



May 5, 2023

BSE Limited
Scrip code: 535755 & 961915

National Stock Exchange of India Limited
Symbol: ABFRL

Dear Sir/ Madam,

Sub.: Outcome of the Board Meeting of Aditya Birla Fashion and Retail Limited (“the Company”)

- Ref:**
- 1. Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;**
 - 2. SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 (“SEBI Circular”) and**
 - 3. ISIN: INE647O01011 & INE647O13016**

Dear Sir/ Madam,

Pursuant to the above referred, kindly note that the Board of Directors of the Company at its meeting held today have *inter-alia* considered and approved the following matters:

- Acquisition of between 1,41,92,448 to 1,98,76,757 equity shares (“**Sale Shares**”) of TCNS Clothing Co. Ltd (“**Target Company**”), representing between ~22.0% and ~30.81% of the Expanded Share Capital of the Target Company, as defined in the Public Announcement (“**PA**”) from the promoters of the Target Company, subject to shareholders, statutory and regulatory approvals for a consideration of INR 503 per equity share (subject to closing adjustments), and for the said purpose, the Company has executed a Share Purchase Agreement with Arvinder Singh Pasricha, Onkar Singh Pasricha, Saranpreet Pasricha, Parmeet Pasricha (collectively, “**Sellers**”) and the Target Company as on the date hereof (“**SPA**”).
- Making an open offer for up to 1,87,08,227 equity shares, constituting 29.0% of the Expanded Share Capital, at a price of INR 503 per equity share from the public shareholders of the Target Company, conditional upon a minimum level of acceptance of 1,30,23,918 equity shares, constituting ~20.19% of the Expanded Share Capital (“**Minimum Level of Acceptance**”) (“**Open Offer**”). Acquisition by the Company of (i) Sale Shares under the SPA; and (ii) equity shares of the Target Company pursuant to the Open Offer, is collectively referred to as “**Acquisition**”.

Brief details in accordance with the SEBI Circular are annexed herewith as **Annexure A**.

Page 1 of 8

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





c) Based on the recommendation of the Audit Committee and Committee of Independent Directors, the Board has approved the following:

- (i) a scheme of amalgamation between the Company and the Target Company under the Companies Act, 2013 read with relevant circulars and regulations of Securities and Exchange Board of India ("SEBI"), and other applicable law, for amalgamation of the Target Company into the Company by way of merger (by absorption) as a going concern, in consideration for the issuance and allotment of the equity shares of the Company to the shareholders of the Target Company (other than the Company) in accordance with the Share Exchange Ratio (*as defined in Annexure B hereto*) ("**Scheme**"). The effectiveness of the Scheme will be subject to *inter alia* the approval of Competition Commission of India, National Company Law Tribunals and completion of the Acquisition and

- (ii) execution of a merger implementation agreement with the Target Company setting out the manner of effecting the transactions envisaged in the Scheme and the rights and obligations of the parties in relation thereto ("**Implementation Agreement**").

Brief details in accordance with the SEBI Circular are annexed herewith as **Annexure B** and **Annexure C**.

The above is being made available on the Company's website i.e. www.abfrl.com.

Thanking You.

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


Anil Malik
President, Company Secretary



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 A

Sr.No.	Particulars	Details
a)	Name of the target entity, details in brief such as size, turnover etc.	<p>Name of the Target Company: TCNS Clothing Co. Limited is India's Leading Women's Branded Apparel Company.</p> <p>Turnover: ₹ 933.03 crores as on December 31, 2022</p> <p>Net worth: ₹ 635.68 crores as on September 30, 2022</p> <p>Profit after tax: ₹ 10.58 crores as on December 31, 2022</p>
b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length".	No
c)	Industry to which the entity being acquired belongs	Target Company is in Garments & Apparels industry.
d)	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The Acquisition is in line with the Company's objective of building a comprehensive fashion portfolio across consumer segments and price points.
e)	Brief details of any governmental or regulatory approvals required for the acquisition.	The Acquisition is subject to approval of the Competition Commission of India and approval by the requisite majority of shareholders of the Acquirer for increase in the investment limits under Section 186 of the Companies Act, 2013.
f)	Indicative time period for completion of the acquisition	<p>Within 9-12 months</p> <p>The Open Offer shall be completed in accordance with the provisions of the SAST</p>

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	Details
		Regulations, as a condition precedent to completion under the SPA.
g)	Nature of consideration - whether cash consideration or share swap and details of the same;	Cash
h)	Cost of acquisition or the price at which the shares are acquired;	At a consideration of INR 503 per Sale Shares, subject to adjustments under the SPA. The Open Offer is being made at INR 503 per equity share, which has been determined in accordance with SAST Regulations.
i)	Percentage of shareholding / control acquired and / or number of shares acquired;	Acquisition of 51% of the Expanded Share Capital, in terms of the SPA, upon completion under the SPA, as set out under: (i) pursuant to the Open Offer, the Company will acquire up to 29.0% of the Expanded Share Capital, subject to Minimum Level of Acceptance; and (ii) pursuant to the SPA, the Company will acquire such number of Sale Shares, which when aggregated with the equity shares acquired by the Company pursuant to the Open Offer, shall result in the Company holding 51% of the Expanded Share Capital.
j)	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	Target Company was incorporated on December 3, 1997 under the Companies Act, 1956 and is in the business of selling & distribution of apparel and accessories. The Target Company has operations primarily in India. The turnover for the Target Company for last three years is provided below: a) March 31, 2022: ₹ 896.05 crores b) March 31, 2021: ₹ 635.54 crores c) March 31, 2020: ₹ 1,148.67 crores

**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 B

Sr.No.	Particulars	Details
a)	Name of the entity(ies) forming part of the amalgamation/ merger, details in brief such as size, turnover etc	<p><u>Name of the Target Company:</u> TCNS Clothing Co. Limited</p> <p><u>Turnover:</u> ₹ 933.03 crores as on December 31, 2022</p> <p><u>Net worth:</u> ₹ 635.68 crores as on September 30, 2022</p> <p><u>Profit after tax:</u> ₹ 10.58 crores as on December 31, 2022</p> <p><u>Name of the Company:</u> Aditya Birla Fashion and Retail Limited (on standalone basis)</p> <p><u>Turnover:</u> ₹ 9,085.57 crores as on December 31, 2022</p> <p><u>Net worth:</u> ₹ 3857.82 crores as on September 30, 2022</p> <p><u>Profit after tax:</u> ₹ 260.62 crores as on December 31, 2022</p>
b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length”	No, as of date
c)	Area of business of the entity(ies)	<p>Target Company is a public listed company incorporated under the provisions of the Companies Act, 1956 and is involved in the business of selling & distribution of apparel and accessories.</p> <p>Company is a public listed company incorporated under the provisions of the Companies Act, 1956 and is involved in the business of pure-play fashion and lifestyle with a strong bouquet of leading fashion brands and retail formats across various segments and categories with pan- India distribution.</p>

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	Details
d)	Rationale for amalgamation/merger	The merger is in line with the Company's objective of building consolidated business verticals in important apparel categories. The merger is in the interest of both the companies, their respective shareholders, creditors and is not prejudicial to the interests of the concerned shareholders, creditors and other stakeholders.
e)	In case of cash consideration - amount or otherwise share exchange ratio	There is no cash consideration involved in the Scheme. On Amalgamation of the Target Company with the Company, the Company will issue its equity shares to the shareholders of the Target Company (other than itself towards the equity shares held by it in the Target Company) as per the below share exchange ratio: 11 fully paid up equity shares of INR 10 each of the Company, for every 6 fully paid-up equity shares of INR 2 of the Target Company (" Share Exchange Ratio "). The Share Exchange Ratio is arrived on the basis of the valuation report dated May 4, 2023 issued by Bansi. S. Mehta & Co. Chartered Accountants and GT Valuation Advisors Pvt. Ltd., which has been confirmed by Axis Capital Limited, an Independent SEBI registered (Category - I) Merchant Banker, by way of a fairness opinion stating that the Share Exchange Ratio is fair from a financial point of view.
f)	Brief details of change in shareholding pattern (if any) of listed entity	Upon the Scheme becoming effective, the Company will issue equity shares (in the Share Exchange Ratio, as mentioned above) to the shareholders of the Target Company (other than the Company) as on the record date. The equity share(s) held by the Company in the Target Company will be cancelled as per the Scheme.

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 C

Sr.No.	Particulars	Details
a)	Name(s) of parties with whom the agreement is entered	Aditya Birla Fashion and Retail Limited and TCNS Clothing Co. Limited
b)	Purpose of entering into the agreement	The Implementation Agreement sets out the manner of effecting the transactions envisaged in the Scheme and the rights and obligations of the parties in relation thereto.
c)	Shareholding, if any, in the entity with whom the agreement is executed	None, as of date. The Company is required to acquire 51% of the Expanded Share Capital (in terms of the SPA), pursuant to the Open Offer and the SPA, as a condition precedent under the Implementation Agreement.
d)	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.	The Implementation Agreement sets out the manner of effecting the transactions envisaged in the Scheme and the rights and obligations of the parties in relation thereto.
e)	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship	No, as of date.
f)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";	No, as of date.
g)	In case of issuance of shares to the parties, details of issue price, class of shares issued;	Not Applicable Upon the Scheme becoming effective, the Company will issue equity shares (in the Share Exchange Ratio) to the shareholders of the Target Company (other than the Company) as on the record date. The equity share(s) acquired by the Company in the Target Company pursuant to the SPA and Open Offer, will be cancelled as per the Scheme.

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	Details
h)	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.;	None
i)	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): a) name of parties to the agreement; b) nature of the agreement; c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	Not Applicable

**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