ("SHA") and Share Subscription Agreement ("SSA") for acquisition of 51% stake of Styleverse Lifestyle Private Limited on a fully diluted basis. The said transaction was subject to customary closing conditions under the SHA and SSA. ABDFVL subsequently acquired 51% stake in SLPL on October 30, 2023, thereby making it subsidiary of ABDFVL.
- 7 The consolidated financial results for the quarter ended September 30, 2023 are not comparable with previous quarters pursuant to the acquisition of subsidiary TCNS Clothing Co. Ltd. ("TCNS") by the Group during the quarter ended September 30, 2023.

Place : Mumbai
Date : November 09, 2023

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