FUTURE LIFESTYLE FASHIONS

23 December 2021

To
Listing Department
Department of Corporate Services
BSE Limited
P.J. Towers Dalal Street
Mumbai – 400001
BSE scrip code: Equity: 536507, Debt: 957150

Kind Attn.:- Ms. Tanmayi Lele

Dear Madam,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Composite Scheme of Arrangement and Amalgamation between Future Trendz Limited ("Transferor Company 1"/ "FTL"), Future Specialty Retail Limited ("Transferor Company 2"/ "FSRL") and Future Lifestyle Fashions Limited ("Transferee Company" / "FLFL") and their respective shareholders ("The Composite Scheme of Arrangement"/ Scheme"), pursuant to Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013

With reference to the above, please find our response to your queries raised in relation to the Scheme:

Sr. No.	Query raised	Response
1.	The NCDs are redeemable at the completion of five years from the date of allotment ("Tenure"). The FLFL would have an option to redeem the NCDs at any time within the Tenure. Please clarify whether FLFL can redeem the NCDs anytime or after 5 years of allotment?	As mentioned in the proposed Scheme: • FLFL has an option to redeem the NCDs during the term of 5 years from the date of allotment; or • The NCDs will be mandatorily redeemed upon the completion of 5 years from the date of allotment.
2.	The scheme of Arrangement is not signed and stamped.	Please refer attached **Annexure-1**

3.	Kindly provide non-applicability certificate from the registered valuer wrt the Valuation report.	In terms of the Para 4 (b) ofMaster Circular ref. no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, Valuation Report is not required in cases where there is no change in the shareholding pattern of the listed entity / resultant company. Hence, no Valuation Report and Fairness Opinion have been obtained, as the proposed Scheme provides for merger of FTL and FSRL (direct / indirect wholly owned subsidiaries of the Company) and there would not be any change in the shareholding pattern of the FLFL.
4.	What is the basis for valuation of CCPS against NCDs? Also state the clause from the scheme stating the basis of valuation. Please submit Valuation report for FSRL by M/s TPG & Co, CA.	Please refer attached valuation report issued by M/s TPG & Co, CA. for FSRL - as **Annexure-2**
5.	No Objection Certificate (NOC) from the lending scheduled commercial bank / financial institutions: Merger of FSRL and FTL with the Company have been agreed as part of One Time Resolution ('OTR') of the financial debts, as entered into by the Company with the financial lenders, bankers and debenture Trustee vide Framework Agreement dated 30 April 2021: Please submit the same.	Please refer the framework agreement attached as **Annexure-3**
6.	Shareholding pattern of all the companies pre and post Amalgamation / Arrangement as per the format provided under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (with PAN & without PAN Nos.): Also attach CCPS Shareholding pattern of FSRL as per Reg 31 format.	Please refer attached **Annexure-4**
7.	Audited financials of the transferee/resulting and transferor/demerged companies for the last 3 financial years (financials not being more than 6 months old) as per Annexure IV.- Submit consolidated financials of FLFL in Annexure IV format.	Please refer attached **Annexure-5**
8.	Detailed Compliance Report as per the format specified in Annexure IV-Please revise the same stating the exact status of compliance in point (b) and (e)	Please refer attached **Annexure-6**
9.	Need clarity on the approval from the Public shareholders through e-voting- As -mentioned in the interface as “not applicable” whereas,	Approval from the public shareholders

	"applicable" is mentioned in the covering letter and further in the compliance letter point e-status of compliance is "will be complied".	through e-voting, as required under Para (A)(10)(b) of Part I of SEBI Master Circular, is applicable. The Company shall provide e-voting facility to all its shareholders for voting on the Scheme.
10.	Networth certificate (excluding Revaluation Reserve) together with related workings pre and post scheme for the transferee and / or resulting company: Post Scheme NW certificate is missing.	Please refer attached **Annexure-7**
11.	Capital evolution details of the transferee/resulting and transferor/demerged companies as per format enclosed at Annexure X.: Also include the effect of the scheme in FSRL CCPS details.	Under the proposed Scheme, no equity shares will be issued by FLFL, hence, there will be no change in the share capital of the FLFL. The Compulsorily Convertible Preference Shares ('CCPS') shall be cancelled and shall be discharged by FSRL by issue of 1,89,975 Unsecured Redeemable Non-Convertible Debentures('NCDs') of Rs. 1,000/- each, fully paid up and liabilities towards such NCDs will be transferred and vested in FLFL. For details, please refer point 4 in Part II and point 5 of Part III of the proposed Scheme. Please refer attached **Annexure-8**
12.	Confirmation by the Managing Director/ Company Secretary as per format enclosed as Annexure XI.- Point D of Annexure XI is missing (refer the checklist)	Please refer attached **Annexure-9**
13.	Shareholding pattern of all the Companies pre and post Amalgamation / Arrangement in Word Format as given in Annexure II: Also include details of CCPS of FSRL.	Please refer attached **Annexure-10**
14.	In case NCRPS / NCDs are proposed to be issued to the shareholders of the listed entity and are to be listed, the company shall submit an undertaking signed by CS / MD of the company as per format attached in Annexure IV confirming compliance with the requirements of SEBI circular dated May 26, 2017.: Whether 189975 unsecured redeemable NCDs are to be listed on Stock Exchange? Please clarify. If so, also submit the	Under the proposed Scheme, no NCDs will be issued to the shareholders of listed entity.

	documents as per Point 12 of Part I mentioned in the SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23.11.2021.	
15.	Brief details of the Board of Directors and Promoters of transferee/resulting and transferor/demerged companies as per format enclosed at Annexure IX- Mismatch between the number of promoters of FLFL in the SHP as per Reg 31, Brief particulars and details of promoters	The list of promoters of FLFL mentioned in SHP as per Reg.31 and in Annexure XI are the same. However, while counting number of shareholders in table I of in SHP Reg 31, only promoters who are holding share(s) have been considered.
16.	(i) Undertaking that the transferee entity will not issue/reissue shares not covered under the draft scheme. :To be confirmed by Listed company. (ii) Undertaking that as on date of application there are no outstanding Warrants/instruments/agreements which give right to any person to take the equity shares in the transferee entity at any future date : To be confirmed by listed company.	Please refer attached **Annexure-11**

In case of any further queries, please feel free to revert.

Thanking You,

Yours faithfully,
For Future Lifestyle Fashions Limited

Sanjay Kumar Mutha
Company Secretary

Encl.: As above