

For private circulation only

Addressed to:

Dated: September 4, 2018


 Certified True Copy
 For ADITYA BIRLA FASHION AND RETAIL LIMITED

 Geetika Anand
 Company Secretary

ADITYA BIRLA FASHION AND RETAIL LIMITED

Our Company was incorporated as Peter England Fashions and Retail Limited on April 19, 2007, as a public limited company under the Companies Act, 1956. Subsequently, the name of our Company was changed to Pantaloon's Fashion & Retail Limited on April 23, 2013. The name of our Company was further changed to Aditya Birla Fashion and Retail Limited, pursuant to a scheme of merger on January 12, 2016.

Registered Office and Corporate Office: 701-704, 7th Floor, Skyline Icon Business Park, 86-92, Off A.K. Road, Marol Village, Andheri East, Mumbai - 400 059, Maharashtra

Compliance Officer: Ms. Geetika Anand; E-mail: secretarial@adityabirla.com; CIN: L18101MH2007PLC283901
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PRIVATE PLACEMENT OFFER LETTER FOR THE PRIVATE PLACEMENT OF 3,000 UNSECURED, LISTED, RATED, REDEEMABLE, ZERO COUPON, NON-CONVERTIBLE DEBENTURES of ₹ 10,00,000 (RUPEES TEN LAKHS) EACH (THE "DEBENTURES") FOR CASH AT PAR AGGREGATING TO ₹ 300,00,00,000 (RUPEES THREE HUNDRED CRORES ONLY) TO BE ISSUED (THE "ISSUE") BY ADITYA BIRLA FASHION AND RETAIL LIMITED (THE "ISSUER")

This Private Placement Offer Letter dated September 4, 2018 (the "Offer Letter") incorporates the disclosures required under Section 42 of the Companies Act, 2013 ("Act"), Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Form PAS-4, the relevant provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (the "SEBI Debt Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). This Offer Letter is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by the Issuer.

The Issue is subject to the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Issuer, the Application Form, other terms and conditions as may be incorporated in the Debenture Trust Deed and other documents in relation to the Issue.

GENERAL RISKS

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Investors are advised to take informed decision before taking an investment decision in this offering. For taking an investment decision the investor must rely on their examination of the issuer, the issue, this Offer Letter and the issue including the risks involved. This issue has not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms, that the information contained in this Offer Letter contains all the information with regard to the issuer and the issue which is material in the context of the issue and as required under Section 42 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended. The information contained in this Offer Letter is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Offer Letter as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

CRISIL has assigned "CRISIL AA/Stable" rating to these Debentures. This rating indicates high degree of safety regarding timely servicing of financial obligations and carries very low credit risk.

India Ratings and Research has assigned "Provisional IND AA/Stable" rating to these Debentures.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agency and should be evaluated independently of any other ratings. Please refer to Annexure IV to this Offer Letter for the rationale for rating above.

LISTING

The Debentures are proposed to be listed on the Wholesale Debt Market Segment of the BSE Limited ("BSE"). BSE, vide its letter dated September 4, 2018, has provided an 'in-principle' approval for the listing of the Debentures offered through this Offer Letter.

DEBENTURE TRUSTEE	REGISTRAR TO THE ISSUE	Arranger to the Issue
Axis Trustee Services Limited The Ruby, 2 nd Floor SW, 29, Senapati Bapat Marg, Dadar West Mumbai- 400 028 Tel: +91 22 6230 0444 E-mail: debenturetrustee@axistrustee.com Contact Person: Mr. Abbas Zaidi Website: www.axistrustee.com	Link Intime India Private Limited C 101, 247 Park, L B S Marg Vikhroli West Mumbai - 400 083 Tel : +91 22 4918 8000 Fax: +91 22 4918 6060; E-mail: vinayak.bandel@linkintime.co.in Contact Person: Mr. Vinayak Bendal Website: www.linkintime.co.in	ICICI Bank Limited ICICI Bank towers, Bandra-Kurla Complex, Mumbai -400 051 Tel: 022 40097210 Email: arpit.joshi@icicibank.com Contact person: Ms. Arpita Joshi

ISSUE PROGRAMME

BID/ISSUE OPENING DATE	BID/ISSUE CLOSING DATE	PAY-IN DATE
September 6, 2018	September 6, 2018	September 7, 2018



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DISCLAIMERS

This Offer Letter contains relevant information and disclosures required for the purpose of issuing of the Debentures in accordance with Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules. The Issuer has, together with the Application Form (provided in Annexure I), issued the Debentures to Identified Eligible Investors inviting subscription to the Debentures. Any application by a person to whom the Offer Letter has not been sent by the Issuer shall be rejected without assigning any reason.

The Issue described under this Offer Letter has been authorised by the Issuer through a resolution of the Board of Directors of the Issuer dated May 11, 2018 and the resolution of the shareholders of the Issuer on August 28, 2018 and the Memorandum and Articles of Association of the Issuer.

Pursuant to a resolution of the Board of Directors of the Issuer dated May 11, 2018 and the resolution of the shareholders of the Issuer dated September 7, 2016 and August 28, 2018, in accordance with provisions of the Companies Act, 2013, the Issuer has been authorised to borrow within the overall borrowing limits of the Company, on such terms and conditions as the Board of Directors may think fit.

This Offer Letter is issued by the Issuer. This Offer Letter does not purport to contain all the information that any eligible investor may require. Further, this Offer Letter has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

This Offer Letter is neither a prospectus nor a statement in lieu of a prospectus. The offering of Debentures, to be listed on the Wholesale Debt Market ("WDM") segment of BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. Nothing in this Offer Letter shall constitute and/or deem to constitute an offer or an invitation to offer to the public or any section thereof to subscribe for or otherwise acquire the Debentures in general under any law for the time being in force.

The contents of this Offer Letter are intended to be used only by those potential investors to whom this Offer Letter is issued. It is not intended for distribution to any other person and should not be reproduced by the recipient. No invitation is being made to any persons other than any person other than the potential investor to whom this Offer Letter has been sent. Any application by a person to whom this Offer Letter has not been sent by the Company shall be rejected without assigning any reason. Invitations, offers and sales of the Debentures shall only be made pursuant to this Offer Letter. The person who is in receipt of this Offer Letter shall maintain utmost confidentiality regarding the contents of this Offer Letter and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the Company. All potential investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. It is the responsibility of the eligible investors to have obtained all consents, approvals or authorizations required by them to participate in the Issue.

The Issuer confirms that the information contained in this Offer Letter is true and correct in all material respects and is not misleading in any material respect to the best of its understanding. All information considered adequate and relevant about the Issue and the Issuer has been made available in this Offer Letter for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Issuer does not undertake to update the Offer Letter to reflect subsequent events after the date of the Offer Letter and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

The Issuer accepts no responsibility for statements made other than in this Offer Letter (and any relevant pricing or other supplements) or any other material expressly stated to be issued by or at the instance of the Issuer in connection with the issue of the debentures and that anyone placing reliance on any other source of information would be doing so at their own risk.

The purpose of this Offer Letter is to provide general information about the Issuer and to assist recipients, who are willing and eligible to invest in the Debentures. Neither this Offer Letter nor any other information



Dated: September 4, 2018

supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Offer Letter should not consider such receipt a recommendation to purchase any Debentures.

Each investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Eligible investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances. By subscribing to the Issue, eligible investors shall be deemed to have acknowledged that the Issuer does not owe them a duty of care in this respect. Accordingly, none of the Issuer's officers or employees shall be held responsible for any direct or consequential losses suffered or incurred by any recipient of this Offer Letter as a result of or arising from anything expressly or implicitly contained in or referred to in this Offer Letter or any information received by the recipient in connection with this Issue.

Neither the Intermediaries nor their agents nor advisors associated with the Issue of Debentures undertake to review the financial condition nor affairs of the Issuer during the duration of the arrangements contemplated by this Offer Letter or have any responsibility to advise any investor or potential investor in the Debentures of any information coming to the attention of any other intermediary.

Disclaimer of the Securities and Exchange Board of India

This Offer Letter has not been, and shall not be, filed with or submitted to SEBI. The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this Offer Letter should not in any way be deemed or construed to have been approved or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the debentures issued hereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Offer Letter. The issue of Debentures being made on a private placement basis, filing of this Offer Letter with SEBI is not required. However, SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Offer Letter.

Disclaimer of the Arranger

The Issuer has authorized ICICI Bank Limited ("Arranger") to distribute this Offer Letter in connection with Issue and the Debentures proposed to be issued to only those investors to whom the Offer Letter is addressed by the Issuer.

The Issuer has prepared the Offer Letter and is solely responsible for the truth, accuracy and completeness of all the information provided in this Offer Letter. Neither are the Arranger responsible for preparing, clearing, approving, scrutinizing or vetting this Offer Letter, nor are the Arranger responsible for doing any due diligence for verification of the truth, correctness or completeness of the contents of this Offer Letter. The Arranger shall be entitled to rely on the truth, correctness and completeness of this Offer Letter. It is to be distinctly understood that the aforesaid use of this Offer Letter by the Arranger should not in any way be deemed or construed to mean that the Offer Letter has been prepared, cleared, approved, scrutinized or vetted by the Arranger. Nor should the contents of this Offer Letter in any manner be deemed to have been warranted, certified or endorsed by the Arranger as to the truth, correctness or completeness thereof. Each recipient must satisfy itself as to the accuracy, reliability, adequacy, reasonableness or completeness of the Offer Letter.

The Arranger has not conducted any due diligence review on behalf or for the benefit of the Debenture Trustee or any of the investors. Each investor should conduct such due diligence on the Issuer, as it deems appropriate and make its own independent assessment thereof. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or its affiliates for the accuracy, completeness, reliability, correctness or fairness of this Offer Letter or any of the information or opinions contained therein, and the Arranger hereby expressly disclaims, to the fullest extent permitted by law, any responsibility for the contents of this Offer Letter and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Offer Letter or any information or errors contained therein or any omissions therefrom. By accepting this Offer Letter, the recipients agree that the Arranger will not have any such liability.



Distribution of this Offer Letter does not constitute a representation or warranty, express or implied by the Arranger that the information and opinions herein will be updated at any time after the date of this Offer Letter. The Arranger does not undertake to notify any recipient of any information coming to the attention of the Arranger after the date of this Offer Letter. No responsibility or liability or duty of care is or will be accepted by the Arranger for updating or supplementing this Offer Letter nor for providing access to any additional information as further information becomes available.

Neither the Arranger nor any of their respective directors, employees, officers or agents shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from this Offer Letter or in any other information or communications made in connection with the Issue.

The Arranger is acting for the Company in relation to the Issue and not on behalf of the recipients of this Offer Letter. The receipt of this Offer Letter by any recipient is not to be constituted as the giving of investment advice by the Arranger to that recipient, nor to constitute such a recipient a customer of the Arranger. The Arranger is not responsible to any other person for providing the protection afforded to the customers of the Arranger nor for providing advice in relation to the Issue.

Nothing in this Offer Letter constitutes an offer of securities for sale in the United States or any other jurisdiction where such offer or placement would be in violation of any law, rule or regulation.

The Issuer has prepared this Offer Letter and the Issuer is solely responsible for its contents. The Issuer will comply with all laws, rules and regulations and has obtained all regulatory, governmental and corporate approvals for the issuance of the Debentures. All the information contained in this Offer Letter has been provided by the Issuer or is from publicly available information, and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or their affiliates for the accuracy, completeness, reliability, correctness or fairness of this Offer Letter or any of the information or opinions contained therein, and the Arranger hereby expressly disclaims, to the fullest extent permitted by law, any responsibility for the contents of this Offer Letter and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Offer Letter or any information or errors contained therein or any omissions therefrom. By accepting this Offer Letter, the recipient agrees that the Arranger will not have any such liability.

The recipient should carefully read and retain this Offer Letter. However, the recipient is not to construe the contents of this Offer Letter as investment, legal, accounting, regulatory or tax advice, and should consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures.

Each recipient of this Offer Letter acknowledges that:

- a. each recipient has been afforded an opportunity to request and to review and has received all additional information considered by the recipient to be necessary to verify the accuracy of or to supplement the information contained herein; and
- b. such recipient has not relied on the Arranger in connection with its investigation of the accuracy of such information or its investment decision.

Disclaimer in respect of Jurisdiction

Issue of these Debentures have been/will be made in India to investors as specified under paragraph titled "Who Can Apply" in this Offer Letter, who have been/shall be specifically approached by the Company. This Offer Letter is not to be construed or constituted as an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. The Debentures are governed by and shall be construed in accordance with the existing Indian laws as applicable in the state of Maharashtra. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals of the city of Mumbai.



Issue of Debentures in dematerialised form

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its Depository Participant. The Issuer will make the Allotment to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.



DEFINITIONS AND ABBREVIATIONS

This Offer Letter uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or it is specified otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision.

The words and expressions used in this Offer Letter, but not defined herein shall have the same meaning ascribed to such terms under the SEBI Debt Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the sections entitled "Summary of Key Financial Information" and "Schedule I - Financial Statements" on pages 38 and 88, respectively, shall have the meanings ascribed to such terms in these respective sections.

Issue Related Terms

Term	Description
Allot/ Allotment/ Allotted	The allotment of the Debentures pursuant to the Issue
Applicant(s) or Investor(s)	A person who applies for the issuance and allotment of the Debentures pursuant to the terms of the Offer Letter and the Application Form
Application	An application to subscribe to the Debentures offered pursuant to the Issue by submission of a valid Application Form and payment of the Application Amount by any of the modes as prescribed under this Offer Letter
Application Amount	The aggregate value of the Debentures applied for, as indicated in the Application Form for the Issue
Application Form	The form through which an investor can subscribe to the Debentures, which form is serially numbered and addressed specifically to whom the offer is made and provided in Annexure I
Arranger	ICICI Bank Limited
Article of Association	The articles of association of the Issuer, as amended
Beneficial Owner(s)	Holder(s) of the Debentures in dematerialised form as defined under section 2 of the Depositories Act
Bid/ Issue Opening Date	The opening date of the Bid/Issue is September 6, 2018
Bid/ Issue Closing Date	The closing date of the Bid/Issue is September 6, 2018
Board of Directors/ Board	The board of directors of the Issuer or any committee constituted by the Board thereof
Business Days	A day (other than a public holiday or a Sunday or a closed day) on which banks are normally open for business in Mumbai and therefore, on which payments under the Debentures can be made
Company/ Issuer	Aditya Birla Fashion and Retail Limited
Coupon Payment Date	Coupon payment date shall have the meaning ascribed to it in the section entitled "Summary Term Sheet for the Debentures"
Coupon Rate	The rate at which interest is payable on the Debentures as specified in the section entitled "Summary Term Sheet for the Debentures - Coupon Rate"
Coupon Reset Process	Coupon reset process shall have the meaning ascribed to it in the section entitled "Summary Term Sheet for the Debentures - Coupon Reset Process"
Control	Control includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner



Term	Description
Credit Rating	The rating assigned by CRISIL and India Ratings and Research to the Debentures proposed to be issued by the Issuer
Debentures	The unsecured, listed, rated, redeemable, zero coupon, non-convertible debentures of ₹ 10,00,000 each
Debt	The aggregate of (a) all long-term debt outstanding, whether secured or unsecured, plus; (b) financial guarantees given on behalf of any company; (c) any short term debt outstanding, whether secured or unsecured, availed of in lieu of long term debt or by way of bridge financing for long term debt; and (d) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis)
Debenture Holder(s)	The persons who are for the time being holders of the Debentures and whose names are most recently entered into the Register of Debenture Holders and shall include the Beneficial Owners
Debenture Trustee	Trustee for the Debentures Holders, Axis Trustee Services Limited
Debenture Trustee Agreement	The debenture trustee agreement dated September 4, 2018 entered into between the Debenture Trustee and the Issuer in respect of the Issue
Debenture Trust Deed	The trust deed to be entered into between the Debenture Trustee and the Issuer in relation to the Issue
Deemed Date of Allotment	The deemed date of Allotment, being September 7, 2018 and as specified in the section entitled "Summary Term Sheet for the Debentures - Deemed Date of Allotment"
Default Yield Rate	Default yield rate shall have the meaning ascribed to it in the section entitled "Summary Term Sheet for the Debentures – Default Yield Rate"
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended, in this case being NSDL and CDSL.
Designated Operating Account	The account bearing number 916030056409416 opened and maintained by the Issuer with Axis Bank Limited
Directors	Directors on the Board, as appointed from time to time
DRR	The Debenture Redemption Reserve required to be maintained under the Companies Act
Effective Yield	The effective yield as specified in the section entitled "Summary Term Sheet for the Debentures - Effective Yield"
Eligible Investors	Eligible Investors shall have the meaning ascribed to it in the section entitled "Issue Procedure"
Equity	The issued and paid up Equity and Preference Share capital including all reserves (excluding revaluation reserves) (-) any dividend declared (+) deferred tax liability (-) deferred tax asset as per the latest audited financials of the Issuer
Events of Default	Events of Default shall be as specified in the section entitled "Summary Term Sheet for the Debentures" and as set out in the Debenture Trust Deed
Financial Indebtedness	Financial indebtedness shall be as specified under the in the section entitled "Summary Term Sheet for the Debentures – Events of Default"
Financial Ratios	Financial ratios shall be as specified under the in the section entitled "Summary Term Sheet for the Debentures – Financial Covenants"
Governmental Authority	Any government (central, state or otherwise) or sovereign state, governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, or any political subdivision thereof, international organisation, agency or authority, and includes, without limitation, any stock exchange or any self-regulatory organisation, established under any applicable law
Issue	Issue of Debentures, by way of private placement, by the Issuer pursuant to the terms of this Offer Letter
Issuer	Aditya Birla Fashion and Retail Limited
Majority Debenture Holders	Such number of mean Debenture Holders representing not less than 75% in value of nominal amount of the Debentures for the time being outstanding



Term	Description
Management Control	Management control shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Covenants"</i>
Mandatory Redemption Option	Mandatory redemption Option shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Mandatory Redemption Option"</i>
Material Adverse Effect	In respect of the Issuer, an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material adverse effect on or a material adverse change in the reasonable judgment of Debenture Trustee, acting on the instruction of the Majority Debenture Holder(s)/Beneficial Owner(s) on: (i) the business, operations, assets or condition (financial or otherwise) of the Issuer; or (ii) the ability of the Issuer to enter into and to perform its obligations under Transaction Documents or any other related document to which the Issuer is or will be a party; or (iii) the legality or validity or enforceability of the Transaction Documents or any other related document (including the ability of any party to enforce any of its rights or remedies thereunder)
Maturity Date	The date specified in the section entitled <i>"Summary Term Sheet for the Debentures – Maturity Date"</i>
Memorandum of Association	The memorandum of association of the Issuer, as amended
Pay In Date	Pay In Date shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Pay In Date"</i>
Person	Any individual, corporation, partnership (including, without limitation, association), joint stock company, trust, unincorporated organisation or government entity or political subdivision thereof, and their respective successor and assigns.
Persons Acting in Concert	Persons acting in concert shall have the same meaning ascribed to it in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
Promoter	The promoter in relation to the Issuer, being, Birla Group Holdings Private Limited
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time
Put Date	Put date shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Put Date"</i>
Put Option	Put option shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures – Put Option"</i>
Put Notification Date	Put notification date shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Put Notification Date"</i>
Put Price	Put price shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Put Price"</i>
Rating Change Date	Rating change date shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures – Step-up yield rate"</i>
Rating Change Exercise Date	Rating change exercise date shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Mandatory Redemption Option"</i>
Rating Change Put Date	Rating change put date shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Mandatory Redemption Option"</i>
Rating Change Put Option	Rating change put option shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Mandatory Redemption Option"</i>
Rating Change Put Price	Rating change put price shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures - Mandatory Redemption Option"</i>
Record Date	Record date shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures – Record Date"</i>
Redemption Amount	Redemption amount shall have the meaning ascribed to it in the section entitled <i>"Summary Term Sheet for the Debentures"</i>



Dated: September 4, 2018

Term	Description
Redemption Date	Redemption date shall have the meaning ascribed to it in the section entitled "Summary Term Sheet for the Debentures"
Redemption Premium	Redemption premium shall have the meaning ascribed to it in the section entitled "Summary Term Sheet for the Debentures - Redemption Premium"
Registered Office	701-704, 7 th Floor, Skyline Icon Business Park, 86-92, Off A.K. Road, Marol Village, Andheri East, Mumbai - 400 059
Register of Debenture Holders	The register maintained by the Issuer at its Registered Office in accordance with the Companies Act, containing the names of the Debenture Holders entitled to receive interest in respect of the Debentures on the Record Date, and shall include the register of Beneficial Owners maintained by the Depository under the Depositories Act.
Registrar/Registrar to the Issue	Registrar to this Issue, being Link InTime Private Limited
Registrar of Companies or RoC	The Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai - 400 002
Step Up Yield Rate	Step up yield rate shall have the meaning ascribed to it in the section entitled "Summary Term Sheet for the Debentures - Step Up Yield Rate"
Transaction Documents	In respect of the Issue, the documents for the Issue will be (i) the Debenture Trustee Agreement; (ii) the Debenture Trust Deed; and (iii) the Offer Letter and (iv) any other document that may be designated as a transaction document by the Debenture Trustee

Conventional and General Terms, Abbreviations and References to Other Business Entities

Abbreviation	Full form
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CDR	Corporate debt restructuring
CRISIL	CRISIL Limited
CIT(A)	Commissioner of Income tax (Appeals)
Companies Act/ Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections
Depositories Act	The Depositories Act, 1996, as amended
Depository Participant/ DP	A depository participant as defined under the Depositories Act
Debenture Trustee Regulations	The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, as amended
DP ID	Depository Participant Identification Number
ECB	External Commercial Borrowing
ESIC Act	Employees' State Insurance Act, 1948
FEMA	Foreign Exchange Management Act, 1999, as amended
FII	Foreign Institutional Investor, as defined under Regulation 2(1)(g) of the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended, registered with SEBI under applicable laws in India
Financial Year/ Fiscal/ FY	Period of 12 months ended on March 31 of that particular year
India Ratings	India Ratings and Research
JLF	The Framework for Revitalizing Distressed Assets in the Economy – Guidelines on Joint Lenders' Forum (JLF) and Corrective Action Plan (CAP) pursuant to the RBI circular dated February 26, 2014
SEBI Debt Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended
SEBI Debenture Regulations	The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended



Abbreviation	Full form
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
IT Act	The Indian Income Tax Act, 1961
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
NECS	National Electronic Clearing Services
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India
NEFT	National Electronic Funds Transfer
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Body
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
p.a.	Per annum
PAN	Permanent Account Number
RBI	The Reserve Bank of India constituted under the RBI Act
RBI Act	Reserve Bank of India Act, 1934, as amended
RTGS	Real Time Gross Settlement
WDM	The wholesale debt market segment of BSE
₹/ Rs./INR	Indian Rupees



DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT, 2013

The table below sets out the disclosure requirements as provided in PAS-4 and the relevant pages in this Offer Letter where these disclosures, to the extent applicable, have been provided.

Sr. No.	Disclosure Requirements	Page Number
PART A		
1.	GENERAL INFORMATION	
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	23
b.	Date of incorporation of the company.	19
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	19 - 21
d.	Brief particulars of the management of the company.	31
e.	Names, addresses, DIN and occupations of the directors.	31
f.	Management's perception of risk factors.	15
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	36
i)	statutory dues;	
ii)	debentures and interest thereon;	
iii)	deposits and interest thereon; and	
iv)	loan from any bank or financial institution and interest thereon.	
h.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process.	23
i.	Any Default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder.	41
2.	PARTICULARS OF THE OFFER	
a.	Financial position of the Company for the last 3 financial years.	38 & 88 - 103
b.	Date of passing of board resolution.	67 - 69
c.	Date of passing of resolution in the general meeting, authorizing the offer of securities.	70 & 71
d.	Kinds of securities offered (i.e. whether share or debenture) and class of security, the total number of shares or other securities to be issued.	52
e.	Price at which the security is being offered including the premium, if any, along with justification of the price.	53
f.	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer.	NA
g.	Relevant date ¹ with reference to which the price has been arrived at.	NA
h.	The class or classes of persons to whom the allotment is proposed to be made.	52
i.	Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) ² .	NA
j.	The proposed time within which the allotment shall be completed.	56
k.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them. ³	NA
l.	The change in control, if any, in the company that would occur consequent to the private placement.	NA

¹ Relevant date means a date at least thirty days prior to the date on which the general meeting of the company is scheduled to be held.

² Not required in case of non-convertible debentures.

³ Not required in case of non-convertible debentures.



Sr. No.	Disclosure Requirements	Page Number
m.	The number of persons to whom allotment on preferential basis/private placement/rights issue has already been made during the year, in terms of securities as well as price.	NA
n.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	NA
o.	Amount which the company intends to raise by way of proposed offer of securities.	53
p.	Terms of raising of securities:	52 - 61
i)	Duration, if applicable;	
ii)	Rate of dividend;	
iii)	Rate of interest;	
iv)	Mode of payment; and	
v)	Mode of repayment.	
q.	Proposed time schedule for which the private placement offer cum application letter is valid.	56
r.	Purposes and objects of the offer.	52
s.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	NA
t.	Principle terms of assets charged as security, if applicable.	NA
u.	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations.	42
v.	The pre-issue and post-issue shareholding pattern of the company	20 & 21
3.	MODE OF PAYMENT FOR SUBSCRIPTION	45
4.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC	
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	34
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	42
c.	Remuneration of directors (during the current year and last three financial years).	34
d.	Related party transactions entered during the last three financial years immediately preceding the year of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided.	40
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	38
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed	42



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Sr. No.	Disclosure Requirements	Page Number
	(whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the issue of private placement offer cum application letter and if so, section-wise details thereof for the company and all of its subsidiaries.	
g.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	43
5.	FINANCIAL POSITION OF THE COMPANY	
a.	The capital structure of the company	26 - 30
i)	The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	
ii)	Size of the present offer; and	
iii)	Paid up capital: After the offer; and After conversion of convertible instruments (if applicable);	
iv)	Share premium account (before and after the offer).	
v)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	
vi)	Provided that the Issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter.	40
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/Interest paid).	38 & 41
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of issue of private placement offer cum application letter.	38 & 88 - 103
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of issue of private placement offer cum application letter.	95, 96 & 101 - 103
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	39
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6.	APPLICANT DETAILS	62
7.	A DECLARATION BY THE DIRECTOR	63
a.	The company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder.	
b.	The compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of preference shares and debentures, if applicable, is guaranteed by the Central Government.	
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	
	I am authorised by the Board of Directors of the company vide resolution number 1.10 dated May 11, 2018 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is	



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Addressed to: _____

Dated: September 4, 2018

Sr. No.	Disclosure Requirements	Page Number
	stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.	



FORWARD-LOOKING STATEMENTS

This Offer Letter contains certain forward-looking statements. These forward looking statements generally can be identified by words or phrases such as aim, anticipate, believe, expect, estimate, intend, objective, plan, project, shall, will, will continue, will pursue or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- delay or non-receipt of necessary government and other approvals;
- regulatory changes pertaining to the industry in India which have an impact on our business and durability to respond to them;
- our ability to successfully implement our strategy, growth and expansion;
- competition in the industry in which we operate in;
- our ability to respond to technological changes;
- our exposure to market risks;
- the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices and other rates or prices; and
- general economic and political conditions in India and globally, which have an impact on our business and our ability to respond to them.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither the Issuer, Registrar nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.



MANAGEMENT'S PERCEPTION OF RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations in relation to the Debentures. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective investors should carefully consider all the information in this offer Letter, including the risks and uncertainties described below, before making an investment in the Debentures. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Risks Related to the Business

- 1. *We completed the acquisition of "Forever 21" business in July, 2016. We may not be able to realise the anticipated benefits from the acquisition.***

On July 5, 2016, the Company vide a business transfer agreement entered into with Diana Retail and DLF Brands Limited, being the promoter of Diana Retail, acquired the business undertaking relating to operation of retail stores in India for the sale of clothing, artificial jewellery, accessories and related merchandise under the Forever 21 brand and through e-commerce channels ("**Forever 21 Undertaking**") on a going concern basis. The Company also executed a franchise agreement with Forever 21, Inc., in terms of for acquiring the exclusive franchise rights for the brand "**Forever 21**" for the Indian market. For further details, please see the section entitled "*History and Certain Corporate Matters*" on page 19 of the Offer Letter. Pursuant to the said acquisition and upon completion of the transaction in accordance with the Business Transfer Agreement, the Forever 21 Undertaking formed part of Madura Fashion & Lifestyle division of the Company from July 1, 2016.

While we have undertaken various steps to address Forever 21 business related issues, there is no assurance that we will completely overcome these challenges in a timely manner, or at all, and that we will not face any such challenges in the future. Accordingly, we cannot assure you that we will be able to realise the anticipated benefits of the acquisition of the Forever 21 Undertaking.

- 2. *If we are unable to effectively implement our business and growth strategies, our results of operations may be adversely affected.***

Our success will depend in large part on our ability to effectively implement our business and growth strategies. We cannot assure you that we will be able to execute our strategies in a timely manner or within estimated budget, or meet the expectations. We believe that our business and growth strategies will place significant demands on our management and other resources and will require us to develop and improve operational, financial and other internal controls. Our business and growth strategies may require us to incur further indebtedness. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations.

As part of our growth strategy, we propose to increase the number of our stores. When establishing new stores, we may encounter delays in implementation due to, among other causes, delays in completion of shopping malls in which we propose to open our stores. In the future, if the stores as proposed by us are not established in a timely manner, or at all, our business and results of operations may be adversely affected. Furthermore, new stores that we may establish may not achieve anticipated levels of patronage and as a result may not perform as expected. The occurrence of any of these risks could adversely affect our business, financial condition, and results of operations.

- 3. *Any deterioration in the quality of the apparel and accessory brands sold by us, could materially and adversely impact our reputation, business, financial condition and results of operations.***

Our ability to attract and retain customers is dependent upon the public recognition of, and quality associated with, the apparel and accessories brands sold by us. Any deterioration in the quality or public perception of these brands could impede our ability to attract new customers or to even retain our existing customers. Such dependence on these brands also makes our business susceptible to risks regarding brand obsolescence and reputational damage. Further, our business is also dependent on our ability to protect our intellectual property to maintain our brand value. If we fail to adequately protect our



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Intellectual property, competitors may use our brands and logos to market counterfeit products.

Additionally, our brands can be adversely affected by various factors, such as a decline in the quality of merchandise from our vendors, occurrence of accidents or injuries, natural disasters, crime or similar events at our stores or factory outlets. There can be no assurance that the events occurring at one location would not have a negative impact on the reputation and operations of otherwise successful individual locations. If the perceived quality of our brands declines, or if our reputation is damaged, our business, financial condition, cash flows and results of operations could be adversely affected.

- 4. *We rely on third party vendors for sourcing merchandise. Any shortcomings in the quality of the merchandise supplied by such vendors could adversely affect our business, financial condition and results of operation.***

The products sold by us at our stores and factory outlets are sourced from a wide variety of vendors. Our ability to find qualified suppliers who meet our standards, and to access products in a timely and efficient manner is a significant challenge. Political and economic instability in India or political instability in certain states of India in which the vendors are located, the financial instability of the vendors, vendors' failure to meet our standards, labour problems experienced by our vendors, the availability of raw materials to the vendors, merchandise quality issues, transport availability and cost, transport security, inflation, and other factors relating to the vendors are beyond our control. These and other factors affecting our vendors and our access to products could adversely affect our business and operations, thereby having material and adverse effect on our financial condition and results of operations.

Our customers rely on us for the quality of our products. In the event of any quality concerns regarding the products sold by us, we could suffer reputational damage resulting in a decline in sales and thereby affecting our financial condition and results of operations. Any loss of confidence on the part of our customers would be difficult and costly to re-establish.

- 5. *We face the risk of obsolescence of our merchandise and our growth will depend on our ability to identify and introduce popular designs.***

Typically, we keep inventory relating to a particular season at our stores for approximately six months and thereafter try to liquidate any unsold inventory through factory outlets or discount sales at our stores. However, we face a risk of changing fashion trends and consumer preferences in India, which may result in unsold inventory being left for longer durations. We cannot assure you that we will be able to dispose such unsold inventory profitably, or at all.

Our success depends upon our ability to forecast, anticipate and respond to changing consumer preferences and fashion trends in a timely manner. Any failure by us to identify and respond to such emerging trends in consumer preferences could have a material adverse effect on our business and profitability. Further, any mismatch between our forecasts, our planning and the actual purchase by customers can impact us adversely, leading to excess inventory and requiring us to resort to higher markdown and thus lower margins in order to clear such inventory.

- 6. *Our business is subject to seasonal and cyclical volatility.***

We offer products at our stores that our consumers require and our success is dependent on our ability to meet our consumers' requirements. The retail consumer spending is heavily dependent on the economy and, to a large extent, on various festive occasions. Accordingly, during some periods, sales are lean and we are compelled to offer discounts on our products, launch seasonal sales and adopt other such marketing strategies in order to boost sales. These seasonal variations in consumer demand subject our sector to a high volatility risk.

- 7. *Our business plans require capital expenditures and if we are unable to obtain the necessary funds, our business may be adversely affected.***

Operating and setting up stores and factory outlets is capital intensive and requires significant capital expenditure. If the funding requirements of a particular business plan increase, we will need to look for additional sources of finance, which may not be readily available, or may not be available on commercially reasonable terms, which may have an adverse effect on the profitability of that project. We may face cost



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and time overrun during the setting up of our stores. This may require us to revise our project cost estimates.

Our ability to finance our capital expenditure plans is also subject to a number of risks, contingencies and other factors, some of which are beyond our control, borrowing or lending restrictions, if any, imposed by applicable government regulations, the amount of dividends that can be paid to our shareholders and general economic and capital market conditions. We cannot assure you that we will be able to raise sufficient funds to meet our capital expenditure requirements, or on terms acceptable to us. If we are unable to raise the capital needed to fund the costs of setting up new stores, or experience any delays in raising such funds, there could be an adverse effect on our business operations and future prospects. Any significant change in the contemplated financial requirements may have an adverse effect on our cash flows, financial condition and results of operations.

8. *We use sophisticated technology for our operations and our inability to upgrade such technology from time to time could adversely affect our operations or competitive position.*

We use sophisticated technology for our operations, including property management, procurement, operation of our customer loyalty programs and customer amenities. These technologies may undergo enhancements from time to time and our inability or failure to maintain or upgrade the technologies used by us for operations, could materially and adversely affect our operations and competitive position. The development and maintenance of these technologies may also require significant investment by us, which could adversely affect our financial condition and results of operations. Further, there can be no assurance that we will achieve the anticipated benefits from adoption and implementation of sophisticated technology by us for our operations.

9. *Quality and consistency in customer service at our stores is critical for our success and any failure in this respect could materially and adversely affect our business, financial condition and results of operations.*

Our ability to maintain consistency in the quality of customer service in our stores is critical to our success. This is dependent on our ability to hire the right persons, train new employees in the implementation of our processes effectively, monitor our existing employees continuously on key service parameters and undertake regular training of our existing employees. There can be no assurance that we will be able to undertake these activities effectively and in a cost efficient manner. If customer service at our stores deteriorates, our reputation might suffer resulting in a decrease in sales, which could materially and adversely affect our financial condition and results of operations.

10. *The success of our business is dependent on an efficient supply chain management.*

We strive to keep optimum inventory at our stores and distribution centres to control our working capital requirements. Inefficient supply chain management may lead to unavailability of right or adequate merchandise, unavailability of range of apparels resulting in a mismatch between customer requirements and products available at our stores. Ensuring shelf availability for our products warrants quick turnaround time and high level of coordination with suppliers. Whilst we have put an efficient supply chain management system in place, we cannot guarantee that there will be no disruptions to the supply of our products. Any disruptions or delays in the supply of our products could hamper our operations and adversely impact our business and results of operations.

11. *If we do not respond to competition effectively, our financial condition and results of operations may be adversely affected.*

The retail industry is exposed to intense competition from Indian and multinational players, which has increased in recent years due to liberalisation of foreign investment laws related to retail sector. We face competition from various apparel and accessories retailing formats ranging from large format stores to standalone stores or shops, both in the organised and unorganised retailing sector. Some of our competitors may have advantages over us on account of, amongst other things, more prominent locations of their stores, more efficient distribution networks, better trained employees or access to a large pool of financial resources. There is no assurance that we would be able to effectively offset the advantages that our competitors may have and grow our business, or that the competition we face would not drain our financial or other resources. If we are unable to adequately address such competitive pressures, our business and financial condition may be adversely affected.



Additionally, we also compete with alternative avenues for shopping, such as online retailing. Due to various factors, including efficient logistics management and strategic tie-ups, online retailers are not only able to offer more discounts, but also a wider range of apparels and accessories. Online retailers have also been offering attractive policies for returning or exchanging shopped products. Due to the above reasons, online retailing has been witnessing noticeable growth in the recent years and increased competition from them could reduce footfalls and sales in our stores, which could adversely affect our financial condition and results of operations.

12. Negative views in relation to pricing strategies may adversely affect the value of our brand, and our sales.

We are a retailer of affordable but branded and fashionable apparel, footwear and accessories. Accordingly, we use complex pricing and branding strategies to maintain this image of our brand. The altering perception of our customers in relation to our prices and our products has a bearing on the value of our brand. If our customers perceive that prices of our products are not commensurate with the quality of the product being offered, the value of our brand and subsequently our sales may be directly impacted which could have a material adverse effect on our results of operations.

13. Our business depends on our ability to obtain and retain quality retail spaces.

The stores from which we operate our business are not owned by us. We take property through leases and therefore, our success depends on our ability to identify and acquire retail spaces at key shopping locations. There can be no assurance that we will be able to lease retail spaces at the locations of our choice at reasonable costs or at all. Further our existing leases vary from a period of three to 21 years and there is no guarantee that upon their expiry they will be renewed in a timely manner, or at all. Additionally, we may face competition from other large retailers for real estate resources on which our stores are located. Due to increased competition, our lease expense may also increase significantly and have an adverse effect on our financial condition and results of operations. Increase in rents, termination of our leases or disputes that may arise with store owners may result in closure of our stores, thus affecting our business and profitability. Further, delays in the development of our retail real estate may adversely affect our business and profitability.

Risks relating to the Debentures and the Issue

1. The trading price of the Debentures will be subject to interest rate risk

The Debentures carry a fixed rate of interest. Securities where a fixed rate of interest is offered are subject to price risk. The prices of such securities are inversely proportionate to changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall, and, when interest rates drop, prices of such securities increase. The extent of price fluctuation is a function of the existing interest, days to maturity and the increase or decrease in prevailing interest rates. Any increase in interest rates may negatively affect the price of the Debentures.

2. An active trading market may not develop for the Debentures

The Debentures are new securities for which there is no existing trading market and for which an active trading market may never develop. It is not possible to predict if and to what extent a secondary market may develop, or at what price the Debentures will be sold or purchased in the secondary market or whether such market will be liquid or illiquid. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption. Price volatility may also result from many other factors, including the Company's results of operations, financial and business condition.



HISTORY AND CERTAIN CORPORATE MATTERS

History and Business of the Company

Our Company was incorporated as Peter England Fashions and Retail Limited on April 19, 2007 as a public limited company under the Companies Act, 1956. Subsequently, the name of our Company was changed to Pantaloons Fashion & Retail Limited ("PFRL") on April 23, 2013, pursuant to a scheme of arrangement between Future Retail Limited, our Company and their respective shareholders and creditors and Indigold Trade and Services Limited (ITSL) (in its capacity as the shareholder of our Company).

On May 3, 2015, Aditya Birla Nuvo Limited ("ABNL") announced demerger of its branded apparels businesses, comprising Madura Fashion (a division of ABNL) and Madura Lifestyle (a division of Madura Garments Lifestyle Retail Company Limited) into our Company, through a composite scheme of arrangement. This scheme was duly approved by the members of our Company by a special resolution passed at a court convened meeting held on September 7, 2015 and by the High Court of Judicature at Gujarat and Bombay through their orders dated October 23, 2015 and December 5, 2015, respectively. It was filed with the Registrar of Companies, Mumbai on and became effective from January 9, 2016 (the "Effective Date"). Accordingly, pursuant to the Scheme becoming effective, Madura Fashion, the branded apparel retailing division of ABNL ("Madura Business") and Madura Lifestyle, a luxury branded apparel retailing division of Madura Garments Lifestyle Retail Company Limited ("MGL Retail Business"), were vested in our Company with effect from April 1, 2015 (the "Appointed Date") to collectively form Madura Fashion & Lifestyle ("Madura Fashion & Lifestyle Division"). Pantaloons format business forms another separate division of the Company ("Pantaloons Division").

The consolidated entity was renamed as Aditya Birla Fashion and Retail Limited ("ABFRL") with effect from January 12, 2016.

Riding on extensive and deeply penetrated distribution network, our lifestyle brands - Louis Philippe, Van Heusen, Allen Solly and Peter England, continue to be leaders within their respective segments. These brands have created very strong equity amongst our loyal customers through years of persistent focus on product innovation, design development, consumer satisfaction and brand building. With continuous efforts towards offering consumer delight through high quality products and differentiated in-store experience, the Company has expanded its loyal consumer base to approximately 12 million during FY 2017-18. Our Company is one of the early movers to adopt Omni-channel capabilities and our concerted efforts have helped the Company expand the coverage to more than 700 stores, giving our consumers unmatched access to wide variety and choice of products.

Pantaloons, is amongst the most widely present retailers in the value fashion segment with network of 275 stores. During FY 2017-18, Pantaloons added 66 new stores to its network and entered many new Tier 2 and Tier 3 markets. Its customer relationship programme with over 10 Million deeply engaged customers is one of the key drivers of the growth, contributing to more than 90% of sales.

Our Company took an early bet on Fast Fashion business by positioning itself in the segment through two "Youth fast fashion" retail brands - 'People' and 'Forever 21'. While 'Forever 21' is the iconic global fast fashion brand that enjoys an enviable following amongst young girls, 'People' is a young and edgy brand that seeks to address the fashion aspirations of Indian youth.

Our Company also launched Van Heusen Innerwear for men in mid of FY 2017-18 and is encouraged with the outcomes in a short span of time. Riding on product strategy focused on fit, fashion and innovation and favourable engagement models with channel partners, your Company considers this segment to become an important growth driver in coming years.

International brands portfolio of our Company comprises 'The Collective', India's largest multi-brand retailer of international brands and select mono brands. 'Simon Carter' and 'Ted Baker', which were signed in FY 2016-17, opened their first store during FY 2017-18 and were well received by consumers. Additionally, during FY 2017-18, your Company signed few more premium international brands for the Indian market viz. 'Polo Ralph Lauren', 'American Eagle' and 'Fred Perry'. These brands will open their first store in the current financial year.



Shareholding Pattern as on June 30, 2018

Sr. No.	Name of the shareholders	Total number of Equity Shares	Total number of shares held	Total shareholding as % of total no of equity shares	No of Shares Pledged	% of shares pledged with respect to shares owned
A.	Individuals/ Hindu Undivided Family					
1.	Rajashree Birla	6,63,696	6,63,696	0.09	-	-
2.	Kumar Mangalam Birla	23,966	23,966	0.00	-	-
3.	Neerja Birla	10,270	10,270	0.00	-	-
4.	Vasavadatta Bajaj	9,542	9,542	0.00	-	-
5.	Aditya Vikram Kumarmangalam Birla HUF	780	780	0.00	-	-
B.	Bodies Corporate					
6.	Grasim Industries Limited	8,73,80,613	8,73,80,613	11.32	-	-
7.	IGH Holdings Private Limited	8,50,30,930	8,50,30,930	11.02	-	-
8.	TGS Investment & Trade Private Limited	7,02,35,027	7,02,35,027	9.10	-	-
9.	Umang Commercial Company Private Limited	6,49,72,778	6,49,72,778	8.42	-	-
10.	Trapti Trading and Investments Private Limited	4,90,04,462	4,90,04,462	6.35	-	-
11.	Hindalco Industries Limited	4,49,82,142	4,49,82,142	5.83	-	-
12.	Turquoise Investment and Finance Private Limited	3,34,93,678	3,34,93,678	4.34	-	-
13.	Birla Group Holdings Private Limited	1,87,73,560	1,87,73,560	2.43	-	-
14.	Pilani Investment and Industries Corporation Ltd.	9,72,909	9,72,909	0.13	-	-
15.	ECE Industries Ltd.	6,19,647	6,19,647	0.08	-	-
16.	Manav Investment and Trading Co. Ltd.	5,96,310	5,96,310	0.08	5,96,310	100
17.	Birla Consultants Limited	1,49,006	1,49,006	0.02	-	-
18.	Birla Industrial Finance (India) Limited	1,44,508	1,44,508	0.02	-	-
19.	ABNL Investment Limited	69,327	69,327	0.01	-	-
20.	Birla Industrial Investments (India) Limited	30,966	30,966	0.00	-	-
TOTAL (A+B)		45,71,64,117	45,71,64,117	59.24	5,96,310	0.08

Pre-issue and post-issue shareholding pattern of the issuer as on June 30, 2018

Sr. No.	Category	Pre-issue		Post-issue	
		No. of shares held	% of share holding	No. of shares held	% of share holding
A	Promoters' holding				
1	Indian				
	Individual	7,08,254	0.09	7,08,254	0.09
	Bodies corporate	45,64,55,863	59.15	45,64,55,863	59.15
	Sub-total (1)	45,71,64,117	59.24	45,71,64,117	59.24
2	Foreign promoters	-	-	-	-
	Sub-total (2)	-	-	-	-
	Sub-total (A)	45,71,64,117	59.24	45,71,64,117	59.24



Dated: September 4, 2018

Sr. No.	Category	Pre-Issue		Post-Issue	
		No. of shares held	% of share holding	No. of shares held	% of share holding
B	Non-promoters' holding				
1	Institutional Investors	21,12,94,685	27.38	21,12,94,685	27.38
2	Non-institutional Investors	59,854	0.01	59,854	0.01
3	Private corporate bodies	2,15,55,800	2.79	2,15,55,800	2.79
4	Directors and relatives	6,93,648	0.09	6,93,648	0.09
5	Indian public	7,44,87,090	9.65	7,44,87,090	9.65
6	Others Including Non-resident Indians (NRIs)	2,80,23,265	3.63	2,80,23,265	3.63
	Sub-total (B)	31,45,58,542	40.76	31,45,58,542	40.76
	GRAND TOTAL	77,17,22,659	100.00	77,17,22,659	100.00

Change in Registered Office of our Company

Except as disclosed below, there has been no change in the registered office of our Company since the date of its Incorporation:

Date of Change of Registered Office	Details of the address of Registered Office	Reason for change
January 23, 2009	Change of registered office from No. 110, 4 th Cross, 5 th Block, Koramangala Industrial Layout, Koramangala, Bangalore - 560 095 to Regent Gateway, Plot No: 5B, Doddanekundi Village, KIADB Industrial Area, ITPL Road, Bangalore - 560 048	Administrative convenience
October 20, 2009	Change of registered office from Regent Gateway Plot No: 5B, Doddanekundi Village, KIADB Industrial Area, ITPL Road, Bangalore - 560 048 to Indian Rayon Compound, Veraval, Gujarat - 362 266	Administrative convenience
July 20, 2012	Change of registered office from Indian Rayon Compound, Veraval, Gujarat - 362 266 to Aditya Birla Centre, A Wing, 4 th Floor, S. K. Ahire Marg, Worli, Mumbai - 400 030	Administrative convenience
March 25, 2013	Change of registered office from Aditya Birla Centre, A Wing, 4 th Floor, S. K. Ahire Marg, Worli, Mumbai - 400 030, Maharashtra to 701-704, 7 th Floor, Skyline Icon Business Park, 86-92, Off. A. K. Road, Marol Village, Andheri (East), Mumbai - 400 059	Administrative convenience

Subsidiaries, Branches or Units

Our Company has no subsidiaries or branches. The business of our Company has been divided into two business segments, being, Madura Fashion & Lifestyle Division and Pantaloons Division. Further, our Company has nine plants and multiple stores across India under the Madura Fashion & Lifestyle Division and Pantaloons Division, respectively.

Details of any acquisition or amalgamation in the last one year

There has been no acquisition or amalgamation in the last one year.

Details of any reorganisation or reconstruction in the last one year

There has been no reorganization or reconstruction in the last one year.



Material events, developments or changes that may have implications on the financials or credit quality at the time of issue which may affect the issue or the investor's decision to invest or continue to invest in the Debentures

There are no material events, developments or changes that may have implications on the financials or credit quality at the time of issue which may affect the issue or the investor's decision to invest or continue to invest in the Debentures.

Project Cost and Means of Financing, in case of funding of new projects

There is no new project that is being funded through the proceeds of this Issue.

Material Contracts

1. Debenture Trust Deed
2. Debenture Trustee Agreement



GENERAL INFORMATION

Our Company was incorporated as Peter England Fashions and Retail Limited on April 19, 2007 under the Companies Act, 1956 as a public limited company. Subsequently, the name of our Company was changed to Pantaloons Fashion & Retail Limited on April 23, 2013. The name of our Company was further changed to Aditya Birla Fashion and Retail Limited on January 12, 2016. For further details, please see the section entitled "History and Certain Corporate Matters" on page 19.

Registered Office and Corporate Office of our Company

701-704, 7th Floor, Skyline Icon Business Park
86-92, Off A.K. Road, Marol Village
Andheri East
Mumbai - 400 059
Tel: +91 86 5290 5000
Fax: +91 86 5290 5400
Corporate Identity Number: L18101MH2007PLC233901
Website: www.abfrl.com

Address of the RoC

Our Company is registered with the Registrar of Companies, Mumbai which is situated at 100, Everest, Marine Drive, Mumbai - 400 002.

Company Secretary and Compliance Officer

Geetika Anand is the Assistant Vice President, Company Secretary and the Compliance Officer of our Company. Her contact details are as follows:

Geetika Anand
701-704, 7th Floor, Skyline Icon Business Park
86-92, Off A.K. Road
Marol Village, Andheri (East)
Mumbai - 400 059
Tel: +91 86529 05000
Fax: +91 86529 05400
Email: secretarial.abfrl@adityabirla.com

Chief Financial Officer

Jagdish Bajaj is the Chief Financial Officer of our Company. His contact details are as follows:

Jagdish Bajaj
701-704, 7th Floor, Skyline Icon Business Park
86-92 off A.K. Road, Marol Village
Andheri East
Mumbai - 400 059
Tel: +91 86529 05000
Fax: +91 86529 05400
Email: cfo.abfrl@adityabirla.com

Investors can contact the Compliance Officer in case of any pre-issue or post-issue related problems such as non-receipt of letters of allotment, credit of debentures, interest on application money etc. In the respective beneficiary account or refund orders, etc.



Debenture Trustee

Axis Trustee Services Limited is the Debenture Trustee for this Issue. Their contact details are as follows:

Axis Trustee Services Limited
The Ruby, 2nd Floor SW,
29, Senapati Bapat Marg,
Dadar West
Mumbai - 400 028
Tel: +91 22 6230 0444
E-mail: debenturetrustee@axistrustee.com
Contact Person: Mr. Abbas Zaidi
Website: www.axistrustee.com

The Debenture Trustee has consented to act as the Debenture Trustee for the Issue by way of its letter dated August 24, 2018.

Registrar to the Issue

Link InTime India Private Limited is the Registrar to the Issue. Their contact details are as follows:

Link InTime India Private Limited
C 101, 247 Park, L B S Marg
Vikhroll West
Mumbai - 400 083
Tel : +91 22 4918 6000
Fax: +91 22 4918 6060
Website: www.lnkintime.co.in
E-mail: vinayak.bendal@lnkintime.co.in
Contact Person: Mr. Vinayak Bendal

Arranger

ICICI Bank Limited is the Arranger for this Issue. Their contact details are as follows:

ICICI Bank Limited
ICICI Bank towers,
Bandra-Kurla Complex,
Mumbai -400 051
Tel: 022 40097210
Email: arpita.joshi@icicibank.com
Contact person: Ms. Arpita Joshi

Electronic Book Provider ("EBP")

The Company has registered with BSE Limited to provide their services for this Issue on August 30, 2018.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street.
Mumbai - 400001.

Credit Rating Agency

CRISIL Limited is the Credit Rating Agency for this Issue. Their contact details are as follows:



CRISIL Limited
CRISIL House, Central Avenue
Hiranandani Business Park
Powai, Mumbai - 400 076
Tel: +91 22 3342 3000
Fax: +91 22 4040 5800
Email: debtissue@crisil.com
Contact Person: Ms. Akshi Chugh

India Ratings and Research
A Fitch Group Company
Wockhardt Towers, West Wing, Level 4
Bandra Kurla Complex, Bandra East
Mumbai - 400051
Tel: +91 22 4000 1700
Fax: +91 22 4000 1701
Email: krishan.binani@indiaratings.co.in
Contact Person: Mr. Krishan Binani

Statutory Auditors of the Company

S R B C & CO LLP, Chartered Accountants are the Statutory Auditors of the Company. Their contact details are as follows:

S R B C & CO LLP, Chartered Accountants
14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028
Tel: +91 22 6192 0000
Fax: +91 22 6192 1000
Email: pritesh.shah@srb.in
Contact Person: Mr. Pritesh Shah

Details of change in auditor since last three years

M/s. S R B C & Co LLP, Chartered Accountants have been auditors of the Company since August 27, 2014.

The change in our auditors in the three years preceding the date of this Offer Letter is as follows:

Sr. No.	Name of the auditor	Address	Date of Appointment/Resignation	Auditor of the Company since (In case of resignation)	Reason
1.	S R B C & Co LLP, Chartered Accountants	14 th Floor, The Ruby 29 Senapati Bapat Marg Dadar (West) Mumbai - 400 028	August 27, 2014*	-	Appointment
2.	S. R. Batliboi & Co. LLP, Chartered Accountants	14 th floor, The Ruby 29, Senapati Bapat Marg, Dadar (West), Mumbai - 400 028	August 27, 2014	July 20, 2012	Resignation

* Re-appointed as the Statutory Auditors of the Company, for a tenure of five years with effect from conclusion of the 9th annual general meeting of the Company being, September 7, 2016.



CAPITAL STRUCTURE

A. Authorized, Issued, Subscribed and Paid-up Capital

(in ₹ Lakhs)

Particulars		As at June 30, 2018
A	AUTHORIZED SHARE CAPITAL	
	100,00,00,000 Equity Shares of ₹ 10 each	1,00,000.00
	1,00,00,000 8% Redeemable Cumulative Preference Shares of ₹ 10 each	1,000.00
	15,000 6% Redeemable Cumulative Preference Shares of ₹ 100 each	15.00
TOTAL		1,01,015.00
B	ISSUED SHARE CAPITAL	
	77,34,33,572 Equity Shares of ₹10 each	77,343.35
	5,00,000 8% Redeemable Cumulative Preference Shares of ₹ 10 each	50.00
	500 6% Redeemable Cumulative Preference Shares of ₹ 100 each	0.50
TOTAL		77,393.85
C	SUBSCRIBED AND PAID-UP SHARE CAPITAL	
	77,17,22,659 Equity Shares of ₹ 10 each	77,172.26
	5,00,000 8% Redeemable Cumulative Preference Shares of ₹ 10 each	50.00
	500 6% Redeemable Cumulative Preference Shares of ₹ 100 each	0.50
TOTAL		77,272.76

There is no change in the authorized equity share capital of the Company since the date of the last audited financial statements. As on the date of the last audited financial statements, the authorised equity share capital of the Company was ₹ 10,00,00,00,000 and the issued equity share capital was ₹ 7,73,40,48,970 and the subscribed and paid-up capital equity share capital of the Company was ₹ 7,71,69,39,840.

The share premium account, before and after the Issue is ₹ 76,211.34 Lakhs.

B. Changes in the Equity Share Capital

Set out below are the amendments to the equity share capital of our Company as on June 30, 2018 for the last five years:

Equity Share Capital History of the Company as on June 30, 2018:

Date of Allotment/ Cancellation	No of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						No of equity shares	Equity Share Capital (₹ in Lakh)	Equity Share Premium (₹ in Lakh)
January 21, 2016	11,597	10	10	Cash	Allotment on exercise of Stock Options - Lot 1	9,28,05,126	9,280.51	10.68
January 27, 2016	67,60,37,600	10	10	Other than cash	Allotment pursuant to Composite Scheme.	76,88,42,726	76,884.27	-



Date of Allotment/ Cancellation	No of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						No of equity shares	Equity Share Capital (₹ In Lakh)	Equity Share Premium (₹ In Lakh)
August 22, 2016	2,27,809	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 1	76,90,70,535	76907.05	-
August 22, 2016	1,859	10	10	Cash	Allotment on exercise of Stock Options - Lot 2	76,90,72,394	76907.24	2.69
September 23, 2016	21,290	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 2	76,90,93,684	76909.37	-
October 7, 2016	28,674	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 3	76,91,22,358	76912.24	-
November 9, 2016	92,704	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 4	76,92,15,062	76921.51	-
December 5, 2016	2,06,439	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 5	76,94,21,501	76942.15	-
December 16, 2016	4,64,113	10	102.10 & 10	Cash	Allotment on exercise of Stock Options - Lot 3	76,98,85,614	76988.56	604.36
January 6, 2017	3,46,552	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 6	77,02,32,166	77023.22	-
February 6, 2017	1,54,955	10	102.10 & 10	Cash	Allotment on exercise of Stock Options - Lot 4	77,03,87,121	77038.71	196.06
February 14, 2017	1,13,268	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 7	77,05,00,389	77050.04	-
March 10, 2017	26,765	10	102.10 & 10	Cash	Allotment on exercise of Stock Options - Lot 5	77,05,27,154	77052.72	38.32
April 4, 2017	9,96,022	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 8	77,15,23,176	77152.32	-
April 28, 2017	5,709	10	10	Cash	Allotment on exercise of Stock Options - Lot 6	77,15,28,885	77152.89	8.14
July 11, 2017	68,433	10	102.10, 118.20 & 10	Cash	Allotment on exercise of Stock Options - Lot 7	77,15,97,318	77159.73	97.45



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Date of Allotment/ Cancellation	No of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						No of equity shares	Equity Share Capital (₹ In Lakh)	Equity Share Premium (₹ In Lakh)
August 16, 2017	28,501	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 9	77,16,25,819	77162.58	-
September 8, 2017	10,843	10	102.10 & 10	Cash	Allotment on exercise of Stock Options - Lot 8	77,16,36,662	77163.67	13.27
November 29, 2017	47,316	10	102.10 & 10	Cash	Allotment on exercise of Stock Options - Lot 9	77,16,83,978	77168.40	61.83
January 24, 2018	10,006	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 10	77,16,93,984	77169.40	-
April 23, 2018	22,832	10	102.10 & 10	Cash	Allotment on exercise of Stock Options - Lot 10	77,17,16,816	77171.68	32.90
June 6, 2018	5,843	10	102.10 & 10	Cash	Allotment on exercise of Stock Options - Lot 11	77,17,22,659	77172.27	8.48

C. Allotments made for consideration other than cash in the last one year preceding the date of the Offer Letter

Set out below are the details of the allotments made for consideration other than cash in the last one year preceding the date of this Offer Letter:

Date of Allotment/ Cancellation	No of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						No of equity shares	Equity Share Capital (In ₹ Lakh)	Equity Share Premium (In ₹ Lakh)
April 4, 2017	9,96,022	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 8	77,15,23,176	77,152.32	-
August 16, 2017	28,501	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 9	77,16,25,819	77,162.58	-
January 24, 2018	10,006	10	10	Other than cash	Allotment to NR Shareholders of ABNL - Lot 10	77,16,93,984	77,169.40	-

D. Preference Share Capital History of the Company

The history of the Redeemable Cumulative Preference Share capital of the Company is set out in the following table:

- (a) The history of the 8% Redeemable Cumulative Preference Share capital of the Company is set out in the following table:



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Date of Allotment/ Cancellation	No of Preference Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						No of Preference Shares	Preference Share Capital (₹ In Lakh)	Preference Share Premium (In ₹ Lakh)
March 31, 2009	1,00,00,000	10	10	Cash	Preferential Allotment	1,00,00,000	1,000.00	Nil
March 11, 2010	(95,00,000)	10	Nil	-	Refer Note 1	5,00,000	50.00	Nil

Note:

1. Reorganisation of the preference share capital of the Company pursuant to the Composite Scheme. Out of the Company's total paid-up preference share capital consisting of 1,00,00,000 Preference Shares, 95,00,000 Preference Shares were cancelled.

(b) The history of the 6% Redeemable Cumulative Preference Share capital of the Company is set out in the following table:

Date of Allotment/ Cancellation	No of Preference Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						No of Preference Shares	Preference Share Capital (₹. In Lakh)	Preference Share Premium (In ₹ Lakh)
September 29, 2009	10,000	100	100	Cash	Preferential Allotment	10,000	10.00	Nil
March 11, 2010	(9,500)	100	Nil	-	Refer Note 1	500	0.50	Nil

Note:

1. Reorganisation of the preference share capital of the Company pursuant to the Composite Scheme. Out of the Company's total paid-up preference share capital consisting of 10,000 Preference Shares, 9,500 Preference Shares were cancelled.

E. Shareholding Pattern of the Company as on June 30, 2018

Category	No. of Shareholders	No. of Equity Shares	No. of shares in dematerialized form	Total shareholding as a % of total no. of equity shares
Promoter and Promoter Group	20	45,71,64,117	45,71,64,117	59.24
Public	157,187	31,45,58,542	30,50,66,735	40.76
Mutual Fund	35	10,05,16,148	10,04,76,944	13.02
Alternate Investment Funds	1	2,68,125	2,68,125	0.3
Foreign Portfolio Investor	135	7,41,19,467	7,41,00,258	9.60
Financial Institutions and Banks	51	3,77,652	3,32,898	0.05
Insurance Companies	6	3,58,90,332	3,58,60,895	4.65
Foreign Bank	39	36,017	12,816	0.00
UTI	2	86,944	0	0.01
Central Government / State Government(s)	2	577	577	0.00
Individual Shareholders	1,49,962	7,44,87,090	6,56,09,488	9.65
NBFCs registered with RBI	13	59,854	59,854	0.01
Trusts	26	1,84,388	1,69,024	0.02
Foreign Nationals	9	6,088	6,088	0.00
Hindu Undivided Family	2,366	2,240,177	22,40,177	0.29
Non Resident Indians (Non Repat)	1,476	1,951,350	18,55,107	0.25
Other Directors	8	693,648	6,93,648	0.09
Non Resident Indians (Repat)	1,574	1,563,176	14,26,445	0.20
Office Bearers	2	10,099	10,099	0.00
Clearing Member	173	511,610	5,11,610	0.07
Bodies Corporate	1,307	2,15,55,800	2,14,32,682	2.00
Total	1,57,207	77,17,22,659	76,22,30,852	100.00

None of the equity shares held by the Promoter and Promoter Group, except 5,96,310 Shares held by Manav Investment and Trading Co. Ltd., are pledged.



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F. Top 10 Shareholders as on June 30, 2018

The top 10 shareholders of our Company as on June 30, 2018 are as follows:

Sr. No.	Name of the Shareholder	Total Number of Equity Shares	Number of Equity Shares held in dematerialised form	Percentage (%)
1.	Grasim Industries Ltd.	87,380,613	87,380,613	11.32
2.	IGH Holdings Private Limited	85,030,930	85,030,930	11.02
3.	TGS Investment & Trade Private Limited	70,235,027	70,235,027	9.10
4.	Umang Commercial Company Private Limited	64,972,778	64,972,778	8.42
5.	Trapti Trading and Investments Private Limited	49,004,462	49,004,462	6.35
6.	Hindalco Industries Limited	44,982,142	44,982,142	5.83
7.	Turquoise Investment and finance private limited	33,493,678	33,493,678	4.34
8.	Life Insurance Corporation of India	31,516,768	31,516,768	4.08
9.	Birla Group Holdings Private Limited	18,773,560	18,773,560	2.43
10.	Reliance Capital Trustee Co Ltd. A/C Reliance Multi Cap Fund	17,993,062	17,993,062	2.33



OUR MANAGEMENT

In terms of the Articles of Association, our Company is required to have not more than 15 Directors. As on the date of this Offer Letter, our Board comprises of Seven Directors.

The following table sets forth details regarding our Board of Directors:

Name, Designation and DIN	Age (in years)	Address	Director of the Company since	Details of other Directorships
Mr. Arun Thiagarajan, Independent Director DIN: 00292757 Nationality: Indian Occupation: Consultant	73	102 Prestige Ashcroft, 47/11 Lavelle Road, 6 th Cross, Bangalore - 560001.	May 11, 2015	<ul style="list-style-type: none"> • Fowler Westrup (India) Private Limited • TTK Prestige Limited • Vodafone Idea Limited • Gokaldas Exports Limited • GE Power India Limited • Grasim Industries Limited
Mr. Ashish Dikshit Managing Director DIN: 01842066 Nationality: Indian Occupation: Service	48	E- 405, Raheja Residency, 8 th C Main Road, Koramangala, 3 rd Block, Bangalore - 560034.	February 1, 2018	<ul style="list-style-type: none"> • Hakura Apparel Private Limited
Mr. Bharat Patel, Independent Director DIN: 00060998 Nationality: Indian Occupation: Consultant	73	52, Miami Apartments, Bhulabhal Desai Road, Mumbai - 400026.	April 19, 2013	<ul style="list-style-type: none"> • Broadcast Audience Research Council • Aditya Birla Sun Life AMC Limited • Sistema Shyam Teleservices Limited • Sasken Technologies Limited • The Indian Society of Advertisers
Mr. Pranab Barua, Non-Executive Director DIN: 00230152 Nationality: Indian Occupation: Service	65	D-1, Cedar Crest, 258, 10 th Main, Defence Colony, Indira Nagar, Bangalore - 560038.	January 23, 2009	<ul style="list-style-type: none"> • Nicora Interiors Private Limited • SKI Carbon Black (India) Private Limited • Aditya Birla Retail Limited
Mr. Sanjeeb Chaudhuri, Independent Director DIN: 03594427 Nationality: Indian Occupation: Consultant	65	Queens Boulevard, Level 3, Walkeshwar Road, Mumbai - 400006.	January 9, 2017	Nil
Ms. Sukanya Kripalu, Independent Director DIN: 06994202 Nationality: Indian Occupation: Consultant	57	1703 / 17 th Floor, Vivarea Tower A-1, Sane Guruji Marg, Hindustan Spinning And Wire Compound, Mahalaxmi, Mumbai – 400011.	October 13, 2014	<ul style="list-style-type: none"> • Ultratech Cement Limited • Huhtamaki PPL Limited • Aditya Birla Health Insurance Co. Limited • Entertainment Network (India) Limited • Colgate-Palmolive (India) Limited
Mr. Sushil Agarwal, Non-Executive Director DIN: 00060017 Nationality: Indian Occupation: Service	55	Flat No. 602, 6 th Floor, Vastu Pali Hill Building, Pali Hill, Bandra - West, Mumbai- 400050.	August 6, 2009	<ul style="list-style-type: none"> • BGH EXIM Private Limited • ABG Realty and Infrastructure Company Private Limited • Naman Finance & Investment Private Limited • Applause Entertainment Private Limited • Azure Jouel Private Limited



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Name, Designation and DIN	Age (In years)	Address	Director of the Company since	Details of other Directorships
				<ul style="list-style-type: none"> • B G H Properties Private Limited • BGFL Corporate Finance Private Limited • Birla TMT Holdings Private Limited • Green Acre Agro Services Private Limited • IGH Holdings Private Limited • Infocyber India Private Limited • TGS Investment & Trade Private Limited • Aditya Birla Wellness Private Limited • Aditya Birla Online Fashion Private Limited • Grasim Industries Limited • Aditya Birla Health Insurance Co. Limited • Living Media India Limited • Aditya Birla Capital Limited

Details of change in directors since last three financial years:

Name, Designation and DIN	Date of Appointment / Resignation	Director of the Company since (In case of resignation)	Remarks
Mr. Arun Thiagarajan Designation: Independent Director DIN: 00292757	May 11, 2015	-	Appointment as an Independent Director
Mr. Sanjeeb Chaudhuri Independent Director DIN: 03594427	January 9, 2017	-	Appointed as an Independent Director
Mr. Pranab Barua Designation: Managing Director DIN: 00230152	January 31, 2018	October 25, 2013	Appointment as Managing Director
Mr. Pranab Barua Designation: Non – Executive Director DIN: 00230152	February 1, 2018	-	Appointed as a Non - Executive Director
Mr. Ashish Dikshit Designation: Managing Director DIN: 01842066	February 1, 2018	-	Appointed as a Managing Director

Brief Biographies of Directors

Mr. Arun Thiagarajan, Independent Director, 73, holds a M.Sc. in Electrical Engineering from Royal Institute of Technology, Stockholm and a degree in Business Administration and Information Systems from Uppsala University, Sweden. He has also attended the Advanced Management Programme of the Harvard Business School. He is a Director on the Board of several other companies. Earlier, he served as the Part-time Chairman of ING Vysya Bank Limited, Managing Director of Asea Brown Boveri Limited, Vice-chairman of Wipro Limited and as President of Hewlett-Packard India Private Limited.



Dated: September 4, 2018

Mr. Ashish Dikshit, Managing Director, 48, is an Electronics & Electrical Engineer from IIT - Madras and holds a Master's Degree in Business Administration from IIM – Bangalore. He is also an alumnus of Harvard Business School through its Advanced Management Program. He has worked in diverse roles across Industries and functions over the last 25 years. Mr. Dikshit started his career at Asian Paints before moving to Madura Fashion and Lifestyle Division of the Company, where he worked in its various functions ranging from Sales, Brand Management, Supply Chain and Sourcing over 15 years. He was appointed President of its Lifestyle Business in 2007 and went on to become its CEO in 2012. Earlier, he also served as the Principal Executive Assistant to the Chairman of Aditya Birla Group, where he built strong knowledge across Group's various businesses in multiple industry sectors, ranging from manufacturing businesses such as Metals, Cement, Textiles and Speciality chemicals to consumer businesses such as Telecom, Financial Services and Retail. He was honoured with the "Outstanding Leader Award" in the year 2011 by the Chairman of Aditya Birla Group.

Mr. Bharat Patel, Independent Director, 73, holds a Master's Degree in Arts (Economics) from the University of Notre Dame, USA and a Master's degree in Business Administration (Marketing) from the University of Michigan, USA. He has over 40 years of varied experience in the fields of marketing, sales, exports and manufacturing. Presently, he is on the Executive Committees of the World Federation of Advertisers (WFA), Indian Society of Advertisers (ISA), Advertising Standards Council of India (ASCI) and Broadcast Audience Research Council (BARC). Mr. Patel is also an Independent Director on the Board of several other companies. Formerly, he served as the Chairman & Managing Director of Procter & Gamble Hygiene and Health Care Limited.

Mr. Pranab Barua, Non-Executive Director, 65, is a Graduate in English (Honours) from St. Stephens College, New Delhi. He has attended many advanced management programmes in UK and the US. Mr. Barua has over 46 years of experience across multiple Industries. Mr. Barua has been with the Group for over 10 years in various capacities. Presently, he is the Managing Director of Aditya Birla Retail Limited. In recognition of his contribution, he was honoured with the "Leader of Leaders Award" in 2011, by the Chairman of Aditya Birla Group and earlier this year, he was nominated as the Mentor for the Group. Before joining the Aditya Birla Group, he was working with Private Equity groups and their portfolio companies. Prior to that, he served as the Chairman and Managing Director of Reckitt Benckiser India as well as the Regional Director of Reckitt Benckiser for South Asia. He also worked as Foods Director of Hindustan Unilever Limited and Sales & Marketing Director of Brooke Bond India Limited.

Mr. Sanjeeb Chaudhuri, Independent Director, 65, is a Graduate in Science (Honours) and holds a Master's degree in Business Administration from J. Bajaj Institute of Management Studies, Mumbai. He has attended many Advanced Management Programmes. He has over four decades of senior multinational business experience across global banks and consumer companies. He is a visiting Faculty at Wharton Business School and Judge Business School, Cambridge. He has extensive governance experience on various European and Asian Supervisory Boards where he has served on various Strategy, Risk and Audit Committees. Mr. Chaudhuri is also a member of the International Advisory Board of the Open University School of Business and Law, UK. Mr. Chaudhuri has served as Group Head, Brand & Global Chief Marketing Officer of Standard Chartered Bank. Prior to that, he was CEO, Retail and Commercial Banking for Citicorp, Europe, Middle East and Africa, in addition to other senior leadership positions. Before joining Citigroup, he managed product development, testing and launch of large global brands in senior management roles at Procter & Gamble, Colgate-Palmolive and Unilever.

Ms. Sukanya Kripalu, Independent Director, 57, is a graduate from St. Xavier's College and the Indian Institute of Management, Calcutta. She is a consultant in the fields of marketing, strategy, advertising and market research. Her experience includes working with leading corporates like Nestle India Limited, Cadbury India Limited and Kellogg's India. She was also the CEO of Quadra Advisory, a WPP group company. Ms. Kripalu is presently on the Board of Directors of various companies, namely Ultratech Cement Limited, Huhtamaki Paper Products Limited, Aditya Birla Health Insurance, ENIL and Colgate India Limited.

Mr. Sushil Agarwal, Non-executive Director, 55, is a Qualified Chartered Accountant and holds a Master's degree in Commerce. He is currently the Group Chief Financial Officer for the Aditya Birla Group and also the Whole Time Director & CFO of Grasim Industries Limited and a member of the Business Review Council, which is an institutionalized mechanism for bringing in wider managerial perspectives and leadership experiences, into reviewing the development, growth and operations of the Group's businesses. He has been with the Aditya Birla Group since the beginning of his career in 1989 and has a distinction of working closely with the former Chairman



Dated: September 4, 2018

Late Mr. Aditya Vikram Birla and current Chairman Mr. Kumar Mangalam Birla. He has worked with several businesses of the Aditya Birla Group and has richly contributed in many Restructurings, Mergers and Acquisitions initiatives of the Aditya Birla Group with his widely acknowledged financial acumen and analytical skills. He is on the board of several companies and is widely networked. He is familiar with operations in most states in India and several countries abroad through his experience of more than 25 years. In recognition of his stellar contribution, he was awarded as "Business Leader Corporate CFO" at the 11th ICAI Awards 2017. He was also awarded as the "Asia's Best CFO" in the category "Best CFO (Mergers and Acquisition)" at the Golden Globe Tigers Award held in Kuala Lumpur in April 2018. He was honoured with the "Exceptional Contribution Award" in 2000 and "Outstanding Leadership Award" in 2014 by the Chairman of Aditya Birla Group. He has been consistently recognized for excellence by "CFO 100" under the category "Winning Edge in Mergers Acquisitions and Corporate Finance" in 2014-2017 and under the category "Winning Edge in Strategy" in 2011. He was named among India's best CFOs by Business Today in the category "Enhancing Competitiveness through M&A" in 2013.

Remuneration of Directors

The aggregate value of the remuneration paid to the Directors is as follows:

(In ₹ lakhs)

Directors	April 1, 2018 to August 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Mr. Sushil Agarwal, Non-Executive Director	0.95	5.95	2.30	4.45
Mr. Bharat Patel, Independent Director	1.45	6.65	3.05	5.00
Ms. Sukanya Kripalu, Independent Director	2.00	6.70	3.40	4.35
Mr. Arun Thigarajan, Independent Director	2.00	4.85	3.20	2.45
Mr. Sanjeeb Chaudhuri Independent Director ⁽¹⁾	2.20	5.00	0.50	-
Mr. Pranab Barua, Non-Executive Director ⁽²⁾	2.20	0.50	-	-
Mr. Pranab Barua, Managing Director ⁽³⁾	-	544.77	940.65	473.10
Ashish Dikshit, Managing Director ⁽⁴⁾	126.16	50.73	-	-

Notes:

- (1) Mr. Sanjeeb Chaudhuri was appointed as an Independent Director of the Company w.e.f. January 9, 2017
(2) Mr. Pranab Barua was appointed as a Non-Executive Director of the Company w.e.f. February 1, 2018
(3) Mr. Pranab Barua resigned as the Managing Director of the Company w.e.f. January 31, 2018.
(4) Mr. Ashish Dikshit was appointed as the Managing Director of the Company w.e.f. February 1, 2018.

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons

None of our directors, promoters and key managerial personnel have any financial or other material interest in the offer.



FINANCIAL INDEBTEDNESS

The details of other indebtedness of our Company as on June 30, 2018 is set out below:

A. Details of Secured Borrowings of the Company

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date/ Schedule	Security
HDFC Bank	TUF Loan	2,000	2,000	FY 2024- 2025	Exclusive Charge over movable assets of the company's plant situated at Orissa.
Axis Bank	Working Capital	13,300	949.33	-	Pari-passu first charge on (present & future) current assets ; and Pari-passu second charge on (present & future) movable & immovable assets
State Bank of India	Working Capital	3,300	-	-	Pari-passu first charge on (present & future) current assets ; and Pari-passu second charge on (present & future) movable & immovable assets
HDFC Bank	Working Capital	20,000	2,930.39	-	Pari-passu first charge on (present & future) current assets ; and Pari-passu second charge on (present & future) movable & immovable assets

B. Details of Unsecured Borrowings of the Company

(in ₹ lakhs).

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date/Schedule
HDFC Bank	TUF Loan	1200	153.60	FY 2018-2019
HDFC Bank	TUF Loan	500	435	FY 2021-2022
HDFC Bank	TUF Loan	500	435	FY 2021-2022
IDFC Bank	Working Capital/ Short Term loan	14,000	198.11	-
Kotak Mahindra Bank	Working Capital	10,000	-	-
ICICI Bank	Working Capital	10,000	3,000	FY 2018-2019

C. Details of Non-Convertible Debentures

Sr. No.	Debenture series	Tenor/ Period of maturity (approximately)	Coupon	Amount	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security
1.	Series 4	4 years	7.70%	26,000	March 17, 2017	June 17, 2021	AA by CRISIL Ltd.	Unsecured	-
2.	Series 3	4 years	8.20%	40,000	October 10, 2016	April 20, 2020	AA by CRISIL Ltd.	Unsecured	-
3.	Tranche II	3 years	8.73%	30,000	May 31, 2016	May 31, 2019	AA by CRISIL Ltd.	Unsecured	-
4.	Tranche I	3 years	8.84%	20,000	May 5, 2016	April 12, 2019	AA by CRISIL Ltd.	Unsecured	-



D. List of top 10 Debenture Holders

The top 10 Debenture Holders of our Company are as follows:

Sr. No.	Name of the Debenture Holders	₹ In lakhs
		Amount
1.	ICICI Prudential Flexible Income Plan	20,000
2.	ICICI Prudential Regular Savings Fund	19,000
3.	ICICI Prudential Corporate Bond Fund	11,000
4.	Kotak Mahindra Trustee Co. Ltd. A/C Kotak Low Duration Fund	10,000
5.	Reliance Capital Trustee Co. Ltd-A/C Reliance Strategic Debt Fund	9,500
6.	HDFC Trustee Co Ltd A/C HDFC FMP 1309d September 2016 (1)	8,120
7.	HDFC Trustee Co Ltd A/C HDFC FMP 1302d September 2016 (1)	5,510
8.	ITPL - Invesco India Ultra Short Term Fund	5,000
9.	HDFC Trustee Co Ltd A/C HDFC FMP 1190d March 2016 (1)	4,630
10.	L & T Mutual Fund Trustee Limited - L And T Low Duration Fund	4,000

E. Corporate guarantees issued by our Company

There are no corporate guarantees issued by the Issuer, either on its own or with any of its subsidiaries, group companies, joint venture entities, etc.

F. Commercial Papers Outstanding

The total face value of commercial papers outstanding as on June 30, 2018 is ₹ 62,500 lakhs. Set out below are the details of the commercial papers issued by our Company:

Sr. No.	Particulars	Maturity Date	(In ₹ lakhs)
			Amount Outstanding
1.	Mirae Asset Cash Management	July 20, 2018	7,500
2.	Axis Mutual Fund Trustee Ltd	July 27, 2018	7,500
3.	Axis Mutual Fund Trustee Ltd	August 31, 2018	10,000
4.	DSP Black Rock Liquidity Fund	August 10, 2018	7,500
5.	DSP Black Rock Liquidity Fund	August 14, 2018	10,000
6.	LIC MF Liquid Fund	August 16, 2018	10,000
7.	LIC MF Liquid Fund	August 21, 2018	10,000

G. Details of other borrowings

Other than as mentioned in this Offer Letter, the Issuer has no other borrowings.

H. Details of all defaults and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past five years.

There have been no defaults and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past five years.

I. Details of defaults, if any, in repayment of statutory dues, debentures and interest thereon, deposits and interest thereon or loan from any bank or financial institution by the Company

There have been no defaults, in repayment of statutory dues, debentures and interest thereon, deposits and interest thereon or loan from any bank or financial institution by the Company.



J. Details of any outstanding borrowings taken/debt securities issued where taken/issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option

There are no outstanding borrowings taken/debt securities issued where taken/issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option by our Company.

K. Disclosures pertaining to wilful default

The Issuer has not been ever declared as a wilful defaulter by any bank.



SUMMARY OF KEY FINANCIAL INFORMATION

A. Financial Position of the Company for the last three Financial Years

Please refer Schedule I for the Financial position of the Company for the last three Financial Years.

B. Key Operational and Financial Parameters for the last three audited years

Parameters	For the period of three months ended June 30, 2018	(Amount in ₹ lakhs)		
		FY 2017-2018	FY 2016-2017	FY 2015-2016
For Non-Financial Entities				
Net Worth	1,107.06	1,093.11	958.16	905.49
Total Debt of which				
- Non Current Maturities of Long Term Borrowing	686.77	1,187.91	1,270.99	677.15
- Short Term Borrowing	690.41	570.45	760.74	799.27
- Current Maturities of Long Term Borrowing	503.97	103.09	12.89	373.40
Net Fixed Assets	2,605.96	2,628.19	2,512.06	2,348.58
Non-Current Assets	3,069.66	3,083.54	2,900.05	2,627.42
Cash and Cash Equivalents	48.47	72.79	49.66	19.24
Current Investments	74.81	-	-	-
Current Assets	2,881.09	2,650.30	2,135.80	1,954.99
Current Liabilities	3,871.96	3,171.02	2,557.85	2,878.49
Net Sales	1,913.52	7,181.41	6,632.98	6,034.58
EBITDA	122.31	501.09	475.64	378.42
EBIT	50.01	220.57	233.17	66.70
Interest	44.41	171.6	179.67	176.45
Other Income	8.47	32.81	38.15	26.37
PAT	5.60	117.79	53.50	(109.75)
Dividend amounts	-	-	-	-
Current ratio	0.74	0.84	0.83	0.68
Interest coverage ratio	1.13	1.29	1.30	2.14
Gross debt/equity ratio	1.70	1.70	2.13	2.04
Debt Service Coverage Ratios	0.85	1.20	0.18	1.09

C. Gross Debt: Equity ratio of the Company

Particulars	Debt Equity Ratio
Prior to the current issue	1.70
Post the current issue	1.97

D. Summary of Auditors Remarks, Qualifications or Adverse Remarks

Sr. No.	Remarks, Qualifications or Adverse Remarks	Impact on the Financial Statements and Financial Position of the Company	Steps taken or proposed to be taken by the Company
	Nil		



E. Changes in Accounting Policies

Our accounting policies have not changed in the last three years except as stated below in the financial year ended 2015:

Sr. No.	Changes in accounting policies, if any and its effect on the profits and reserves of the Company
2015	
1.	<p><i>Depreciation on fixed asset</i></p> <p>Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II of the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.</p>
2.	<p><i>Useful lives/ depreciation rates</i></p> <p>Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.</p> <p>Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets and have aligned the same with Schedule II, though the rates in few cases are different from lives prescribed under Schedule II.</p> <p>If the Company continued to use its previous policy of depreciating fixed assets, the loss for the current year would have been lower by ₹ 1,226 lakhs, retained earnings at the beginning of the current period would have been higher by ₹ 643 lakhs and the fixed asset would correspondingly have been higher by ₹ 1,869 lakhs.</p>
3.	<p><i>Employee Stock Compensation Cost</i></p> <p>Till October 27, 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, dealt with the grant of share-based payments to employees. Among other matter, these guidelines prescribed accounting for grant of share-based payments to employees. Hence, the company being a listed entity was required to comply with these Guidelines as well as the Guidance Note on Accounting for Employee Share-based Payments with regard to accounting for employee share-based payments. Particularly, in case of conflict between the two requirements, the SEBI guidelines were prevailing over the ICAI Guidance Note. For example, in case of equity settled option expiring unexercised after vesting, the SEBI guidelines required expense to be reversed through the statement of Profit and Loss whereas the reversal of expense through the statement of profit and loss is prohibited under the ICAI Guidance Note. In these cases, the company was previously complying with the requirement of SEBI guidelines.</p> <p>From October 28, 2014, the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 have been replaced by the SEBI (Share Based Employee Benefits) Regulations, 2014. The new regulations do not contain any specific accounting treatment; rather, they require ICAI Guidance Note to be followed. Consequent to the application of the new regulations, the company has changed its accounting for equity settled option expiring unexercised after vesting in line with accounting prescribed in the Guidance Note, i.e., expense is not reversed through the statement of profit and loss. The management has decided to apply the revised accounting policy prospectively from the date of notification of new regulation, i.e., October 28, 2014.</p> <p>Since there are no equity settled options expiring unexercised after October 28, 2014, the change in accounting policy did not have any impact on financial statements of the company for the current year.</p>



F. Related Party Transactions

	(Amount in ₹ Cr)		
	2017-18	2016-17	2015-16
Aditya Birla Online Fashion Private Limited			
Sales of goods	0.01	5.18	3.82
Purchase of brands	8.96	-	-
Reimbursement of expenses (Recovered from)	0.07	-	0.14
Purchase of property, plant and equipment	5.20	-	-
Payment of security deposit	1.09	-	-
Purchase of inventories	4.20	-	-
Post-employment liabilities transferred from ABOF	0.83	-	-
Aditya Birla Retail Limited			
Sales of goods	8.73	1.38	-
Rental Income	0.42	0.84	0.78
Purchases	0.54	0.56	-
Expenses			
Electricity charges	0.43	-	0.05
Rent	-	-	0.25
Repairs and Maintenance - Others	-	-	0.05
Staff Welfare expenses	-	-	0.72
Reimbursement of expenses (Recovered from)	1.24	0.81	4.28
Reimbursement of expenses (Paid to)	3.04	2.56	2.57
Post-employment liabilities transferred to ABRL	0.03	-	-
Issue of gift vouchers to ABRL	0.01	-	-
Aditya Birla Management Corporation Private Limited			
Expenses			
Advertisement and sales promotion expenses	0.99	0.13	0.34
Communication expenses	-	0.24	0.16
Electricity charges	-	0.08	0.06
Insurance	-	0.01	0.01
Interest Expenses	-	-	0.01
Legal and professional expenses	3.82	3.02	2.31
Miscellaneous expenses	2.29	1.29	0.56
Printing and stationery	-	0.05	0.02
Rates and taxes	-	0.01	0.01
Rent expense	0.95	0.80	0.47
Repairs and maintenance - others	-	0.23	0.10
Salaries, wages and bonus	14.03	10.43	7.70
Staff Welfare expenses	-	-	0.22
Travelling and conveyance	-	-	0.54
Reimbursement of expenses (paid to)	-	-	5.79
Reimbursement of expenses (Recovered from)	0.02	-	-
Purchase of property, plant and equipment	0.01	0.15	-
Post-employment liabilities transferred from ABMCPL	0.06	-	-
Issue of gift vouchers to ABMCPL	0.12	-	-

G. Profits/Loss of the Company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of the Offer Letter

The details of profit/loss of the Company, before and after making provision for tax, for the immediately preceding three financial years are provided below:

	(Amount in ₹ Crore)	
Financial Year	Profit/ (Loss) Before Tax	Profit/ (Loss) After Tax
2017-18	48.97	117.79
2016-17	53.50	53.50
2015-16	(109.75)	(109.75)



H. Dividends declared by the Company in respect of the said three financial years

No dividends have been declared by the Company in the last three years.

I. Default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder.

NIL.



LEGAL PROCEEDINGS

The details of the certain outstanding litigation or proceedings involving our Company and our Promoter are described below.

Due to the nature and extent of operations of our Company, our Company is involved in a few number of cases with respect to legal metrology and consumer disputes. Such matters involving our Company which have a similar cause of action have been disclosed on a consolidated basis.

Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last three years immediately preceding the year of this Offer Letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action

There is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last three years immediately preceding the year of this Offer Letter.

Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act in the last three years immediately preceding the year of this Offer Letter in the case of Company

There are no inquiries, inspections or investigations initiated or conducted under the Companies Act in the last three years immediately preceding the year of this Offer Letter in the case of our Company.

Details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations.

There are no significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations.

Details of prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of this Offer Letter against the Company

MFL Division

- 1) The Regional Provident Fund Commissioner, Bangalore, issued a show cause notice on April 8, 2015 for non-submission of Form 5A in the name of ABNL (since MFL was one of its divisions, prior to demerger with the Company with effect from April 1, 2015), along with a director and general manager of ABNL, for submission of Form 5A with Employees' Provident Fund Organization, after March 31, 2015, in accordance with the provisions of the Employees' Provident Fund, Act, 1952 and the Employees' Provident Fund Scheme, 1952. This case is pending before the Special Court for Economic Offences at Bangalore. The Issuer has subsequently filed a writ petition before the High Court of Karnataka for stay of the matter before the Special Court for Economic Offences at Bangalore. The matters are currently pending.
- 2) When the municipality authorities visited Allen Solly and Van Huesan stores at Mayfair 14, Tulsi Baug, Plot No 17A, TSP No 1, Ramdas Sutrale Marg, Chandavarkar Road, Mumbai - 400092 they noticed that the sewing machine was placed in the mezzanine floor which was in violation of municipal rules and initiated action against Issuer and Directors. We have appeared before court and made application for compounding. Since the judge has been transferred and the post is lying vacant, the case was adjourned to 25.09.2018.
- 3) The Issuer has received fourteen notices from senior inspectors of various State Legal Metrology departments for discrepancy in data provided to customers and the actual data, incorrect data being provided and disclosure of non-standard unit measurements on products. The amount involved in these matters for compounding fees is approximately 10 lakhs in accordance with the Legal Metrology Act, 2009 and rules made thereunder. These matters are currently closed.
- 4) The Issuer has received five notices from senior inspectors of various State Legal Metrology departments for discrepancy in data provided to customers and the actual data, incorrect data being provided and disclosure of non-standard unit measurements on products. These matters are currently pending.



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- 5) The Issuer has received four notices under the Indian Stamp Act for remitting insufficient stamp duty on various lease deeds. These matters are currently pending.
- 6) The Issuer has received three notices under various bye laws and municipal laws and the Delhi Prevention of Defacement of Property Act 2007 since no prior permission was taken for display of signage for an amount involving a fine of approximately 4 lakhs. Two matters have been dismissed/closed and one is currently pending.
- 7) The issuer has received a notice dated July 1, 2016 to produce the details of Professional Tax remitted for the years 2008 to 2015 under Professional Tax Act. The same is currently being assessed by Professional Tax authorities.
- 8) The Issuer has received thirty three notices for labour disputes under various labour laws including the Shops and Establishment Acts, Shops and Commercial Establishment Act, Payment of Wages Act, Minimum Wages Act, Equal Remuneration Act, Payment of Bonus Act etc out of which thirty cases have currently been closed/dismissed and only three remain pending.
- 9) The Issuer has received one notice from the Superintending officer, Krishnagiri under the Electricity Act which has been dismissed/closed.
- 10) The Issuer has received one notice from Karnataka State Pollution Control Board under the Water Pollution (Prevention and Control of Pollution) Act, 1982 which has been dismissed/closed.

Pantaloons Division

- 1) On 25/08/2015, Labour Enforcement Officer had visited the store and found that PFRL has paid less than minimum wages for the period 01/02/2015 to 31/07/2015. On the basis of the above inspection Labour Enforcement Officer filed a case before Deputy Labour Commissioner for payment of differential wages (₹ 43234/-) and penalty (₹ 432340/-) totaling ₹ 4,75,574. We have appeared through an advocate and the court has directed us file some relevant documents from our side which is still pending.
- 2) The Issuer has received fifteen notices from senior inspectors of various State Legal Metrology departments for discrepancy in data provided to customers and the actual data, incorrect data being provided and disclosure of non-standard unit measurements on products. The amount involved in these matters for compounding fees is ₹ 6,25,400 in accordance with the Legal Metrology Act, 2009 and rules made thereunder. These matters are currently closed.
- 3) The Issuer has received two notices from senior Inspectors of various State Legal Metrology departments for discrepancy in data provided to customers and the actual data, incorrect data being provided and disclosure of non-standard unit measurements on products. These matters are currently pending.
- 4) Seven cases have been filed against The Issuer before various authorities under the Minimum Wages Act, 1958 in relation to non-payment of overtime wages to employees, payment of less than minimum wages to certain employees, non-payment of wages, illegal termination of employment. The amount involved in these matters is approximately ₹ 24,600 and interest. These matters are dismissed/closed.
- 5) Three notices under section Payment of Wages Act, against Pantaloons, praying for a relief of approximately ₹ 5,000 along. The matters are currently closed.
- 6) A past employee (who joined Pantaloons Law Garden, Ahmedabad on November 22, 2010 (the "Complainant") alleged that Pantaloons has wrongfully terminated his employment on June 1, 2013 and deprived him of his salary for May, 2013. Pantaloons claimed that he has left his job without giving the required 30 days' notice. Aggrieved, the Complainant made an application in the Labour Court for attachment of property, under section 17 (1) of Payment of Wages Act, against Pantaloons, praying for a relief of ₹ 47,947 along with interest at the rate of 18% per annum. The matter is currently pending.
- 7) The Labour Enforcement Officer, Lucknow, Uttar Pradesh filed various cases before the Deputy Labour Commissioner, Lucknow ("DLC") under the Minimum Wages Act, 1948 alleging that our Company has paid less than minimum wages. The proceedings are still on.

Details of acts of material frauds committed against the Company in the last three years, if any, and the action taken by the Company

There are no material frauds committed against the Company in the last three years.



ISSUE PROCEDURE

The Issuer proposes to issue each Debenture on the terms set out in this Offer Letter. All Debentures being offered are subject to the provisions of the Companies Act, the SEBI Debt Regulations, the Memorandum of Association, Articles of Association, the Offer Letter, Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed. This section applies to all Applicants. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form.

Application Size

Applications for the Debentures are required to be for a minimum of 1 (one) Debenture and multiples of 1 (one) Debenture thereafter.

Who can Apply

Nothing in this Offer Letter shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the public or any section thereof through this Offer Letter and its contents should not be construed to be a prospectus under the Companies Act, as amended or the rules made thereunder. In order to subscribe to the Debentures a person must belong to one of the categories mentioned below and from whom monies borrowed even under an unsecured debenture would not constitute a 'deposit' within the meaning of the term as defined under Rule 2(c) of the Companies (Acceptance of Deposits) Rules, 2014. This Issue is a domestic issue and is being made in India only.

This Offer Letter and the contents hereof or thereof are restricted for only the intended recipients who have been addressed directly through a communication by the Issuer and only such recipients are eligible to apply for the Debentures.

The following categories of Investors together constitute "Eligible Investors":

- (a) Banks and financial institutions;
- (b) Public financial institutions (as defined under Section 2 (72) of the Companies Act);
- (c) Non-banking financial companies and residuary non-banking finance companies;
- (d) Companies, body corporate and public sector undertakings;
- (e) Mutual funds registered with SEBI;
- (f) Provident funds;
- (g) Gratuity funds;
- (h) Pension Funds; and
- (i) Insurance companies.

Only Eligible Investors, when permitted under their constitutional documents and specifically approached, are eligible to apply for the Debentures.

All Investors are required to comply with the relevant regulations or guidelines applicable to them for investing in these Debentures.

Applications may be made in single or joint names (not exceeding three). In the case of joint applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form at the address mentioned therein.

Depository Arrangements

The Issuer shall make necessary depository arrangements with Central Depository Services Limited ("CDSL") and National Securities Depository Limited ("NSDL") for issue and holding of Debentures in dematerialised form.

Other than as stated above, applications cannot be made by person(s) or entity(ies) resident outside India, including but not limited to NRIs and OCBs.

All Eligible Investors and subsequent Debenture Holders (who may purchase the Debentures in the secondary market) are required to consult their own advisors prior to investing in the Debentures and comply with the relevant rules, regulations, guidelines or notifications applicable to them for investing in the Debentures.



Instructions for Application

- a) Minimum application shall be for 1 (one) Debentures and in multiples of 1 (one) Debenture(s) thereafter.
- b) The Debentures are being issued at par to the face value i.e. ₹ 10,00,000 (Rupees Ten Lakhs only) per Debenture.
- c) Full amount has to be paid on application per Debenture applied for. Applications for incorrect amounts are liable to be rejected.
- d) Payment shall be made from the bank account of the person subscribing. In case of joint holders, monies payable shall be paid from the bank account of the person whose name appears first in the application.
- e) Applicants should mention their PAN, Depository Participant's name, DP ID and the Client ID in the Application Form and ensure that these details are correct and the Applicant's depository account is active. The Applicant must also ensure that the details mentioned in the Application Form match the details available in the Depository database.
- f) The applications should be submitted during normal banking hours at the office of the Issuer.

Note: The Application Forms which do not have the details of the Investor's depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Participation by potential investors in the issue of the Debentures proposed to be issued under this Offer Letter and may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

Joint-Holders

Where 2 or more persons are holders of any Debentures, they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to other provisions contained in the Articles of Association of the Issuer.

Submission of completed Application Form

All applications duly completed accompanied by transfer instructions from the respective Investor's account to the account of the Issuer, shall be submitted at the registered office of the Issuer.

Mode of Payment

Applicants are requested to write their names and application serial number on the reverse of the instruments by which the payments are made. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form.

All payments must be made through fund transfer or RTGS or NEFT. The RTGS details of the Issuer are as under:

Beneficiary Name	Aditya Birla Fashion and Retail Limited
Address of Beneficiary	701-704, 7 th Floor, Skyline Icon Business Park, 86-92, Off A.K. Road, Marol Village, Andheri (East), Mumbai - 400 059
Name of Beneficiary Bank and Address	Axis Bank Limited Corporate Banking Branch 12 Mittal Tower A Wing 1 st Floor Nariman Point, Mumbai 400021
Account number of Beneficiary Bank	916030056409416
IFSC Code of Beneficiary Bank	UTIB0001394

The Investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.



Basis of Allotment and Schedule for Allotment

The Issuer reserves the sole and absolute right to allot the Debentures to any Applicant. The Issuer reserves the right to reject in full or partly any or all the offers received by them to invest in these Debentures without assigning any reason for such rejections. In case there is over subscription in the issue, priority will be given on the basis of the date of application. In the event of a tie with respect to the date of application, allocation will be done on a pro rata basis. The unutilised portion of the application money will be refunded to the Applicant by electronic transfer to the bank account from which the subscription amount was remitted. The Issuer will allot the Debenture to the Debenture Holders dematerialised account within 2 (two) Business Days of the Deemed Date of Allotment.

Borrowing Powers

This private placement of Debentures is being made pursuant to a resolution of the Board of Directors passed at its meeting held on May 11, 2018, under Sections 42, 71 and 179 (3) of the Companies Act, which has approved the issuance of Debentures and a special resolution of shareholders dated August 28, 2018, under Sections 42 and 71 of the Companies Act, authorising the board to borrow monies by way of issue of non-convertible debentures up to an aggregate amount of ₹ 1,250 Crore.

The present issue of the Debentures is within the general borrowing limits in terms of the resolution passed under Section 180(1)(c) of the Companies Act, at the 9th Annual General Meeting of the shareholders of the Issuer held on September 7, 2016 giving their consent to the borrowing by the Directors of the Issuer from time to time not exceeding ₹ 3,500 crore subject to any restrictions imposed by the terms of the agreement entered into from time to time for grant of loans to the Issuer of all monies deemed by them to be requisite or proper for the purpose of carrying on the business of the Issuer. The borrowings under these Debentures will be within the prescribed limits as aforesaid.

Right to Accept or Reject Applications

The Board of Directors, the committee of directors and/or any other authorised officials of the Issuer reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof. Application Forms that are not complete in all respects may be rejected in sole discretion of the Issuer and will not be paid any interest on the application money.

Application may be liable to be rejected on one or more technical grounds, including but not restricted to:

- a. Number of Debentures applied for is less than the minimum application size;
- b. Bank account details not given;
- c. Details for issue of Debentures in electronic or dematerialised form not given;
- d. PAN;
- e. In the event of applications under power of attorney by limited companies, corporate bodies, etc. if the relevant documents are not submitted;
- f. In the event, if any Debentures applied for is or are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Force Majeure

The Issuer reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Issuer reserves the right to change the issue schedule.

Refunds

The Issuer will repay the application money, if it is unable to allot the Debentures within 60 days from the date of the receipt of application money, within 15 (fifteen) days from the date of completion of 60 days. If the Issuer is unable to repay the money within the above set out period, it will have to pay that money with interest at the rate of 12% per annum from the expiry of the 60th day. Further, it is clarified that no interest shall be paid in the event of invalid, incomplete or rejected Application Forms.



In the event the Issuer has received money from Applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Registrar and Transfer Agent shall upon receiving instructions from the Issuer repay the moneys to the extent of such excess, if any and no interest shall be paid on such refund amount.

Issue of Debentures in Dematerialised Form

The Issuer has made arrangements with the Depositories for the issue of Debentures in dematerialised form. Debenture Holders will hold the Debentures in dematerialised form in accordance with the provisions of the Depositories Act. The Depository participant's name, DP ID and beneficiary account number must be stated at the appropriate place in the Application Form. The Issuer shall take necessary steps to credit the Debentures allotted to the Depository account of the Investor. All provisions relating to issue, allotment, transfer, transmission etc. in respect of the Debentures as prescribed under the Depositories Act will be applicable to the Debentures issued in dematerialised form.

If the Debentures issued are held in dematerialised form, then no action is required on the part of the Debenture Holders for redemption purposes and the redemption proceeds will be paid by fund transfer or RTGS or NEFT to those investors whose names appear on the list of beneficiaries provided by the Depository to the Issuer. The names will be in accordance with the Depository's records on the relevant record date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and depository participant's identification number will be given by the Depository to the Issuer and the Registrar. Based on the information provided above, the Issuer or Registrar will transfer the redemption amount by electronic transfer of funds or RTGS or NEFT to the bank account of the Debenture Holders.

Deemed Date of Allotment

All benefits relating to the Debentures will be available to the Debenture Holders from the relevant Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s) or deemed date(s) of allotment at its sole and absolute discretion without any notice. The Deemed Date of Allotment may be changed (advanced/ postponed) by the Issuer at its sole and absolute discretion.

Currency of Payment

All obligations under the Debentures are payable in Indian Rupees only.

Transfers

The Debentures shall be transferable freely to all classes of eligible investors. The Debentures shall be transferred and/or transmitted in accordance with the applicable provisions of the Companies Act, other applicable laws and the Articles of Association. The Debentures held in dematerialised form shall be transferred in accordance with the rules and procedures of NSDL, CDSL, the relevant depository participant's of the transferor or transferee and any other applicable laws and rules notified. The seller should give delivery instructions containing details of the buyer's Depository Participant's account to his Depository Participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date, failing which, any payments will be paid to the person, whose name appears in the register of Beneficial Owners maintained by the Depository in the case of dematerialised Debentures. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. Investors may note that subject to applicable law, the Debentures of the Issuer will be issued and traded in dematerialised form only.



Trustee for the Debenture Holders

The Issuer has appointed Axis Trustee Services Limited to act as trustee for the Debenture Holders. The Issuer and the Debenture Trustee intend to enter into the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holders shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holders. Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holders shall discharge the Issuer *pro tanto* to the Debenture Holders. The Debenture Trustee will protect the interest of the Debenture Holders in regard to timely payment of coupon and repayment of principal and they will take necessary action, subject to and in accordance with the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trust Deed shall more specifically set out rights and remedies of the Debenture Holders and the manner of enforcement thereof. The Debenture Trustee shall carry out its duties and shall perform its functions in accordance with all applicable laws and regulations including without limitation the SEBI Debt Regulations, SEBI Listing Regulations and Debenture Trustee Regulations as well as the Debenture Trust Deed and this Offer Letter. Resignation or retirement of the Debenture Trustee shall be in accordance with the terms of the Debenture Trust Deed entered into between the Issuer and the Debenture Trustee and a notice in writing to the Debenture Holders shall be provided for the same. The Debenture Trustee shall ensure disclosure of all material events on an ongoing basis.

Market Lot

The market lot will be one Debenture ("Market Lot"). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of Debentures.

Title

In the event of Debentures held in dematerialised form, the person for the time being appearing in the register of Beneficial Owners maintained by the Depository shall be treated for all purposes by the Issuer. The Debenture Trustee, the Depositories and all other persons dealing with such person, as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in the Debenture and no person will be liable for so treating the Debenture Holders.

List of Beneficial Owners

The Issuer shall request the Depositories to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of yield or repayment of principal amount, as the case may be.

Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorised signatories and the tax exemption certificate or document, if any, must be lodged along with the submission of the completed Application Form. Further modifications or additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In the event of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/ or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.



Letters of Allotment

The Debentures will be credited in dematerialised form within the time period specified in the SEBI Debt Regulations and the listing agreement entered into between the BSE and the Issuer.

Payment of Yield

The Effective Yield shall be computed on an actual/actual days a year basis on the principal outstanding on the Debentures at the rate as mentioned in the section entitled "*Summary Term Sheet for the Debentures*" of this Offer Letter.

Tax Deduction at Source

Debenture Holders should consult their own independent tax advisers to understand their tax positions. In addition, Debenture Holders should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time. Therefore, Debenture Holders are advised to consider the tax implications in respect of subscription to the Debentures in consultation with their tax advisers.

Tax as applicable under the IT Act will be deducted at source. Tax exemption certificate/document, under Section 195(3) or Section 197(1) of the IT Act, if any, must be lodged at the office of the Issuer before the Record date. Tax exemption certificate for interest on application money, if any, should be lodged along with the Application Form.

Right of the Issuer to Purchase and Re-sell Debentures

The Issuer may, subject to applicable laws, at any time and from time to time, purchase Debentures issued under this Offer Letter at discount, at par or premium in the open market. Such Debentures, at the option of the Issuer, be cancelled, held or resold at such a price and on such terms and conditions as the Issuer may deem fit and as permitted by applicable laws. The Issuer and any of its affiliates may also at their absolute discretion, purchase Debentures in the secondary market, subject to such entity being an Eligible Investor and in compliance with applicable laws.

Redemption and Yield Payment Process

The Issuer shall on any Redemption Date, as the case, fund the designated account (being a current account of the Issuer opened with a scheduled commercial bank) with the coupon, Effective Yield or Redemption Amount due. In the event the Issuer is unable to fund the designated account on the, as the case may be, or anticipates that it will be unable to do so due to any reason, the Issuer will on the Redemption Date, as the case may be, inform the Debenture Trustee in writing expressing its inability to fund the designated account.

The payment of the Redemption Amount including the Effective Yield on the Debentures shall be made by the Issuer to those persons whose names appear in the Register of Debenture Holders (or to first holder in the event of joint-holders) as the Debenture Holders. All payments shall be made by the Issuer in the form of fund transfers or RTGS or NEFT as the Issuer may deem fit.

In respect of the Debentures held in dematerialised form, payment of the redemption amount will be made by the Issuer to the beneficiaries in accordance with the beneficiary list provided by the Depositories as on the Record Date, respectively. The Debentures shall be taken as discharged on payment of the redemption amount in full, respectively by the Issuer to the beneficiaries in accordance with the beneficiary list by making payment electronically to the bank account notified by the beneficiary. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture Holders. On such payment being made, the Issuer will inform the Depositories and accordingly the account of the Debenture Holders with Depositories will be adjusted.

Upon the payment towards the redemption amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished. Payments of any amounts in relation to the Debentures, in the form of principal, yield or otherwise by the Issuer to the Debenture Trustee on behalf of the Debenture Holders shall be deemed to be *pro tanto* payment and satisfaction to the Debenture Holders.



Debenture Holder not a Shareholder

The Debenture Holders will not be entitled to any of the rights and privileges available to the shareholders other than those available to them under the Companies Act.

Register of Debenture Holder(s)

A register of all Debenture Holders containing necessary particulars will be maintained by the Issuer at its registered office.

Provisions for Meeting of Debenture Holders

The terms set out in the relevant provisions of the Initial Debenture Trustee Agreement and the Debenture Trust Deed shall apply to the meetings of the Debenture Holders.

Nomination

In the event of, however, a deceased Debenture Holder having nominated any person entitled to be registered as the Debenture Holder in the event of his death, such nominee shall be registered as the Debenture Holder in place of the deceased Debenture Holder, notwithstanding anything contained in any other law for the time being in force.

Effect of Holidays

Should any of the dates defined above or elsewhere in this Offer Letter other than the Deemed Date of Allotment, fall on a Sunday or a public holiday or a day not a Business Day, the following Business Day shall be considered as the effective date. In respect of any payment of principal or Effective Yield, where the Redemption Date of the Debentures falls on a Sunday or a holiday or a day which is not a Business Day, the Redemption Amount payment shall be made on the immediately previous Business Day. In respect if any Record Date falls on a Sunday or a holiday or a day which is not a Business Day, the Record Date shall be the immediately previous Business Day. In accordance with applicable law payment of Effective Yield and Redemption Amount will only be made on the days when the money markets are functioning in Mumbai.

Notices

All notices to the Debenture Holders required to be given by the Issuer or the Debenture Trustee shall have been given if sent either by registered post, by facsimile, registered post, courier or by hand delivery or by email to the original or first allottees of the Debentures, or as may be prescribed by applicable law.

All notices to be given by the Debenture Holders shall be sent by registered post, courier or by hand delivery or email to the Issuer or to such persons at such address as may be notified by the Issuer from time to time through suitable communication.

Notices shall be deemed to be effective (in the case of registered post) 7 (seven) business days after posting, (in the case of facsimile or email) 24 (twenty four) hours after dispatch or (in the case of personal delivery) at the time of delivery.

Payment of outstanding amounts on the Debentures

The Issuer shall ensure that services of NECS, direct credit, RTGS or NEFT are used for payment of all outstanding amounts on the Debentures, including the principal and interest accrued thereon.

Rights of Debenture Holders

The Debenture Holders shall not be entitled to any right and privileges of shareholders other than those available to them under the Companies Act. The Debentures shall not confer upon the holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.



However, if any resolution affecting the rights attached to the Debentures is to be placed before the shareholders, the said resolution will first be placed before the concerned registered Debenture Holders for their consideration.

The rights, privileges and conditions attached to the Debentures, may be varied, modified and/or abrogated with the consent in writing of the Majority Debenture Holders on terms as mentioned in the Debenture Trust Deed provided that nothing in such consent or resolution shall be operative against the Issuer, where such consent or resolution modifies or varies the terms and conditions governing the Debentures, if the same are not acceptable to the Issuer.

The Debenture Holders or in case of joint-holders, the one whose name stands first in the Register of Debenture Holders shall be entitled to vote in respect of such Debentures, either in person or by proxy, at any meeting of the concerned Debenture Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights shall be in proportion to the outstanding nominal value of Debentures held by him/her on every resolution placed before such meeting of the Debenture Holders.

The Debentures are subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association of the Issuer, the terms of this Offer Letter and the Application Form. Over and above such terms and conditions, the Debentures shall also be subject to other terms and conditions as may be incorporated in the Debenture Trust Deed, SEBI regulations, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Debentures.

A register of Debenture Holders will be maintained in accordance with Section 88(1) of the Companies Act, and all interest and principal sums becoming due and payable in respect of the Debentures will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of Debenture Holders.

The Debenture Holders will be entitled to their Debentures free from equities and/or cross claims by the Issuer against the original or any intermediate holders thereof.

Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holders available with the Issuer, with its subsidiaries and affiliates and banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the relevant information.

Modification of Debenture Holder(s) rights and modification of Debentures

The rights, privileges and conditions attached to the Debentures may be varied, modified or abrogated in accordance with the Articles of Association of the Issuer and the Companies Act and with the consent of the Majority Debenture Holders provided that nothing in such resolution shall be operative against the Issuer where such resolution modifies or varies the terms and conditions governing the Debenture(s) if the same are not acceptable to the Issuer.

Provided that the Debenture Trustee and the Issuer may agree, without the consent of the Debenture Holder(s) to:

1. Any modification to the Debentures, which is not prejudicial to the interest of the Debenture Holder(s); and
2. Any modification of the Debenture Trust Deed which is a manifest or proven error or is in violation of any provision of applicable law.

Compliance with laws

The Issue is being made in accordance with Section 42 and 71 of the Companies Act, the Companies (Shares and Debentures) Rules, 2014 as amended, the Companies (Prospectus of Securities) Rules, 2014 as amended, the SEBI Debt Regulations and other applicable laws in this regard. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the RBI and the SEBI.



SUMMARY TERM SHEET FOR THE DEBENTURES

Nature of Debentures

The following are the details of the principal terms and conditions of the Issue. This section should be read in conjunction with, and is qualified in its entirety by, the further details in the section entitled "Issue Procedure" of the Offer Letter.

1.	Kind of Securities and Type of Instruments	Private placement of 3000 listed, unsecured, rated, redeemable zero coupon non-convertible debentures of face value of ₹ 10,00,000 (Rupees Ten Lakh Only) each issued at par aggregating to ₹ 300,00,00,000 (Rupees Three Hundred Crores Only) on the terms contained in this Offer Letter.
2.	Series Number	Series 5
3.	Security Name	Zero Coupon Aditya Birla Fashion and Retail Limited Non-convertible Debentures 2021.
4.	Issuer	Aditya Birla Fashion and Retail Limited.
5.	Arranger	ICICI Bank Limited.
6.	Promoter(s)	Birla Group Holdings Private Limited.
7.	Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
8.	Seniority, Security and Nature of Instrument	The Debentures are senior and unsecured and shall rank <i>pari passu</i> with all the senior and unsecured debentures of the Issuer.
9.	Mode of Issue	The Debentures will be issued on a private placement basis.
10.	Utilization of Issue Proceeds/Objects of the Issue	The proceeds of Debentures shall be utilized solely for the purpose of refinancing of existing debt, long term working capital and towards other purposes in the normal course of business. No part of the proceeds of the Debentures would be utilized directly or indirectly towards capital markets or land acquisition or such other activities prohibited by RBI for bank finance.
11.	Eligible Investors	The categories of investors eligible to subscribe to the Debentures in this issue, when addressed directly, are: (a) Banks and financial institutions; (b) Public financial institutions (as defined under Section 2 (72) of the Companies Act 2013); (c) Non-banking financial companies and residuary non banking finance companies; (d) Companies, body corporate and public sector undertakings; (e) Mutual funds registered with SEBI; (f) Provident funds; (g) Gratuity funds; (h) Pension Funds; and (i) Insurance companies. All investors are required to comply with all applicable regulations and guidelines to invest in the Debentures.



Dated: September 4, 2018

12.	Debenture Trustee	Axis Trustee Services Limited.
13.	Listing (Including name of the Stock Exchange (s) where it will be Listed and Timeline for Listing)	All Debentures will be listed on the WDM segment of BSE. All Debentures shall be listed on BSE within 20 days of the Deemed Date of Allotment of the Debentures.
14.	Rating	The Debentures have been assigned a rating of "CRISIL AA/Stable" by CRISIL and "Provisional IND AA/Stable" by India Rating for an amount of ₹ 300,00,00,000 (Rupees Three Hundred Crores Only) by CRISIL and India Rating by their letter dated August 31, 2018
15.	Option to Retain Oversubscription (Amount)	Not applicable to the Debentures.
16.	Issue Size	The Debentures Issue size is ₹ 300,00,00,000 (Rupees Three Hundred Crores Only).
17.	Issue Opening Date	The opening date of the Issue is September 06, 2018
18.	Issue Closing Date	The closing date for the Issue is September 06, 2018.
19.	Pay In Date	Is the Application date for the Issue, which is September 7, 2018. The full Application Amount is payable on Application.
20.	Deemed Date of Allotment	Deemed Date of Allotment for the Debentures will be the same as the Pay In Date for the Debentures.
21.	Face value per Debenture and Issue Price	₹ 10,00,000 (Rupees Ten Lakhs Only) per Debenture Issued at par.
22.	Tenor	The tenor for the Debentures is 2 Year 11 months and 7 days
23.	Maturity Date	The Debentures will be redeemed in full on August 14, 2021
24.	Redemption Date (Including Yield Payment Date)	Either the Maturity Date, Rating Change Put Date, as the case may be, or such other date on which the Debentures are to be redeemed pursuant to the Transaction Documents including the date of redemption pursuant to an Event of Default.
25.	Redemption Amount	(i) ₹ 12,86,627.845 (Rupees Twelve Lakhs eighty six lakhs six hundred and twenty seven and eight four five paise) is the redemption amount payable per Debenture on the Maturity Date, ; (ii) in the case of the Rating Change Put Option, at the Rating Change Put Price; and (iii) in the event of any other redemption or repayment, the principal amount of the Debentures plus the accrued Effective Yield upto the date of prepayment in full.
26.	Redemption Premium or Discount	Not applicable to the Debentures.
27.	Redemption	Debentures will be redeemed at the Redemption Amount together with the Effective Yield accrued but unpaid in respect of the Debentures on the Redemption Date.
28.	Effective Yield	The effective yield on the Debentures is a fixed yield of 8.96 per cent. compounding annually and payable on the Redemption Date.
29.	Coupon Rate	Zero per cent. per annum. Is the coupon rate on the Debentures.
30.	Coupon Type	The coupon type is zero coupon.
31.	Coupon Payment Date and Coupon Payment Frequency	Not applicable to the Debentures.



32.	Coupon Reset Process (Including Rate, Spread, Effective Date, Interest Rate Cap and Floor), Step Up or Step Down Coupon Rate/	Not applicable to the Debentures.
33.	Step Up Yield Rate	<p>The Effective Yield and consequently the Redemption Amount will be reset and stepped up from the Rating Change Date as follows:</p> <ol style="list-style-type: none"> 1. If the long-term credit rating of the Debentures is downgraded from "AA-" to "A+" by CRISIL and India Rating, the Effective Yield comprising part of the Redemption Amount will be increased by 25 basis points; 2. For each notch of downgrade of the long-term credit rating of the Debentures from "A+" by CRISIL and India Rating, an additional 25 basis points shall be added to the Effective Yield comprising part of the Redemption Amount. <p>For the avoidance of doubt the accrual of the Increase In Effective Yield as a result of the above shall commence from the Rating Change Date.</p> <p>"Rating Change Date" means the date on which CRISIL and India Rating publishes a change of (i) the long-term credit rating of the Debentures from "AA-" to "A+" by CRISIL and India Rating; or (ii) any further notching down grade of the long-term credit rating of the Debentures from "A+."</p>
34.	Yield Reset Process	As set out in the section titled "Step up Yield Rate" .
35.	Mandatory Redemption Option	In the event of a downgrade in the rating of Debentures to 'A' rating level or lower by CRISIL and India Rating, the Debenture holders shall have the right to call upon the Issuer to mandatorily redeem the Debentures, in full or part of the outstanding Debentures (the "Rating Change Put Option"). The Rating Change Put Option must be exercised by the Debenture holders within a period of 30 days from the date the downgrade in the rating of the Debenture to 'A' is confirmed and published by CRISIL and India Rating ("Rating Change Exercise Date"). The Issuer will be required to repay the Rating Change Put Price within 30 days of the Rating Change Exercise Date, on a date to be notified by the Issuer to the Debenture holders, the Debenture Trustee and BSE in writing (the "Rating Change Put Date"). The amount payable by the Issuer on the Rating Change Put Date will be the principal amount of the Debentures plus the Effective Yield accrued to and including the Rating Change Put Date ("Rating Change Put Price").
36.	Discount at which Security is Issued and the Effective Yield as a result of such Discount	Not applicable to Debentures.
37.	Put Date	Not applicable to the Debentures.
38.	Put Price	Not applicable to the Debentures.
39.	Call Date	Not applicable to the Debentures.
40.	Call Price	Not applicable to the Debentures.



41.	Put Notification Date	Not applicable to the Debentures .
42.	Call Notification date	Not applicable to the Debentures.
43.	Day Count Basis	Actual/Actual for Debentures.
44.	Interest on Application Money	As the Pay-in Date and Deemed Date of Allotment are the same, no interest on Application money will be paid.
45.	Default Yield Rate	<p>In the event of a delay in the payment of the Effective Yield amount and/or principal amount or default of payment of the Redemption Amount on the due date(s), the Issuer shall pay the additional yield of 2 per cent. per annum payable monthly over and above the agreed Coupon Rate and Effective Yield on the unpaid amount due for the defaulting period.</p> <p>The default interest for Debentures shall be payable for the period commencing on the date on which such payment becomes due and up to but excluding the date on which such amount is actually paid.</p> <p>In the event of a delay in listing of the Debentures beyond 20 days from the Deemed Date of Allotment, the Issuer will pay penal interest of 1 per cent. per annum over the Coupon Rate and Effective Yield, payable monthly, to the Debenture holders from the expiry of 30 days from the Deemed Date of Allotment until the listing of the Debentures.</p>
46.	Default Interest Rate	Not applicable to the Debentures.
47.	Issuance Mode	The Issuance of all the Debentures will be dematerialised form.
48.	Trading mode of the Instrument	The trading mode of all the Debentures will be dematerialised form.
49.	Settlement mode of the Instrument	RTGS/NEFT and the settlement mode of all the Debentures will be dematerialised form. Any payment of coupon, Effective Yield or principal will be made by the way of credit through the RTGS system.
50.	Minimum Application and Multiples thereafter	Minimum application size of Debentures is 1 Debenture and in multiples of 1 thereafter.
51.	Depositories	The depositories for the Debentures are National Securities Depository Limited ("NSDL") or Central Depository Services (India) Limited ("CDSL").
52.	Business Days	A day (other than a public holiday or a Sunday or a closed day) on which banks are normally open for business in Mumbai and therefore, on which payments under the Debentures can be made.
53.	Business Day Convention	In respect of any payment of principal or Effective Yield, if any Redemption Date of the Debentures falls on a Sunday or a holiday or a day which is not a Business Day, the relevant Redemption Amount payment shall be made on the immediately previous Business Day.
54.	Record Date	The record date is the date which is 15 calendar days prior to the Redemption Date, as the case may be, for Debentures for the purposes of actual payment. Debenture holders of the Debentures on the Record Date will be the recipients of actual payment of the coupon and Redemption Amount by the Issuer.



		If the Record Date falls on a Sunday or a holiday or a day which is not a Business Day, the Record Date shall be immediately previous Business Day.
55.	Price at which the Security is being Offered including the Premium, if any, along with Justification of Price	The Debentures are issued at par, the issue price per Debentures has been fixed at a face value of ₹ 10,00,000 (Rupees Ten Lakhs Only) per Debenture, so as to ensure that only 3000 Debentures are issued by the Issuer.
56.	Proposed Time Schedule for which the Offer Letter is Valid	The offer will be open for subscription of the Debentures on September 06, 2018
57.	Issue of Debentures	The Issuer will issue and allot Debentures in dematerialized form within 1 Business Day from the Deemed Date of Allotment of the Issue.
58.	Transaction Documents	In respect of the Issue, the documents for the Issue will be (i) the Debenture Trustee Agreement; (ii) the Debenture Trust Deed; and (iii) the Offer Letter and (iv) any other document that may be designated as a transaction document by the Debenture Trustee.
59.	Contribution being made by the Promoter or Directors either as part of the Offer or Separately In Furtherance of such Objects	Nil for the Debentures.
60.	Name and address of the Valuer who performed Valuation of the Security Offered	Not applicable to the Debentures.
61.	Consent Received by the Debenture Trustee	Consent received from the Debenture Trustee pursuant to the letter no
62.	Financial Covenants	<p>Until the Debentures are fully redeemed the Issuer shall maintain the following financial ratios ("Financial Ratios"):</p> <p>(a) The total Debt to Equity ratio not exceeding 3:1; and</p> <p>(b) Debt to EBIDTA ratio not exceeding 5.5:1.</p> <p>All Financial Ratios will be tested on an annual basis as at 31st March of each Financial Year until the Debentures are fully redeemed, starting from March 31, 2018 based on the on the consolidated balance sheet of the Issuer. The Issuer will certify compliance with the Financial Ratios within 60 days from end of each Financial Year or within 30 days from the date of a board meeting in which the balance sheet is approved, whichever is earlier, to the Debenture Trustee in writing.</p> <p>"Debt" shall mean aggregate of 1. All long-term debt outstanding, whether secured or unsecured, plus 2. Financial guarantees given on behalf of any company 3. Any short term debt outstanding, whether secured or unsecured, availed of in lieu of long term debt or by way of bridge financing for long term debt 4. Receivables sold or discounted (other than any receivables to the extent they are sold on a non- recourse basis);</p> <p>"Equity" shall mean issued and paid up Equity and Preference Share capital (+) all reserves (excluding revaluation reserves) (-) any dividend declared (+) deferred tax liability (-) deferred tax asset as per the latest audited financials of the Borrower.</p>



63.	Representations and Covenants	<p>The Debenture Trust Deed will include representations and covenants customary for a transaction of this nature, subject to materiality thresholds, including but not limited to: (i) status, binding obligation, power and authority to issue the Debentures; (ii) non-conflict with the other obligations; (iii) validity and admissibility in evidence of the documents in relation to the Issue; (iv) no Insolvency proceedings against the Issuer; (v) no material misleading information; (vi) no material proceedings are pending or threatened; (vii) no material adverse change or event of default; (viii) no material non-compliance with applicable law is subsisting; (ix) no default in respect of financial indebtedness against lenders; (x) validity of the transaction documents, disclosures, corporate authorizations and other documents in relation to the Issue which are fully effective; (xi) the representations and warranties being true as at the date of execution of the documents in relation to the Issue and the drawdown and issue of the Debentures and (xii) no event of default has occurred or is continuing in relation to the Issuer. There may be other customary representations and warranties in the Debenture Trust Deed.</p>
64.	Covenants	<p>The following covenants shall be incorporated in the Transactions Documents and be effective until the Debentures are repaid in full, unless with the prior written consent of Majority Debenture holders:</p> <ul style="list-style-type: none"> (a) "Aditya Birla" shall be part of the name of the Issuer; (b) The Issuer shall not amend or modify its Memorandum of Association and Articles of Association which adversely affects the right of the Debenture holders; and (c) The Issuer will not purchase or redeem any of its issued shares or reduce its share capital; (d) If an Event of Default has occurred and is subsisting then no dividend can be declared by the Issuer; (e) The Promoter and the Promoter Group cannot cease to be the Promoter and the Promoter Group of the Issuer as a result of the proposed change in shareholding or otherwise; (f) no change in the Management Control of the Issuer is permitted. <p>"Management Control" shall mean: (i) At least 26 % ownership and "control" (as defined below) of the borrower shall remain with its Promoters during the tenor of the Debentures</p> <p>"Control" shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner</p> <p>There may be other customary covenants in the Debenture Trust Deed.</p>



65.	Information Undertakings	<p>The following is a summary of some but not all of the information covenants that the Issuer agrees to in relation to the Debentures which will be set out in the Debenture Trust Deed:</p> <ul style="list-style-type: none"> (a) provide the standalone and consolidated financial statements at the half year end of each Financial Year; (b) provide the details of any material litigation, arbitration or administrative proceedings; (c) provide the notice of any change in authorized signatories of the Issuer with respect to the Debentures; and (d) provide an end use certificate within 3 months of the Deemed Date of Allotment confirming that no part of the proceeds of the Issue have been used for the purpose ineligible for bank finance in accordance with RBI guidelines and the proceeds of the Issue have been utilized solely for the end use purpose set out in the section titled "Summary Term Sheet for the Debentures - Objects of the Issue". <p>There may be other customary information covenants in the Debenture Trust Deed.</p>
66.	Events of Default and Cross Default	<p>The events of default (subject to applicable cure periods and materiality thresholds) for Debentures shall include but not be limited to the following events:</p> <ul style="list-style-type: none"> (a) failure by the Issuer to pay the relevant Redemption Amount including the Yield on any Redemption Date or in case of Mandatory Redemption Option (Rating going below A); (b) breach of any covenants, financial or other covenants set out in the Transaction Documents; (c) any proceeding in relation to insolvency, liquidation, winding up, illegality has been initiated against the Issuer; (d) the Issuer is unable to or admits in writing its inability to pay its debts as they mature or suspends making payment of any of its debts, by reason of actual or anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors is declared or imposed in respect of any indebtedness of the Issuer; (e) the Promoter or the key management personnel acting in the capacity of officials on behalf of the Issuer are declared as wilful defaulters; (f) a cross default event of default in respect of financial indebtedness ("Financial Indebtedness") if: <ul style="list-style-type: none"> i. any Financial Indebtedness of the Issuer or its subsidiaries is not paid when due and the applicable cure period has lapsed without the Issuer remedying it; ii. any Financial Indebtedness of the Issuer or its subsidiaries is declared or otherwise becomes due and payable before its specified maturity as a result of an event of default; iii. any creditor of the Issuer or its subsidiaries

Dated: September 4, 2018

		<p>becomes entitled to declare any Financial Indebtedness of the Issuer due and payable before its specified maturity as a result of an event of default,</p> <p>provided that no event described above will constitute an event of default unless the relevant amount of the Financial Indebtedness due and unpaid exceeds ₹ 10,00,00,000 (Rupees Ten Crore Only);</p> <p>(g) any act of fraud, embezzlement, misstatement, misappropriation or siphoning off of funds or revenues or any other act having a similar effect being committed by the Issuer or Promoter;</p> <p>(h) the Promoter is accused of, charged with, arrested or convicted of a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the Promoter including any accusations, charges and/or convictions of any offence relating to bribery and/or the directors of the Issuer (excluding non-executive and independent directors) are accused of, or charged with, arrested or convicted in a criminal offence in relation to their actions in the capacity of a director of the Issuer and such charges are not disposed off within 60 days.</p> <p>(i) The illegality of the business of the Issuer or cessation of the business of the Issuer;</p> <p>(j) The commencement of any bankruptcy or debt restructuring process in relation to the Issuer under the JLF or CDR regime by its lenders;</p> <p>(k) the unlawfulness of the business of the Issuer; and</p> <p>(l) a change in the Management Control of the Issuer, without the prior approval of the Debenture Trustee.</p> <p>There may be other customary events of default set out in the Debenture Trust Deed.</p>
67.	Consequences of Events of Default	<p>The consequences of an Event of Default as set out in the section titled "<i>Summary Term Sheet for the Debentures - Event of Default</i>" will, include but not be limited to the following:</p> <p>(a) The acceleration of all outstanding dues such as the Redemption Amount including the Effective Yield accrued to date will become immediately payable;</p> <p>(b) The enforcement of the rights of the Debenture holders under the Transaction Documents;</p> <p>(c) The appropriation of any amount in the accounts and the utilisation of the amount for the payment, repayment of any amount outstanding under the Issue;</p> <p>(d) The Issuer will be charged Default Interest as set out in the section titled "<i>Summary Term Sheet for the Debentures - Default Interest</i>"; and</p> <p>(e) The Issuer cannot declare any dividend including Interim dividend.</p>
68.	Pre-Disbursement Conditions	<p>The Debentures will be issued and subscribed subject to the Issuer complying with including but not limited to the</p>



		<p>following conditions to the satisfaction the Debenture Trustee:</p> <ul style="list-style-type: none"> (a) having obtained the Credit Rating letter from CRISIL and India Rating not being more than 1 month old from the Issue Opening Date; (b) having obtained the consent letter form the Debenture Trustee consenting to act as trustees for the Debenture holders; (c) having obtained In-principle approval from BSE for listing of the Debentures; (d) execution of the Transaction Documents except Debenture Trustee Deed In a form acceptable to the Investor; (e) evidence of the due execution and the authority to execute the Transaction Documents by the Issuer; (f) payment of all fees due under the Transaction Documents within a specified time; (g) undertaking that each of the representations and warranties made are true and correct; (h) the non-occurrence of any force majeure event or material adverse effect; (i) the submission of the certified true copies of the Memorandum of Association and Articles of Association and such other documents which may be required by the Debenture Trustee or the Debenture holders; (j) providing the necessary board resolutions to the satisfaction of the Debenture Trustee; (k) providing the list of authorized signatories along with their specimen signatures; (l) providing the shareholders resolution of In relation to Section 180 (1)(c) of Companies Act approving the current borrowing limit; (m) providing the shareholders resolution of in relation to Section 42 of the Companies Act approving the Issue on a private placement basis; and (n) Any such other conditions or documents required by the Debenture holders under the Transaction Documents.
<p>69.</p>	<p>Conditions Subsequent</p>	<p>The Debentures will be issued and subscribed subject to the Issuer complying with including but not limited to the following conditions subsequent to the satisfaction the Debenture Trustee:</p> <ul style="list-style-type: none"> (a) Crediting the demat accounts of the Applicants by the number of Debentures allotted to them within 2 Business Days from the Deemed Date of Allotment; (b) Making the application to BSE within 15 days of the Deemed Date of Allotment to list the Debentures and seek the listing permission within 20 days from the Deemed Date of Allotment In accordance with Regulation 19(3) of the SEBI Debt Regulations and other applicable provisions of the SEBI Listing



		<p>Regulations;</p> <p>(c) Execution of Debenture Trust Deed for within time frame prescribed in the relevant regulations, act and rules; and</p> <p>(d) Any other action or conditions subsequent which are customary for such financings as further set out in the Debenture Trust Deed.</p>
70.	Roles and Responsibilities of Debenture Trustee	The Issuer has appointed Axis Trustee Services Limited as the Debenture Trustee for the Issue. The roles and responsibilities of Debenture Trustee shall be set out in the Debenture Trust Deed and in accordance with applicable law (including but not limited to the SEBI Debenture Trustees Regulations, the Companies Act, the SEBI Listing Regulations and the Debenture Trust Deed).
71.	Majority Debenture holders	For the purpose of this Issue shall mean Debenture holders representing not less than 75% in value of nominal amount of the Debentures for the time being outstanding.
72.	Debenture Redemption Reserve	The Issuer will maintain the debenture redemption reserve in accordance with Section 71(4) of the Companies Act read with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time.
73.	Governing Law and Jurisdiction	The Transaction Documents and Debentures are governed by and shall be construed in accordance with the Indian laws. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts of Mumbai. The Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the RBI and SEBI.

Illustration of Debenture Cash Flows

In accordance with the SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013, the cash flows from the Debentures are set out below by way of illustration.

Series 5

Issuer	Aditya Birla Fashion and Retail Limited
Face Value (per Debenture)	₹ 10,00,000 (Rupees Ten Lakh Only) per Debenture
Deemed Date of Allotment	September 7, 2018
Redemption	August 14, 2021
Yield	8.96% (Compounding Annually)
Frequency of the Yield Payment with specified dates	To be paid at the time of redemption
Day Count Convention	Actual/Actual

Cash Flows	Date	Number of days in Coupon Period	Amount (In Rupees)
Redemption Amount	August 14, 2021	N.A.	386,07,91,093

PART B
APPLICANT DETAILS

(I)	Name
(II)	Father's Name, if applicable
(III)	Complete Address Including Flat/House Number, Street, Locality, Pin Code
(IV)	Phone Number, if any
(V)	Email ID, if any
(VI)	Permanent Account Number
(VII)	Bank Account Details
Signature	
Initial of the Officer of the Issuer designated to keep the record	



DECLARATION

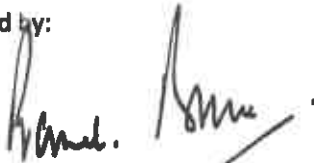
Declaration by the Director

- a. The Issuer has complied with the provisions of the Companies Act and the rules made thereunder;
- b. The compliance with the Companies Act and the rules made thereunder does not imply that payment of interest or repayment of any Debentures is guaranteed by the Central Government; and
- c. The monies received under the Issue shall be used only for the purposes and objects indicated in the Offer Letter.

I am authorised by the Board of Directors of the Issuer by way of the resolution no. 1.10 dated May 11, 2018 to sign this form and declare that all the requirements of Companies Act and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is in accordance with the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:



Name: Pranab Barua
Designation: Director
Date: September 4, 2018
Place: Mumbai



Enclosed:

- Copy of the board resolution dated May 11, 2018*
- Copy of the shareholders' resolution dated September 7, 2016*
- Copy of the shareholders' resolution dated August 28, 2018*

**ANNEXURE I
APPLICATION FORM**



ADITYA BIRLA FASHION AND RETAIL LIMITED

Our Company was incorporated as Peter England Fashions and Retail Limited on April 19, 2007, as a public limited company under the Companies Act, 1956. Subsequently, the name of our Company was changed to Pantaloon's Fashion & Retail Limited on April 23, 2013. The name of our Company was pursuant to a scheme of merger changed to Aditya Birla Fashion and Retail Limited on January 12, 2016.

Registered Office and Corporate Office: 701-704, 7th Floor, Skyline Icon Business Park, 86-92, Off A.K. Road, Marol Village, Andheri East, Mumbai - 400 059, Maharashtra

**Compliance Officer: Ms. Geetika Anand; E-mail: secretarial.abfri@adityabirla.com; CIN: L18101MH2007PLC233901
Telephone: (+91) 86529 05000; Fax: (+91) 86529 05400; Website: www.abfri.com**

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									
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ISSUE OF AN AGGREGATE OF ₹ 300,00,00,000 UNSECURED, LISTED, RATED, REDEEMABLE, ZERO COUPON, NON-CONVERTIBLE DEBENTURES

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: _____ In words: _____

Amount ₹ _____ In words Rupees _____

DETAILS OF PAYMENT:

RTGS

No. _____ Drawn on _____

Funds transferred to _____

Dated _____

Total Amount Enclosed

(In Figures) _____ (In words) _____

APPLICANT'S NAME IN FULL (CAPITALS)	SPECIMEN SIGNATURE

APPLICANT'S ADDRESS

ADDRESS					
STREET					
CITY					
PIN		PHONE		FAX	

APPLICANT'S PAN/GIR NO.
 IT CIRCLE/WARD/DISTRICT _____

WE ARE () COMPANY () OTHERS () SPECIFY

We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the Offer Letter and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature

We the undersigned, are agreeable to holding the Debentures of the Issuer in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL (X) CDSL (X)
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account : (Settlement by way of Direct Credit/ECS/NEFT/RTGS/other permitted mechanisms)	Beneficiary Bank Name: Account No: IFSC Code: Branch:
--	--

FOR OFFICE USE ONLY DATE OF RECEIPT _____	DATE OF CLEARANCE _____
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We understand and confirm that the information provided in the Offer Letter is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as stated above would get credited to the extent of allotted Debentures, ii) the Applicant must ensure that the sequence of names as stated in the Application Form matches the sequence of name held with our Depository Participant, (iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Issuer shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

For private circulation only
Addressed to: _____

Dated: September 4, 2018

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures and shall not look to any person to indemnify or otherwise hold us harmless in respect of any such loss and/or damage. We undertake that upon sale or transfer to subsequent investor or transferee ("**Transferee**"), we shall convey all the terms and conditions contained herein and in the Offer Letter to such Transferee.

Applicant's
Signature

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

----- (TEAR HERE) -----

ACKNOWLEDGMENT SLIP

<i>(To be filled in by Applicant)</i> SERIAL NO.										
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Received from _____
Address _____
UTR # _____ Drawn on _____ for ₹ _____ on account of application of _____ Debentures



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 1ST MEETING OF THE BOARD OF DIRECTORS OF ADITYA BIRLA FASHION AND RETAIL LIMITED FOR THE FINANCIAL YEAR 2018-19, HELD ON FRIDAY, MAY 11, 2018 AT SKYLINE ICON BUSINESS PARK, ANDHERI (EAST), MUMBAI - 400059

Issuance and allotment of Non-convertible Debentures ("NCDs") of upto ₹ 1,250 Crore in one or more tranches, from time to time

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and 179(3)(c) of the Companies Act, 2013 read with the rules made thereunder ("Act"), Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ("SEBI ILDS Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 ("Listing Regulations") and Memorandum and Articles of Association of the Company and such other applicable laws, rules, regulations, guidelines ("other applicable laws"), approvals, consents, sanctions and permissions, as may be necessary from time to time (including any statutory amendment or modification or re-enactment thereof, for the time being in force) and subject to the requisite approval of the shareholders of the Company at the ensuing Annual General Meeting ("AGM"), consent of the Board is hereby accorded to issue and/or offer and/or invite subscription for and/or allot Non-Convertible Debentures ("NCDs") of the Company for an amount of upto ₹ 1,250 Crore, through Private Placement, in one or more tranches (within the total borrowing limit(s) of the Company, as approved by the shareholders from time to time), during a period of 1 (one) year from the conclusion of the ensuing AGM, to such person(s) (who may or may not be the Debenture holders of the Company) and at such terms and conditions as may be determined and considered proper and most beneficial to the Company, under the Act and/or Rules and/or Regulations and/or other applicable laws.

RESOLVED FURTHER THAT subject to the approval of the Members of the Company, any two of the following officers of the Company i.e.

- a. Managing Director;
- b. Chief Executive Officer;
- c. Chief Financial Officer;
- d. Company Secretary;
- e. Mr. Chandrashekar Chavan - Chief Human Resource Officer; and
- f. Mr. Rahul Desai - Authorised Officer,

be and are hereby jointly authorized to:

- i. decide the amount to be borrowed by way of Debentures and amount to be called with the application, in one or more call etc. as per the requirements of the Company and also negotiate and decide other terms and conditions in respect of the issue(s) the Debentures, from time to time, to counterparties such as financial institutions, banks, mutual funds, bodies corporate, trusts etc. as may be deemed fit by them, subject to the applicable and prevailing laws, rules and regulations;





- ii. Issue Information Memorandum and/or Private Placement Offer Letter and/or Shelf Disclosure Document/ Tranche Document and/or such other document necessary for the purpose of issue of NCDs on private placement basis, if required;
- iii. consider and approve application(s) in respect of the Debentures;
- iv. appoint Trustees for the holders of NCDs ("Debenture Trustees") on such terms and conditions as may be agreed with and to issue appointment letter to the Trustees;
- v. negotiate, finalize, settle and to sign, execute and issue Debenture Trust Deed, declarations and such other deeds, documents, agreements and papers, including any modifications and amendments thereto, as may be required from time to time;
- vi. appoint Registrar to the Issue, Manager to the Issue and other professionals, as & if required, and to finalize the terms and conditions of their appointment and sign and execute necessary letters, deeds, documents and agreements as may be required;
- vii. mortgage/ charge all or any of the movable/ immovable properties of the Company, for securing the said Debentures/ Bonds/ Debt instruments as may be required;
- viii. give/ sign Declaration/ Undertaking/ Indemnity to the proposed Trustees in regard to the marketability of the title of the Company's immovable properties and as to non-encumbrances, containing such statements, declarations and undertakings and in such form as may be required by the proposed Trustees;
- ix. pay interest on the application money received till the deemed date of allotment and to make part payment/ repayment of Debentures as and when deemed fit;
- x. execute and sign such deeds, agreements and documents and to do all such acts, things and deeds, as may be necessary for admission of such debentures with the depositories i.e. National Securities Depository Limited ("NSDL") and/or Central Depository Services (India) Limited ("CDSL") and to give all such instructions and directions as may be necessary including for authorising the said Depositories to honour and carry out the instructions so given relating to the said admission of Debentures;
- xi. make application to Stock Exchanges in India for the purpose of getting the NCDs listed and to accept, finalize, settle, sign and execute all agreements, deeds and documents, including any amendments thereto, as may be required for this purpose including payment of listing fees, etc. and also appoint, finalize, settle, sign and execute all agreements, deeds or documents, including any amendments thereto, with any other agency or agencies (including Credit Rating Agency for the purpose of getting the new series of NCDs rated) if/ as may be deemed necessary from time to time;
- xii. execute, sign, send, submit all such deeds, letters, documents, promissory notes, writings, Undertakings and declarations as may be required in connection with the offer, issue, allotment, rating and redemption of the Debentures as the case may be, from time to time;
- xiii. take all such actions and to give all such directions as may be necessary or desirable in regard to creation of offer, issue, allotment, terms and redemption of the Debentures etc and to do all such acts, deeds and things as may be necessary or thought fit and to give effect to this resolution and to settle any questions or difficulty may arise in this regard;
- xiv. further delegate authorities mentioned hereinabove and for that purpose to appoint any person(s) as authorised representative(s)/ signatory(ies) on behalf of the Company and to give /





revoke authority from time to time to such authorised representative(s) of the Company for all or any of the purposes, as referred above;

- xv. carry the Common Seal to respective locations, wherever required for the purpose of affixing on the documents & affix the Common Seal of the Company on such documents as may be necessary and sign the same in token thereof; and
- xvi. generally do all such acts, deeds and things as may be necessary to give effect to the aforesaid resolution and for all matters connected therewith and/or incidental thereto.

RESOLVED FURTHER THAT following officers of the Company viz.

- a. Managing Director;
- b. Chief Financial Officer; and
- c. Company Secretary,

be and are hereby severally authorized to:

- i. sign, execute, modify, alter, file and/or furnish and/or submit any statutory forms (in physical or digital form) and such other documents, to/with such authorities and/or person(s) as may be deemed necessary to give effect to the above resolution, from time to time; and
- ii. certify the resolution and provide copy(ies) of the same, as may be deemed necessary from time to time."

Certified True Copy

For Aditya Birla Fashion and Retail Limited

A handwritten signature in black ink, appearing to read "Geetika Arand", written over a circular stamp.

Geetika Arand

Asst. Vice President & Company Secretary

ACS 23228





CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE NINTH ANNUAL GENERAL MEETING OF ADITYA BIRLA FASHION AND RETAIL LIMITED (FORMERLY KNOWN AS PANTALOONS FASHION & RETAIL LIMITED) HELD ON SEPTEMBER 7, 2016 AT 3.00 P.M AT RAVINDRA NATYA MANDIR, PL DESHPANDE MAHARASHTRA KALA ACADEMY, NEAR SIDDIVINAYAK TEMPLE, SAYANI ROAD, PRABHADEVI, MUMBAI - 400025, MAHARASHTRA

Item No. 6 - Increase in overall borrowing limits of the Company

"RESOLVED THAT In supersession of the special resolution passed by the Members of the Company at the Seventh Annual General Meeting of the Company held on August 27, 2014 and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 ("Act") read with rules made thereunder and pursuant to all other applicable provisions of the Act, applicable rule(s), regulation(s), guideline(s), circular(s) etc. Issued by the Reserve Bank of India and/ or any other appropriate authority, if any, and other applicable statutes and laws, if any (including any statutory modification or re-enactment thereof, for the time being in force), consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any duly constituted Committee(s) thereof or such other person(s) authorised by the Board) for borrowing from time to time, any sum or sums of money at its discretion, from any one or more Banks, Financial Institutions and other Persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital and free reserves (i.e. reserves not set apart for any specific purpose) of the Company at such time, subject to such aggregate borrowings not exceeding the amount which is ₹ 3,500 Crore (Rupees Three Thousand Five Hundred Crore only) over and above the aggregate of the paid-up share capital and free reserves (i.e. reserves not set apart for any specific purpose) of the Company at any relevant time and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized and empowered to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution, to execute all such documents, instruments and writings as may be required."

**Certified True Copy
For Aditya Birla Fashion and Retail Limited**

**Geetika Anand
Asst. Vice President & Company Secretary
Membership No.: 23228**



Aditya Birla Fashion and Retail Limited (formerly known as Pantaloon Fashion & Retail Limited)

701-704, 7th Floor, Skyline Icon Business Park,
86-92, Off A. K. Road, Marol Village, Andheri East,
Mumbai, Maharashtra-400059, India

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

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



CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE MEMBERS OF ADITYA BIRLA FASHION AND RETAIL LIMITED AT ITS ELEVENTH ANNUAL GENERAL MEETING HELD ON TUESDAY, AUGUST 28, 2018 AT SWATANTRYAVEER SAVARKAR RASHTRIYA SMARAK, 252, VEER SAVARKAR MARG, SHIVAJI PARK, DADAR (WEST), MUMBAI - 400028, MAHARASHTRA

Item No. 6 - Issuance of Non-Convertible Debentures for an amount of upto ₹ 1,250 Crore, on private placement basis:

"RESOLVED THAT in terms of the provisions of Sections 42, 71 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder ("Act"), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ("SEBI ILDS Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and all other statutes, laws, rules, regulations, guidelines, circulars etc. issued by other appropriate authority(ies), if any (including any statutory amendment or modification or re-enactment thereof, for the time being in force) and in line with the Memorandum and Articles of Association of the Company and subject to such other approvals, consents, sanctions and permissions, as may be necessary from time to time, approval of the Members of the Company, be and is hereby accorded to issue and/or offer and/or invite subscription for and/or allot Non-Convertible Debentures of the Company of upto ₹ 1,250 Crore (Rupees One Thousand Two Hundred and Fifty Crore only), through Private Placement, in one or more tranches, during a period of 1 (one) year from the conclusion of the Eleventh Annual General Meeting ("AGM"), to such person(s) (who may or may not be the Debenture Holders of the Company) as the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any duly constituted Committee(s) thereof or such other person(s) authorized by the Board) may at its sole discretion decide, on such terms and conditions as may be determined and considered proper & most beneficial to the Company, as per the process laid down in the Act and/or SEBI ILDS Regulations and/or SEBI Listing Regulations and/or other applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and for matters connected therewith or incidental thereto and to sign & execute any deed/document/undertaking/agreement/paper/writing, as may be required in this regard and to delegate all or any of these powers to any of the Directors and/or Key Managerial Personnel and/or Officers of the Company."

Certified True Copy

For Aditya Birla Fashion and Retail Limited


Geetika Anand
Asst. Vice President & Company Secretary
ACS 23228



Ratings

CONFIDENTIAL

CRISIL

An S&P Global Company

PENGFR/205832/NCD/111703216/4
August 31, 2018

Mr. Rahul Desai
Head – Treasury
Aditya Birla Fashion and Retail Limited
7th Floor, Skyline Icon,
86-92, Off Andheri Kurla Road
Near Mittal Industrial Estate Andheri East
Mumbai - 400059

Dear Mr. Rahul Desai,

Re: CRISIL Rating on the Rs.300 Crore Non-Convertible Debentures of Aditya Birla Fashion and Retail Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL has, after due consideration, assigned a “CRISIL AA/Stable” (pronounced “CRISIL double A rating with stable outlook”) rating to the captioned Debt instrument. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL believes may have an impact on the rating.

Further, in view of your decision to accept the CRISIL Rating, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

As per the latest SEBI circular¹ on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Gautam Shahi
Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



¹ Please refer to SEBI circular (bearing reference number: CIR/IMD/DF/17/2013) on Centralized Database for Corporate Bonds/ Debentures dated October 22, 2013

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301. Corporate Identity Number: L27120MH1957P20042005

**Details of the Rs.300 Crore Non-Convertible Debentures of
Aditya Birla Fashion and Retail Limited**

	<i>1st tranche</i>		<i>2nd tranche</i>		<i>3rd tranche</i>	
<i>Instrument Series:</i>						
<i>Amount Placed:</i>						
<i>Maturity Period:</i>						
<i>Put or Call Options (if any):</i>						
<i>Coupon Rate:</i>						
<i>Interest Payment Dates:</i>						
<i>Principal Repayment Details:</i>	Date	Amount	Date	Amount	Date	Amount
<i>Investors:</i>						
<i>Trustees:</i>						

In case there is an offer document for the captioned Debt Issue, please send us a copy of it.

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-287-1301. Corporate Identity Number: L67120MH1987PLC042963

Ratings

Rating Rationale

August 31, 2018 | Mumbai

Aditya Birla Fashion and Retail Limited

'CRISIL AA/Stable' assigned to NCD

Rating Action

Total Bank Loan Facilities Rated	Rs.1250 Crore
Long Term Rating	CRISIL AA/Stable (Reaffirmed)
Rs.300 Crore Non Convertible Debentures	CRISIL AA/Stable (Assigned)
Rs.260 Crore Non Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.300 Crore Non Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.300 Crore Non Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.400 Crore Non Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.1250 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL has assigned its 'CRISIL AA/Stable' rating to the non-convertible debenture (NCD) programme of Aditya Birla Fashion and Retail Limited (ABFRL). CRISIL has also reaffirmed its ratings on the bank loan facilities, commercial paper and other NCDs at 'CRISIL AA/Stable/CRISIL A1+'

CRISIL expects ABFRL will sustain its operating performance with healthy double digit revenue growth of around over the medium term, driven by healthy prospects for organized brick and mortar retailers, steady same store growth in Madura, expected improvement in same store growth and rise of private label share in Pantaloon segment and continued addition of new stores. Value retailing segment- Pantaloons-, accounting for ~40% of revenues, is expected to see improvement in growth to 14-15% driven by higher store addition of 50-60 stores per annum and improvement in same store growth.

ABFRL's operating profitability is expected to improve gradually year on year, from 7% during fiscal 2018, supported by improving profitability at Pantaloons segment, stable margin in Madura lifestyle and reducing losses in Madura fast fashion and innerwear segment. Cost rationalisation initiatives at Pantaloons and expected recovery in same store growth will drive increase in operating profitability year on year in the medium term. Also, reduction in costs in fast fashion segment is expected to bring down the losses in medium term. Rapid scale of growth of innerwear segment will scale in other businesses.

ABFRL continue to benefit from the strong financial flexibility of Aditya Birla Group (ABG). However, ABFRL has an average financial risk profile, due to moderately high debt levels, leading to modest debt protection metrics. CRISIL expects healthy increase in cash accrual and no large debt funded capital expenditure (capex) leading to gradual improvement in debt metrics, to below 3 times levels in medium term.

The ratings continue to reflect the company's healthy business risk profile backed by the strong market position of apparel brands of the Madura division, favourable growth prospects of the Pantaloons division driven by strong brand image and pan-India presence, healthy financial flexibility and the benefits of the strong parentage of ABG. These rating strengths are partially offset by the average financial risk profile with moderate debt protection metrics, the intensifying competitive landscape for the apparel sector in India, and the susceptibility of performance to economic down-cycles and to large annual addition of stores.

Analytical Approach

For arriving at its ratings, CRISIL has amortised the goodwill of Rs.1169 crores generated at the time of acquisition of the erstwhile Pantaloons Fashion & Retail Ltd (PFRL) from the Future group. CRISIL has also amortised the goodwill of Rs.627 crores and Rs. 64 crores, generated from the merger of PFRL with Madura division and the acquisition of exclusive franchise rights of Forever 21 respectively. The goodwill has been amortised over a period of five years from the date of acquisition.

Key Rating Drivers & Detailed Description Strengths

* **Healthy business risk profile backed by strength of apparel brands of Madura division:** The Madura division of ABFRL has the leading apparel brands, namely Louis Philippe, Van Heusen, Allen Solly, and Peter England. The division's brands enjoy a strong brand positioning. The franchise model (more than 80% of total stores) of store expansion will reduce the capital requirement, thereby leading to sustenance of healthy return on capital employed (RoCE). The profitability of Madura division has moderated due to losses from new businesses (Forever 21 and other business); however, CRISIL expects the profitability to revive driven by the strength of the apparel brands in Madura, store rationalisation in fast fashion and healthy growth expected in innerwear.

* **Favourable growth prospects for Pantaloons division driven by strong brand image and pan-India presence:** ABFRL's Pantaloons division has healthy growth prospects driven by strong brand image, healthy geographic diversity, and improving profitability. Pantaloons division profitability has improved to 9.6% for first 3 months in fiscal 2019 as compared to 6.3% in corresponding period of fiscal 2018 driven by its focus on the value retail segment, better product mix, cost rationalisation and improving store productivity. The profitability is expected to improve to close to double digits over the medium term. It currently has a pan-India presence, with a network of 282 stores across over 80 cities with high proportion of private labels, which the management looks to increase in the future. The management plans to increase the store count by opening an additional 50 to 60 stores per year over the medium term. CRISIL believes that higher productivity of existing stores and faster turnaround of the new stores will benefit Pantaloons' business risk profile over the medium term.

* **Strong management set-up and experience of the Aditya Birla Group (ABG) in consumer-facing businesses:** ABFRL is expected to benefit from the group's experience of successfully handling consumer-facing businesses such as telecom, apparels, and financial services. The group has been able to substantially scale up these businesses, despite high competitive intensity in each of these segments.

* **Healthy financial flexibility:** CRISIL believes ABFRL's net cash accruals to remain strong going forward; this provides strong financial flexibility to the company. Further, the company has been able to refinance its debt at favourable terms, thereby reducing its interest rates and reducing repayments in the near term. ABFRL's repayment in fiscal 2020 is Rs.500 crores respectively. ABG also considers retail sector as a focus area, and will continue to extend need-based support, managerial and financial, thereby benefitting its financial flexibility.

Weakness

* **Average financial risk profile with moderate debt protection metrics:** ABFRL has an average financial risk profile, due to high debt levels, leading to moderate debt protection metrics. Its borrowings stood at Rs.1881 as on June 30, 2018. ABFRL is expected to generate sufficient cash accrual to part-fund its capex, term debt repayments, and regular working capital.

* **Intensifying competitive landscape for the apparel retail sector in India:** ABFRL continues to be the largest listed fashion and Retail Company in India with Rs 7181cr in revenues. The competitive landscape for the apparel retail sector remains high. Apart from ABG, many of India's large corporate groups, including the Tata group and Reliance Retail Ltd (a step-down subsidiary of Reliance Industries Ltd [rated 'CRISIL AAA/Stable/CRISIL A1+']) have ventured into apparel retail. Additionally, the sector has established players such as Lifestyle International Pvt Ltd (rated 'CRISIL AA/Stable/CRISIL A1+'), Shoppers Stop Ltd (rated 'CRISIL A1+'), and Future Lifestyle Fashions Ltd (rated 'CRISIL AA-/Positive/ CRISIL A1+'). Large global apparel chains such as Marks and Spencer Plc and Inditex S.A. have also entered into joint ventures with local partners to capture a slice of the market. However, CRISIL believes the strong brand franchise of Madura, coupled with the unique positioning of Pantaloons division, will benefit ABFRL.

* **Moderate susceptibility to economic down-cycles and to large annual addition of stores:** ABFRL is also susceptible to economic down-cycles due to the discretionary nature of products. This renders the revenue and profitability of players susceptible to economic cycles.

Outlook: Stable

CRISIL believes ABFRL will continue to benefit from the established position of its brands under Madura and the improving performance of the Pantaloons division.

Upside Scenario:

- * Healthy operating performance of Madura division, combined with sustained improvement in operating performance of Pantaloons division and
- * Improvement in financial risk profile due to debt reduction and increase in operating profits leading to improvement in debt metrics

Downside Scenario:

- * Potential High debt levels in future, leading to weakening of debt protection metrics

About the Company

ABFRL is the apparel retail venture of the Aditya Birla Group, which has merged the Madura division (earlier a division of

Aditya Birla Nuvo Ltd with erstwhile Pantaloons Fashion & Retail Ltd (PFRL) on January 9, 2016, with appointed date of April 1, 2015. PFRL has been renamed to ABFRL subsequent to the merger of Madura division and PFRL. The Madura division is the holder of leading brands in the country, while the existing departmental stores are under the 'Pantaloons' format. ABFRL also acquired Forever 21 brand in India in 2016 to scale the fast fashion segment. The company has started its innerwear brand with retail reach of 8600 outlets across 85 cities as on June 30, 2018.

As on June 30, 2018, the company operated on a retail area of 7.1 million sq ft, with over 1,838 exclusive brand outlets for Lifestyle brands and 282 Pantaloons stores

For the three months ended June 30, 2018, ABFRL reported a net profit of Rs.5.6 crores (net loss of Rs.20.38 crores for the corresponding period of the previous year) on an operating income of Rs. 1914 crores (Rs.1769 crores for the corresponding period of the previous year).

Key Financial Indicators

Particulars	Unit	2018	2017
Revenue	Rs. Cr.	7181	6633
Profit After Tax (PAT)	Rs. Cr.	117.8	53
PAT Margins	%	1.6	0.8
Adjusted Debt/EBITDA	Times	3.6	4.2
Interest coverage	Times	1.29	1.30

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs. Cro.)	Rating Assigned with Outlook
INE647O08024	NCD*	22-May-13	9.20%	22-May-18	100	CRISIL AA/Stable
INE647O08032	NCD	5-May-16	8.84%	12-Apr-19	200	CRISIL AA/Stable
INE647O08040	NCD	31-May-16	8.73%	31-May-19	300	CRISIL AA/Stable
INE647O08057	NCD	10-Oct-16	8.20%	20-Apr-20	400	CRISIL AA/Stable
INE647O08065	NCD	17-Mar-17	7.70%	17-Jun-21	260	CRISIL AA/Stable
NA	NCD#	NA	NA	NA	300	CRISIL AA/Stable
NA	Commercial Paper	NA	NA	7-365 days	1250	CRISIL A1+
NA	Long Term Loan	NA	NA	Sep-2016	1.54	CRISIL AA/Stable
NA	Long Term Loan	NA	NA	Mar-22	8.7	CRISIL AA/Stable
NA	Long Term Loan	NA	NA	Mar-23	20	CRISIL AA/Stable
NA	Cash Credit	NA	NA	NA	661	CRISIL AA/Stable
NA	Working Capital Demand Loan	NA	NA	NA	200	CRISIL AA/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	138.76	CRISIL AA/Stable

#Not yet issued

*CRISIL is awaiting independent confirmation of redemption before withdrawing ratings on these facility

Annexure - Rating History for last 3 Years

Instrument	Type	Current		2018 (History)		2017		2016		2015		Start of 2015
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Commercial Paper	ST	1250.00	CRISIL A1+			02-11-17	CRISIL A1+	-		-		-

9/3/2018

				Rating Rationale					
Non Convertible Debentures	LT	1160.00 31-08-18	CRISIL AA/Stable	02-11-17	CRISIL AA/Stable	18-11-16	CRISIL AA/Stable	--	--
				14-03-17	CRISIL AA/Stable	22-09-16	CRISIL AA/Stable		
						27-04-16	CRISIL AA/Stable		
Short Term Debt (Including Commercial Paper)	ST			14-03-17	CRISIL A1+	18-11-16	CRISIL A1+	--	--
						22-09-16	CRISIL A1+		
						27-04-16	CRISIL A1+		
Fund-based Bank Facilities	LT/ST	1250.00	CRISIL AA/Stable	02-11-17	CRISIL AA/Stable	18-11-16	CRISIL AA/Stable	--	--
				14-03-17	CRISIL AA/Stable	22-09-16	CRISIL AA/Stable/ CRISIL A1+		
						27-04-16	CRISIL AA/Stable/ CRISIL A1+		

All amounts are in Rs.Cr.

Annexure - Details of various bank facilities

Current facilities			Previous facilities		
Facility	Amount (Rs.Crore)	Rating	Facility	Amount (Rs.Crore)	Rating
Cash Credit	881	CRISIL AA/Stable	Cash Credit	591	CRISIL AA/Stable
Long Term Loan	30.24	CRISIL AA/Stable	External Commercial Borrowings	9.2	CRISIL AA/Stable
Proposed Long Term Bank Loan Facility	138.76	CRISIL AA/Stable	Long Term Loan	12.47	CRISIL AA/Stable
Working Capital Demand Loan	200	CRISIL AA/Stable	Proposed Long Term Bank Loan Facility	347.33	CRISIL AA/Stable
--	0	--	Working Capital Demand Loan	290	CRISIL AA/Stable
Total	1250	--	Total	1250	--

Links to related criteria[CRISIL's Approach to Financial Ratios](#)[Rating criteria for manufacturing and service sector companies](#)[Rating Criteria for Retailing Industry](#)[CRISIL's Criteria for rating short term debt](#)**For further information contact:****Media Relations**

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For a copy of Rationales / Rating Reports:
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9/3/2018

Rating Rationale

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Note for Media:

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper / magazine / agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL. However, CRISIL alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites, portals etc.

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CRISIL is a leading agile and innovative, global analytics company driven by its mission of making markets function better. We are India's foremost provider of ratings, data, research, analytics and solutions. A strong track record of growth, culture of innovation and global footprint sets us apart. We have delivered independent opinions, actionable insights, and efficient solutions to over 1,00,000 customers.

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Mr. Jagdish Bajaj
Chief Financial Officer
Aditya Birla Fashion and Retail Limited
701-704, 7th Floor,
Skyline Icon Business Park, 86-92,
Off. Andheri – Kurla Road,
Andheri (East),
Mumbai – 400 059, India

August 31, 2018

Kind Attn: Mr. Jagdish Bajaj, Chief Financial Officer

Dear Sir,

Re: Rating Letter for Aditya Birla Fashion and Retail Limited

India Ratings and Research (Ind-Ra) has rated Aditya Birla Fashion and Retail Limited's (ABFRL) proposed non-convertible debentures (NCDs) as follows:

Instrument Type	Size of Issue (million)	Rating/Outlook	Rating Action
Proposed NCDs	INR3,000	Provisional IND AA/Stable	Assigned

The NCD proceeds shall be utilised solely for the purpose of refinancing of the existing debt, meeting long-term working capital requirements and funding other purposes in the normal course of business.

^The rating is provisional and shall be confirmed upon the sanction and execution of loan documents for the above facilities by ABFRL Ltd to the satisfaction of Ind-Ra.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

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India Ratings & Research Private Limited A Fitch Group Company

Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai 400 051

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As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at +91 22 4000 1700.

Sincerely,

India Ratings



Rakesh Valecha
Senior Director



Abhishek Bhattacharya
Director

India Ratings Assigns Aditya Birla Fashion and Retail's Additional NCDs 'Provisional IND AA/Stable'

31

AUG 2018

By Prateek Goyal

India Ratings and Research (Ind-Ra) has rated Aditya Birla Fashion and Retail Limited's (ABFRL) proposed non-convertible debentures (NCDs) as follows:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Proposed NCDs	-	-	-	INR3,000	Provisional IND AA/Stable	Assigned

The NCD proceeds shall be utilised solely for the purpose of refinancing of the existing debt, meeting long-term working capital requirements and funding other purposes in the normal course of business.

KEY RATING DRIVERS

Largest Fashion Player with Wide Distribution Network: ABFRL is India's largest pure-play fashion and lifestyle company, with revenue of INR72 billion in FY18 (FY17: INR66 billion). It was formed after the amalgamation of Madura Fashion (Madura) division, a branded apparel and retail business of erstwhile Aditya Birla Nuvo Ltd, and Pantaloons Fashion and Retail Ltd (Pantaloons) in FY13. The consolidation has offered a diversified mix of products across categories, price points and market channels. Madura dominates the menswear segment and has several reputed brands under its portfolio, while Pantaloons is establishing itself as a leading player in the value fashion segment with a focus on private labels/own brands. Both the entities had a combined retail space of 7 million sf as of FY18, split across 2,190 exclusive brand outlets (Madura) and 275 large format stores (Pantaloons) in over 750 cities and towns. Madura's brands are also distributed through the wholesale channel, comprising around 5,000 multi-brand outlets and over 4,000 shop-in-shops in department stores.

Madura's Growth Recovers in FY18: Madura's robust business model is underpinned by strong brands, large scale, strong margins, asset-light model of expansion and ability to generate free cash flow. During FY18, Madura contributed 60% to ABFRL's revenue (FY17: 62%) and 71% to EBITDA (72%). With the bulk of restructuring behind, especially in lifestyle brands (Louis Philippe, Van Heusen, Peter England and Allen Solly etc), Madura has reversed the trend of falling growth rate and declining margins. FY18 revenue increased 8.6% yoy to INR45 billion, with EBITDA margin expanding to 8.4% (FY17: 8.3%). Retail like-to-like (LTL) sales for lifestyle brands rose 9.2% yoy in FY18, as opposed to the flat-to-declining trend seen in FY15-FY17. Lifestyle brands reported 6% yoy revenue growth to INR39 billion and EBITDA margin of 12.3% in FY18, recovering to the peak levels. However, losses in the fast fashion and other businesses segments curtailed the overall profitability, despite contributing to faster growth.

The pace of network expansion rebounded with addition of 138 stores in FY18 (FY17: 27 stores). Management expects sustained growth

In the revenue and margins with high return on capital, driven by franchisee-led store network expansion (150-200 exclusive brand outlets per year in steady state, 350 outlets in FY19, 70%-80% through franchisees), declining losses in the fast fashion and other businesses segments, and resilient performance of the lifestyle brands.

Pantaloons' Turnaround on Track: Post the amalgamation, Pantaloons witnessed a comprehensive restructuring, leading to the rationalisation of store network, an improvement in vendor network, overhauling of product lines and focus on increasing the share of private labels. With integration issues largely resolved, Pantaloons has resumed its growth momentum, with net store additions accelerating to 66 in FY18 (FY17: 46) than sub-30 over FY14-FY16. Revenue grew over 12% yoy, slower than 16%-18% yoy growth recorded in FY16-FY17, due to sluggish LTL trends. However, the margins expanded to 6% in FY18 (FY17: 4.9%), on account of increased focus on cost control and operating leverage, which was highest since the merger.

Ind-Ra expects Pantaloons' LTL growth to recover on account of increased store maturity (nearly 150 stores of 275 are less than two years old), better merchandise planning and management, and aggressive marketing to create stronger visibility and brand connect. Meanwhile, management expects to add 60-80 new stores annually with 20%-25% through franchisee model, further aiding revenue growth. The agency expects the margins to improve in FY19 on the back of increased private label share (FY18: 60%), with a continued focus on cost control and operating leverage.

Improved, Albeit Moderate Financial Profile: ABFRL's gross interest coverage (EBITDA/gross interest expense) improved to 2.7x in FY18 (FY17: 2.4x) and net leverage (net debt/EBITDA) to 3.8x (4.6x), driven by an 8.6% yoy increase in revenue and stable EBITDA margin of 6.5% (6.6%). Excluding the one-time impact of INR320 million on account of GST implementation and expenses related to shelved project, the EBITDA margins expanded to 7% in FY18. Ind-Ra expects the credit metrics to improve over FY19-FY21 with 12%-13% annual revenue growth and an improvement in the margin to 8%-8.5%. ABFRL has announced its plans to raise INR10 billion in equity or equity-like instruments, which would bolster its liquidity position and capital structure.

Strong Free Cash Flow, Adequate Liquidity: ABFRL's free cash flow turned positive to INR2 billion in FY18. Ind-Ra expects this trend to continue over FY19-FY21, driven by capital efficiencies in the form of working capital management, the asset-light expansion strategy, a rejigged debt structure to allow a lower interest outgo and an improvement in the operating profitability. The agency expects free cash flow to be sufficient to meet scheduled repayments over FY19. ABFRL may require refinancing in FY20 and FY21 (in absence of adequate equity infusion), due to lumpy debt repayments owing to the redemption of zero-coupon NCDs (INR11.6 billion).

As of March 2018, the company had unutilised working capital/cash credit limits of INR4.5 billion and cash and cash equivalents of INR726 million. Although ABFRL is subject to rollover risks for outstanding commercial papers (FY18: INR3.5 billion), Ind-Ra derives comfort from the group's strong financial flexibility.

Strong Parentage: ABFRL benefits from the strong financial flexibility of the Aditya Birla Group and the group's experience of successfully handling consumer-facing businesses such as telecom, apparels, and financial services. The group has been able to substantially scale up these businesses, despite intense competition in each of these segments. The group considers the retail sector as a focus area, and in Ind-Ra's assessment it will continue to extend need-based managerial and financial support to ABFRL.

Rating Constraints: High competition in the apparel retail sector along with its susceptibility to economic cycles constrains the ratings.

RATING SENSITIVITIES

Positive: A significant improvement in the operating profitability and a reduction in debt, leading to an improvement in net leverage, all on sustained basis, will lead to a positive rating action.

Negative: Inability to reduce net leverage below 3.5x on a sustained basis and/or a weakening of the linkages between the Aditya Birla Group and ABFRL will lead to a negative rating action.

COMPANY PROFILE

ABFRL is the apparel retail venture of the Aditya Birla Group.

FINANCIAL SUMMARY

Particulars	FY18	FY17
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Revenue (INR billion)	71.72	66.03
EBITDA (INR billion)	4.68	4.38
EBITDA margin (%)	6.5	6.6
Total debt (INR billion)	18.62	20.45
Gross Interest coverage (x)	2.7	2.4
Net leverage (x)	3.8	4.6
Source: Company, Ind-Ra		

RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook	
	Rating Type	Rated Limits (million)	Rating	12 June 2018	24 May 2017
Issuer rating	Long-term	-	IND AA/Stable	IND AA/Stable	IND AA/Stable
Term loans	Long-term	INR304.9	IND AA/Stable	IND AA/Stable	IND AA/Stable
Fund-based working capital limits	Long-term/Short-term	INR2,000	IND AA/Stable/IND A1+	IND AA/Stable/IND A1+	IND AA/Stable/IND A1+
Non-fund-based working capital limits	Short-term	INR2,750	IND A1+	IND A1+	IND A1+
NCDs*	Long-term	INR15,600	IND AA/Stable	IND AA/Stable	IND AA/Stable
Commercial paper*	Short-term	INR12,500	IND A1+	IND A1+	IND A1+
Working capital limits (fund/non-fund-based)	Long-term/Short-term	INR7,060	IND AA/Stable/IND A1+	IND AA/Stable/IND A1+	Provisional IND AA/Stable/Provisional IND A1+

*Details in annexure

ANNEXURE

Instrument Type	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook
NCDs	INE647O08032	5 May 2016	8.84	12 April 2019	INR2,000	IND AA/Stable
NCDs	INE647O08040	31 May 2016	8.73	31 May 2019	INR3,000	IND AA/Stable
NCDs	INE647O08057	10 October 2016	8.20	20 April 2020	INR4,000	IND AA/Stable
NCDs	INE647O08065	17 March 2017	7.70	17 June 2021	INR2,600	IND AA/Stable
Proposed NCDs					INR4,000	Provisional IND AA/Stable
Total NCDs					INR15,600	
Commercial paper				September-November 2018	INR12,500	IND A1+

COMPLEXITY LEVEL OF INSTRUMENTS

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

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Applicable Criteria

Corporate Rating Methodology

Analyst Names

Primary Analyst

Prateek Goyal

Senior Analyst

India Ratings and Research Pvt Ltd 4th Floor, D South, TIDEL Park No 4, Rajiv Gandhi Salai, Taramani
Chennai 600 113
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AXIS TRUSTEE

ATSL/CO/18-19/0083

24 August, 2018

Aditya Birla Fashion and Retail Limited
701-704, 7th Floor, Skyline Icon Business Park,
86-92 Off A. K. Road, Marol Village, Andheri East,
Mumbai - 400059

Kind Attn. : Ms. Geetika Anand

Dear Madam,

Sub: Aditya Birla Fashion and Retail Limited (the Company) – Consent to act as Trustee for the Unsecured, Listed Non-convertible Debentures aggr. to Rs. 300 Crores

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Private Placement offer letter/ Information Memorandum. Applicants / Investors are advised to read carefully the Private Placement offer letter/ Information Memorandum and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Private Placement offer letter/ Information Memorandum before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours Truly,

For Axis Trustee Services Limited

**Mangalagowri Bhat
Senior Manager**

Axis Trustee Services Limited (Wholly owned subsidiary of Axis Bank Limited)

Registered office: Axis House, Wadia International Centre, Pandurang Budhkar Marg, Worli,
Mumbai – 400 025; Corporate Office: The Ruby, 2nd Floor, SW 29 Senapati Bapat Marg, Dadar West, Mumbai- 400 028;
CIN:U74999MH2008PLC182264



Aditya Birla Fashion and Retail Limited

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2018

₹ in Crores

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2018 (Unaudited)	March 31, 2018 (Audited) (Refer note 3)	June 30, 2017 (Unaudited)	March 31, 2018 (Audited)
I	Revenue from operations	1,813.52	1,759.89	1,768.62	7,181.41
II	Other income	8.47	10.76	8.18	32.81
III	Total Income (I + II)	1,921.99	1,764.35	1,776.80	7,214.22
IV	Expenses				
	(a) Cost of materials consumed	143.84	158.31	166.89	664.16
	(b) Purchases of stock-in-trade	880.26	795.86	566.76	2,971.99
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(102.91)	(128.38)	99.35	(246.07)
	(d) Employee benefits expense	217.61	173.07	192.81	772.33
	(e) Finance costs	44.41	42.67	42.69	171.60
	(f) Depreciation and amortisation expense	72.90	87.04	59.44	280.52
	(g) Excise duty on sale of goods	-	-	9.34	9.34
	(h) Rent expense	265.28	259.57	284.66	1,042.87
	(i) Other expenses	395.60	337.91	375.24	1,498.51
	Total expenses	1,916.39	1,720.06	1,797.18	7,165.25
V	Profit/ (loss) from operations before exceptional items and tax (III - IV)	5.60	44.30	(20.38)	48.97
VI	Exceptional items	-	-	-	-
VII	Profit/ (loss) before tax (V + VI)	5.60	44.30	(20.38)	48.97
VIII	Tax expense:				
	(a) Current tax	-	-	-	-
	(b) Deferred tax (Refer note 8)	-	(68.82)	-	(68.82)
IX	Net profit/ (loss) after tax (VII - VIII)	5.60	113.12	(20.38)	117.79
X	Other comprehensive income	3.48	0.93	1.08	4.26
XI	Total comprehensive income (IX + X)	9.08	114.05	(19.30)	122.05
XII	Paid-up equity share capital (Face value of ₹ 10/- each)	771.72	771.69	771.53	771.69
XIII	Other equity (excluding share suspense)	-	-	-	319.71
XIV	Earnings per equity share (of ₹ 10/- each) (not annualised) (including share suspense)				
	(a) Basic (₹)	0.07	1.46	(0.26)	1.52
	(b) Diluted (₹)	0.07	1.46	(0.26)	1.52

SIGNED FOR IDENTIFICATION
BY

S B C & CO LLP
MUMBAI



UNAUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED JUNE 30, 2018

₹ In Crores

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2018 (Unaudited)	March 31, 2018 (Audited) (Refer note B)	June 30, 2017 (Unaudited)	March 31, 2018 (Audited)
I	Segment revenue				
	Madura Fashion & Lifestyle	1,104.06	1,161.14	1,050.00	4,468.76
	Pantaloons	812.54	641.34	730.60	2,861.51
	Total segment revenue	1,916.60	1,802.48	1,780.60	7,330.27
	Less: Inter-segment revenue	3.08	48.89	11.98	148.86
	Net sales/ Income from operations	1,913.52	1,753.59	1,768.62	7,181.41
II	Segment results [Profit/ (loss) before finance costs and tax]				
	Madura Fashion & Lifestyle	19.74	106.92	19.77	211.97
	Pantaloons	38.73	17.65	9.65	22.34
	Total segment result	52.47	88.67	23.42	234.31
	Less: Inter-segment result	2.54	0.42	0.56	9.76
	Net segment result	49.93	88.25	22.86	224.55
	Less: i) Interest	44.41	42.67	42.69	171.60
	ii) Other unallocable expenditure/ (income) - net	(0.08)	1.28	0.55	3.98
	Profit/ (loss) after finance costs but before exceptional items	5.60	44.90	(20.38)	48.97
	Exceptional Items				
	Total profit/ (loss) before tax	5.60	44.90	(20.38)	48.97
III	Segment assets	As at June 30, 2018 (Unaudited)	As at March 31, 2018 (Audited)	As at June 30, 2017 (Unaudited)	As at March 31, 2018 (Audited)
	Madura Fashion & Lifestyle	3,139.45	3,170.78	2,829.29	3,170.78
	Pantaloons	2,701.72	2,526.63	2,097.24	2,526.63
	Total segment assets	5,841.17	5,697.41	4,926.53	5,697.41
	Inter-segment eliminations	(80.32)	(75.75)	(41.28)	(75.75)
	Unallocated corporate assets	169.90	112.38	22.96	112.38
	Total assets	5,950.75	5,733.98	4,902.21	5,733.84
IV	Segment liabilities	As at June 30, 2018 (Unaudited)	As at March 31, 2018 (Audited)	As at June 30, 2017 (Unaudited)	As at March 31, 2018 (Audited)
	Madura Fashion & Lifestyle	1,695.41	1,725.77	1,511.75	1,725.77
	Pantaloons	1,119.15	940.87	591.89	940.87
	Total segment liabilities	2,814.56	2,666.64	2,103.64	2,666.64
	Inter-segment eliminations	(36.38)	(54.36)	(29.08)	(54.36)
	Unallocated corporate liabilities	1.78	2.74	1.75	2.74
Total liabilities	2,779.96	2,615.02	2,076.31	2,615.02	

Note:

The business of the Company 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.

SIGNED FOR IDENTIFICATION
BY

S R B C & CO LLP
MUMBAI



Notes:

- 1 The above 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 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 2 The above financial results, as reviewed and recommended by the Audit Committee, have been approved and taken on record by the Board of Directors at its meeting held on August 1, 2018.
- 3 The figures for the quarter ended March 31, 2018 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2018 and the unaudited published year-to-date figures upto December 31, 2017 being the date of the end of the third quarter of the financial year which was subjected to limited review.
- 4 The limited review as required under Regulation 39 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.
- 5 Ind AS 115 - "Revenue from contracts with customers", mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The Company has applied the modified retrospective approach, therefore revenue for the quarter and year ended March 31, 2018 and quarter ended June 30, 2017 are not comparable with quarter ended June 30, 2018 and there are no adjustments required to the retained earnings as at April 1, 2018. Due to the application of Ind AS 115, revenue from operations and cost of goods sold is lower by ₹ 13.84 Crore on account of impact of purchases on sales or return basis arrangements. However, this does not have any impact on profit for the quarter.
- 6 The Nomination and Remuneration Committee of the Board of Directors, vide its Circular Resolutions dated April 23, 2018 and June 6, 2018, allotted a total of 28,675 equity shares of ₹ 10/- each, pursuant to the exercise of Stock Options by eligible employees in terms of the Employee Stock Options Scheme - 2013.
- 7 In terms of Clause 21 of the Composite Scheme of Arrangement amongst the Company, erstwhile Aditya Birla Nuvo Limited ("ABNL"), Madura Germents Lifestyle Retail Company Limited ("MGLRCL") and their respective shareholders and creditors ("Composite Scheme"), the allotment of 37,82,178 equity shares of ₹ 10/- each ("said shares"), pertaining to the 3,475 non-resident shareholders of ABNL holding shares on repatriation basis ("NRE shareholders") was kept pending until receipt of applicable regulatory approval(s).

Out of the said shares, the Company has, till date, allotted 20,71,265 equity shares of ₹ 10/- each to 1,407 NRE shareholders (including 10,006 equity shares of ₹ 10/- each, allotted to 14 NRE shareholders, on January 24, 2018), in terms of the applicable laws.

As at June 30, 2018, face value of 17,10,913 equity shares has been accounted as 'Share suspense account'.
- 8 Based on management's best estimate of future taxable income, during the year ended March 31, 2018, the Company recognised deferred tax assets amounting to ₹ 68.82 Crore on the brought forward losses available for utilisation.
- 9 Effective July 1, 2017, sales are recorded net of GST whereas earlier the same was recorded gross of excise duty which formed part of expenses. Hence, Revenue from operations for the three months ended June 30, 2018 are not comparable with previous period corresponding figures of June 30, 2017.
- 10 Previous periods' figures have been regrouped/ rearranged wherever necessary to conform to the current period's classification(s).

SIGNED FOR IDENTIFICATION
BY

S R & CO LLP
MUMBAI

Place : Mumbai
Date : August 1, 2018




Ashish Dhanraj
Managing Director

Aditya Birla Fashion and Retail Limited
Registered Office: 701-704, 7th Floor, Skyline Icon Business Park, 86-82, Off. A K Road, Marol Village
Andheri East, Mumbai, Maharashtra - 400058, India.
CIN: L18101MH2007PLC233901 E-mail: secretarial@adityabirla.com Website: www.abfl.com

Aditya Birla Fashion and Retail Limited (formerly known as Pantaloon Fashion & Retail Limited)
Balance Sheet as at March 31, 2018

₹ in Crores

	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
I Non-current assets			
(a) Property, plant and equipment	3	646.45	546.24
(b) Capital work-in-progress	3	45.89	25.00
(c) Goodwill	4, 41	1,859.60	1,859.60
(d) Other intangible assets	4	76.25	81.22
(e) Financial assets			
(i) Investments	5	4.21	-
(ii) Loans	6	2.90	3.49
(iii) Security deposits	7	251.53	213.90
(iv) Other financial assets	8	1.15	1.00
(f) Deferred tax assets (net)	9	68.82	-
(g) Non-current tax assets (net)		18.75	17.78
(h) Other non-current assets	10	107.99	151.82
Sub-Total - Non-current assets		3,083.54	2,900.05
II Current assets			
(a) Inventories	11	1,691.20	1,431.25
(b) Financial assets			
(i) Loans	12	4.69	3.80
(ii) Security deposits	13	69.20	83.02
(iii) Trade receivables	14	551.84	452.18
(iv) Cash and cash equivalents	15	72.56	49.53
(v) Bank balance other than above	16	0.23	0.13
(vi) Other financial assets	17	27.99	19.68
(c) Other current assets	18	232.59	96.21
Sub-Total - Current assets		2,650.30	2,135.80
TOTAL - ASSETS		5,733.84	5,035.85
EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	19	771.69	770.53
(b) Other equity	20	321.42	187.63
Sub-Total - Equity		1,093.11	958.16
II Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	1,187.91	1,270.99
(ii) Deposits		79.45	78.51
(b) Provisions	22	121.14	107.08
(c) Other non-current liabilities	23	87.21	63.26
Sub-Total - Non-current liabilities		1,469.71	1,519.84



III Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	570.45	760.74
(ii) Trade payables	25	2,009.32	1,457.80
(iii) Deposits		89.02	58.83
(iv) Other financial liabilities	26	336.70	111.07
(b) Provisions	27	70.87	85.85
(c) Other current liabilities	28	94.66	83.56
Sub-Total - Current liabilities		3,171.02	2,557.85
TOTAL - EQUITY AND LIABILITIES		5,799.84	5,035.85

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300009

Chartered Accountants



Per VIHAY MANIAR
Partner
Membership No.: 36738



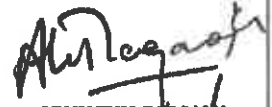
FOR AND ON BEHALF OF BOARD OF DIRECTORS



ASHISH DIXHIT
Managing Director
(DIN: 01842066)



SUKANYA KRIPALU
Director
(DIN: 06894202)



ARUN THIAGARAJAN
Director
(DIN: 00292757)



JAGDISH BAJAJ
Chief Financial Officer



GEETHA ANAND
Company Secretary

Place: Mumbai
Date : May 11, 2018

Place: Mumbai
Date : May 11, 2018



Aditya Birla Fashion and Retail Limited (formerly known as Pantaloon Fashion & Retail Limited)
Statement of Profit and Loss for the year ended March 31, 2018

₹ in Crores

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I Revenue from operations	29	7,181.41	6,632.98
II Other income	30	82.81	38.15
III Total Income (I + II)		7,214.22	6,671.13
IV Expenses			
(a) Cost of materials consumed	31a	664.16	605.87
(b) Purchases of stock-in-trade	31b	2,971.99	2,388.19
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	31c	(246.07)	2.61
(d) Employee benefits expense	32	772.33	705.80
(e) Finance costs	33	171.60	179.67
(f) Depreciation and amortisation expense	34	280.52	242.47
(g) Excise duty on sale of goods		9.84	30.12
(h) Rent expense		1,042.87	1,017.23
(i) Other expenses	35	1,498.51	1,433.67
Total expenses		7,168.28	6,617.88
V Profit/ (loss) before tax (III - IV)		48.87	53.58
VI Income tax expense			
(a) Current tax		-	-
(b) Deferred tax		(58.82)	-
VII Profit/ (loss) for the year (V - VI)		117.79	53.58
VIII Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		4.26	(8.71)
Income tax effect		-	-
Other comprehensive income for the year		4.26	(8.71)
IX Total comprehensive income for the year (VII + VIII)		122.05	44.79
X Earnings per equity share (Nominal value of share ₹ 10 (March 31, 2017 : ₹ 10))	36		
Basic (₹)		1.52	0.69
Diluted (₹)		1.52	0.69
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300003

Chartered Accountants

Per VIDYU MANIAR
 Partner
 Membership No.: 36738



FOR AND ON BEHALF OF BOARD OF DIRECTORS

ASHISH DIXIT
 Managing Director
 (DIN: 01542066)

JAGDISH KALIA
 Chief Financial Officer

SUKANYA KRIPALU
 Director
 (DIN: 08994202)

CHITRA KUMAR
 Company Secretary

ARUN THAGARAJAN
 Director
 (DIN: 00292757)

Place: Mumbai
 Date: May 11, 2018

Place: Mumbai
 Date: May 11, 2018



Aditya Birla Fashion and Retail Limited (formerly known as Fashionware Fashion & Retail Limited)
Statement of changes in equity for the year ended March 31, 2018

a. Equity share capital

	As at March 31, 2018		As at March 31, 2017	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Equity shares of ₹ 20 each issued, subscribed and fully paid				
As at the beginning of the year	770,527,154	770.80	768,042,726	768.84
Allotment to NR shareholders (Refer Note - 20)	1,054,829	1.08	1,054,786	1.04
Exercise of Options (Refer Note - 45)	192,501	0.18	647,692	0.65
As at the end of the year	771,893,564	771.89	770,527,154	770.51

b. Other equity

	Share application money pending allotment (Refer Note - 20)	Share suspense account (Refer Note - 20)	Reserve and surplus				Other comprehensive income	Total other equity
			Securities premium (Refer Note - 20)	Retained earnings (Refer Note - 20)	Share options outstanding account (Refer Note - 20)	Capital reserve (Refer Note - 20)		
As at April 1, 2016	-	3.70	751.48	(944.00)	4.17	21.69	0.18	195.65
Profit for the year	-	-	-	38.80	-	-	-	39.80
Allotted to NR shareholders during the year	-	(1.04)	-	-	-	-	-	(1.04)
Premium on exercise of share Options	-	-	8.41	-	-	-	-	8.41
Remeasurement gain/(loss) on defined benefit plans	-	-	-	-	-	-	(8.71)	(8.71)
Gross compensation for Options granted during the year	-	-	-	-	4.81	-	-	4.81
Transfer to Securities Premium on exercise of Options	-	-	-	-	(3.89)	-	-	(3.89)
As at March 31, 2017	-	2.74	759.89	(591.10)	2.89	21.69	(8.58)	187.83
As at April 1, 2017	-	2.74	766.89	(681.10)	2.89	21.69	(8.58)	187.88
Profit for the year	-	-	-	117.79	-	-	-	117.79
Allotted to NR shareholders during the year	-	(1.08)	-	-	-	-	-	(1.08)
Premium on exercise of share Options	-	-	2.01	-	-	-	-	2.01
Remeasurement gain/(loss) on defined benefit plans	-	-	-	-	-	-	4.25	4.25
Gross compensation for Options granted during the year	-	-	-	-	11.72	-	-	11.72
Transfer to Securities Premium on exercise of Options	-	-	-	-	(2.11)	-	-	(2.11)
Share application money received towards exercise of share Options	0.15	-	-	-	-	-	-	0.15
As at March 31, 2018	0.15	1.71	761.80	(473.91)	13.60	21.69	(4.32)	321.62

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants No. 324942E/0300009

Chartered for contacts

PA. VIJAY MANJUNATH

Partner

Membership No.: 30798



FOR AND ON BEHALF OF BOARD OF DIRECTORS

ANISH K. KHENI
Managing Director
(DIN: 02840264)

J. S. Bhat
Chief Financial Officer

Place: Mumbai
Date: May 11, 2018

SUNANDA LAL PALLI
Director
(DIN: 00884202)

GEETIKA
Company Secretary

Place: Mumbai
Date: May 11, 2018

AMIN THAKUR
Director
(DIN: 00882687)



Aditya Birla Fashion and Retail Limited (formerly known as Pantaloon Fashion & Retail Limited)
Statement of cash flows for the year ended March 31, 2018

		₹ In Crores	
	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Cash flows from operating activities			
Profit/ (loss) before tax		48.97	53.50
Adjustments to reconcile profit/ (loss) before tax to net cash flows:			
Depreciation and amortisation of property, plant and equipment and intangible assets	34	280.52	242.47
Finance costs	33	166.86	176.11
Loss/ (profit) on sale of property, plant and equipment		2.45	1.42
Employee stock compensation expense	32	11.72	6.79
Interest income	30	(5.52)	(3.83)
Net gain on sale of investments	30	(0.61)	(0.43)
Unrealised exchange (gain)/ loss		(0.09)	1.22
Expense/ (income) on financial assets/ liabilities that are not designated as at fair value through profit or loss		1.26	0.05
Provision for doubtful debts, deposits and advances	35	14.25	8.00
Bad debts written off	35	0.28	0.20
Operating profit before working capital changes		520.08	485.50
Movements in working capital:			
(Increase)/ decrease in trade and other receivables		(105.03)	(138.02)
(Increase)/ decrease in inventories		(259.95)	5.99
(Increase)/ decrease in other assets		(170.98)	(57.86)
Increase/ (decrease) in trade and other payables		551.03	114.64
Increase/ (decrease) in provisions		3.34	(4.86)
Increase/ (decrease) in other liabilities		57.59	22.82
Cash generated from/ (used in) operations		586.09	428.21
Direct taxes paid (Net of refunds)		(0.97)	(3.02)
Net cash flow from/ (used in) operating activities		585.12	425.19
Cash flows from investing activities			
Purchase of property, plant and equipment, intangible assets and capital advance		(339.09)	(296.16)
Acquisitions during the year	41	-	(175.60)
Proceeds from sale of property, plant and equipment and intangible assets		11.97	21.88
Purchase of current investments		(475.74)	(581.12)
Proceeds from sale/ maturity of current investments		476.35	581.55
Purchase of non-current investments		(4.21)	-
Interest income	30	5.52	3.83
Net cash flow from/ (used in) investing activities		(325.20)	(445.62)
Cash flows from financing activities			
Proceeds from issuance of equity share capital		1.18	1.09
Proceeds from non-current borrowings		20.00	1,363.58
Repayment of non-current borrowings		(12.89)	(1,130.25)
Proceeds from current borrowings		212.52	3,956.47
Repayment of current borrowings		(402.80)	(3,995.00)
Interest paid		(64.90)	(144.97)
Net cash flow from/ (used in) in financing activities		(246.89)	80.92
Net increase/ (decrease) in cash and cash equivalents		23.03	30.49
Cash and cash equivalents at the beginning of the year		49.53	19.04
Cash and cash equivalents at the end of the year	15	72.56	49.53



Components of Cash and cash equivalents		
Balances with banks - on current account	47.24	27.99
Balance with credit card companies	8.15	8.75
Balance with e-wallet companies	0.01	0.02
Cash on hand (Refer Note - 15)	13.90	5.24
Cheques/ drafts on hand	3.86	8.13
Total Cash and cash equivalents	73.56	48.83

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/2300009

Chartered Accountants

Parvathy Maniar
Partner
Membership No.: 36798



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


ASHISH DIKSHIT
Managing Director
(CIN: 01842068)


SUKANYA KRIPALU
Director
(DIN: 05394202)


ARUN THAKURAJAN
Director
(DIN: 00292757)


JAGDISH BATAJ
Chief Financial Officer


GEETIKA BHAND
Company Secretary

Place: Mumbai
Date : May 11, 2018

Place: Mumbai
Date : May 11, 2018



Aditya Birla Fashion and Retail Limited (formerly known as Pantaloons Fashion & Retail Limited)
Balance Sheet as at March 31, 2017

		Rs. in Lakhs		
	Notes	As at 31-Mar-2017	As at 31-Mar-2016	As at 01-Apr-2015
ASSETS				
A	Non-current assets			
	3	54,624	48,369	62,883
	3	2,500	2,538	1,567
	4, 34 & 44	185,960	179,522	179,522
	4	8,122	4,429	4,408
	Financial assets			
	5	349	357	444
	5A	21,390	16,230	16,553
	6	100	37	54
	43	-	-	-
		5,367	3,634	3,726
	7	11,593	7,626	2,548
		290,005	262,742	271,705
B	Current assets			
	8	143,125	141,053	115,025
	Financial assets			
	5	380	443	399
	5A	8,302	9,944	4,200
		9	-	26
	9	45,387	31,238	40,851
	10	4,433	1,906	2,701
		13	18	-
	6	2,309	3,403	20
		3,970	3,354	2,992
	7	5,651	4,140	8,417
		213,579	195,499	174,631
		503,584	458,241	446,336
EQUITY AND LIABILITIES				
C	Equity			
	11	77,053	76,884	9,279
	12			
		274	378	67,982
		75,989	75,148	75,137
		(59,968)	(64,447)	(53,485)
		2,468	2,586	2,473
		95,816	90,549	101,386
D	Non-current liabilities			
	Financial liabilities			
	13	127,099	67,715	101,098
		7,851	6,715	3,858
	17	1,232	858	709
		5,560	3,937	7,824
	18	766	618	321
		142,508	79,843	113,810



E	Current Liabilities				
	Financial Liabilities				
	Borrowings	13	76,074	79,927	63,688
	Trade payables	14	155,105	142,981	124,146
	Deposits		5,883	5,120	4,761
	Other financial liabilities	15	1,107	43,253	23,028
	Deferred revenue	16	1,797	2,430	2,846
	Employee Benefit Obligation	17	8,585	6,598	5,240
	Liabilities for rent straight lining		1,550	2,155	2,512
	Other payables	18	5,159	5,385	4,919
	Sub-Total - (E)		265,260	287,849	231,140
	TOTAL (C+D+E)		503,584	458,241	446,336
	Summary of significant accounting policies	2.1			

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300003

Chartered Accountants

Per VIJAY MANIAR
Partner

Membership No.: 36738



Place: Mumbai
Date : May 12, 2017

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Pranab Barua

PRANAB BARUA
(Managing Director)
(DIN: 00230152)

Sukanya Kripalu

SUKANYA KRIPALU
(Director)
(DIN: 06994202)

Arun Thiagarajan

ARUN THIAGARAJAN
(Director)
(DIN: 00292757)

S. Visvanathan

S. VISVANATHAN
Chief Financial Officer

Geetika Anand

GEETIKA ANAND
Company Secretary

Place: Mumbai
Date : May 12, 2017



Aditya Birla Fashion and Retail Limited (formerly known as Pantaloon Fashion & Retail Limited)
Statement of Profit and Loss for the year ended March 31, 2017

	Notes	Year ended 31-Mar-2017	Rs. in Lakhs Year ended 31-Mar-2016
Revenue from operations	19	663,298	603,458
Total income		663,298	603,458
Expenses			
Cost of raw materials consumed	20	60,687	63,922
Purchases of traded goods	20	239,919	235,216
(Increase) / decrease in inventories of finished goods, work-in-progress & traded goods	20	261	(23,962)
Excise duty on sale of goods		3,012	66
Employee benefit expense	21	70,580	62,053
Other expenses	22	245,090	228,321
Total expenses		619,549	565,616
Earnings before interest, tax, depreciation and amortization (EBITDA)		43,749	37,842
Less:			
Depreciation and amortisation expense	23	24,247	33,809
Finance costs	24	17,967	17,645
Add:			
Other income	25	2,169	467
Finance income	26	1,646	2,170
Profit / (Loss) Before Tax		5,350	(10,975)
(i) Current tax		-	-
(ii) Deferred tax		-	-
Income tax expense		-	-
Profit / (Loss) for the Year		5,350	(10,975)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans	27	(871)	13
Income tax effect		-	-
Other comprehensive income for the year		(871)	13
Total comprehensive income for the period		4,479	(10,962)
Earnings per equity share (nominal value of share Rs. 10 (March 31, 2016 Rs.10))			
Basic in Rs. per share	28	0.69	(1.42)
Diluted in Rs. per share		0.69	(1.42)
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No. 324982E/E300003

Chartered Accountants

Prashant Mahajan

Partner

Membership No.: 36738



Place: Mumbai

Date: May 12, 2017

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Pranab Barua
 (Managing Director)
 (DIN: 00230152)

Sukanya Kripaluj
 (Director)
 (DIN: 06994202)

Arun Thiagarajan
 (Director)
 (DIN: 00292757)

S. Visvanathan
 Chief Financial Officer

Geetika Anand
 Company Secretary

Place: Mumbai

Date: May 12, 2017



Aditya Birla Fashion and Retail Limited (formerly known as Pantaloon Fashion & Retail Limited)
Statement of changes in equity for the year ended March 31, 2017

a. Equity share capital	No. of shares	Rs. in Lakhs
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at April 1, 2015	92,793,529	9,279
Scheme of Demerger (Refer Note - 44)	676,037,600	67,604
Exercise of Options - Share based payments (Refer Note - 36)	1,597	1
As at March 31, 2016	768,942,726	76,884
As at April 1, 2016	768,942,726	76,884
Allotment to NR Shareholders (Refer Note - 12)	1,036,736	104
Exercise of Options - Share based payments (Refer Note - 36)	647,692	65
As at March 31, 2017	770,627,154	77,053

	Share Suspense Account (Refer Note - 12)	Reserves and surplus				Other comprehensive income		Total other equity
		Share premium (Refer Note - 12)	Retained earnings	Share Based Payment Reserve (Refer Note - 12)	Capital Reserve (Refer Note - 12)	Cash flow Hedge Reserve		
As at April 1, 2015	67,982	75,157	(53,485)	302	2,169	2	92,107	
(Loss) for the year	-	-	(10,975)	-	-	-	(10,975)	
Add: Other comprehensive income (Refer Note - 27)	-	-	13	-	-	-	13	
Total Other Comprehensive Income	67,982	75,157	(64,447)	302	2,169	2	81,145	
Shares allotted during the year (676,037,600 Equity shares)	(67,604)	-	-	-	-	-	(67,604)	
Premium on exercise of share options	-	11	-	-	-	-	11	
Gross compensation for options granted during the year	-	-	-	115	-	-	115	
(Loss) recognised during the year (net)	-	-	-	-	-	(24)	(24)	
Gain recycled to Statement of Profit and Loss (net)	-	-	-	-	-	22	22	
As at March 31, 2016	378	75,148	(64,447)	417	2,169	-	13,665	
Balance as at April 1, 2016	378	75,148	(64,447)	417	2,169	-	13,665	
Profit for the year	-	-	5,350	-	-	-	5,350	
Add: Other comprehensive income (Refer Note - 27)	-	-	(871)	-	-	-	(871)	
Total Other Comprehensive Income	378	75,148	(59,968)	417	2,169	-	18,144	
Allotted to NR shareholders during the year (10,36,736 Equity shares)	(104)	-	-	-	-	-	(104)	
Premium on exercise of share options	-	841	-	-	-	-	841	
Gross compensation for Options granted during the year	-	-	-	481	-	-	481	
Transfer to Share Premium on Exercise of Share Options	-	-	-	(599)	-	-	(599)	
As at March 31, 2017	274	75,989	(59,968)	299	2,169	-	18,763	

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

Per VIJAY MANBAK
Partner
Membership No.: 36738



FOR AND ON BEHALF OF BOARD OF DIRECTORS

PRANAB BARUA
(Managing Director)
(DIN: 00290182)

S. VISVANATHAN
Chief Financial Officer

SUKANYA KRIPALU
(Director)
(DIN: 06994202)

GEETIKA ANAND
Company Secretary

ARUN CHAKRAJAI
(Director)
(DIN: 00292787)

Place: Mumbai
Date: May 12, 2017

Place: Mumbai
Date: May 12, 2017



Aditya Birla Fashion and Retail Limited (formerly known as Pantaloons Fashion & Retail Limited)
Cash flow statement for the year ended March 31, 2017

		Rs. in Lakhs	
	Notes	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Cash flows from operating activities			
Profit / (Loss) before tax		5,350	(10,975)
Adjustment to reconcile profit / (loss) before tax to net cash flows:			
Depreciation and amortisation of plant, property and equipments and intangible assets	23	24,247	33,809
Finance costs	24	17,967	17,645
(Profit) / Loss on sale of Plant, property and equipment		142	92
Employee stock compensation expense		679	290
Finance Income		(1,646)	(2,170)
Operating profit before working capital changes		46,739	38,691
Movements in working capital:			
(Increase)/decrease in trade and other receivables		(14,149)	9,613
(Increase)/decrease in inventories		(2,072)	(26,028)
(Increase)/decrease in other assets		(6,946)	(9,239)
Increase/(decrease) in trade and other payables		12,124	18,835
Increase/(decrease) in Employee Benefit Obligation		2,361	1,507
Increase/(decrease) in provisions		-	-
Increase/(decrease) in other liabilities		2,126	(2,102)
Cash generated from / (used in) operations		40,183	31,277
Direct taxes paid (Net of refunds)		(302)	(190)
Net cash flow from / (used in) operating activities		39,881	31,087
Cash flows from investing activities			
Purchase of property, plant and equipment, intangible assets and capital advance		(45,903)	(21,273)
Proceeds from sale of property, plant and equipment and intangible assets		2,167	514
Purchase of current investments		58,112	(1,390)
Proceeds from sale / Maturity of Current Investments		(58,112)	1,390
Investments in Bank Deposits (having original maturity of more than three months)		-	-
Finance Income	26	1,646	2,170
Net cash flow from/ (used in) investing activities		(42,090)	(18,589)
Cash flows from financing activities			
Proceeds from issuance of equity share capital		169	67,605
Proceeds from issuance of equity share capital		44	(164)
Proceeds from Share Suspense Account		(104)	(67,604)
Proceeds from long term borrowings		136,358	(8,637)
Repayment of long term borrowings		(113,025)	(2,521)
Proceeds from short term borrowings		395,647	23,739
Repayment of short term borrowings		(399,500)	(7,500)
Interest paid	24	(14,853)	(18,213)
Net cash flow from/ (used in) in financing activities		4,736	(13,295)
Net increase/(decrease) in cash and cash equivalents		2,527	(797)
Cash and cash equivalents at the beginning of the year		1,906	2,701
Cash taken over on demerger / acquisition (Refer Note - 44)		-	-
Cash and cash equivalents at the end of the year	10	4,433	1,904



Aditya Birla Fashion and Retail Limited (formerly known as Pantaloon Fashion & Retail Limited)
Statement of cash flows for the year ended March 31, 2017

		Rs. in Lakhs	
	Notes	Year ended 31-Mar-2017	Year ended 31-Mar-2016
Cash flows from operating activities			
Profit / (Loss) before tax		5,350	(10,975)
Adjustment to reconcile profit / (loss) before tax to net cash flows:			
Depreciation and amortisation of property, plant and equipment and intangible assets	23	24,247	33,809
Finance costs	24	17,967	17,645
(Profit) / Loss on sale of property, plant and equipment		142	92
Employee stock compensation expense	21	679	290
Finance income		(1,646)	(2,170)
Operating profit before working capital changes		44,739	38,691
Movements in working capital:			
(Increase) / decrease in trade and other receivables		(14,149)	9,613
(Increase) / decrease in inventories		599	(26,028)
(Increase) / decrease in other assets		(5,061)	(9,239)
Increase / (decrease) in trade and other payables		9,582	18,835
Increase / (decrease) in employee benefit obligation		2,361	1,507
Increase / (decrease) in other liabilities		2,056	(2,102)
Cash generated from / (used in) operations		42,127	31,277
Direct taxes paid (Net of refunds)		(302)	(190)
Net cash flow from / (used in) operating activities		41,825	31,087
Cash flows from investing activities			
Purchase of property, plant and equipment, intangible assets and capital advance		(30,306)	(21,275)
Acquisitions during the year	34	(17,560)	-
Proceeds from sale of property, plant and equipment and intangible assets		2,188	516
Purchase of current investments		(58,112)	(1,390)
Proceeds from sale / maturity of current investments		58,112	1,390
Finance income	26	1,646	2,170
Net cash flow from / (used in) investing activities		(44,032)	(18,589)
Cash flows from financing activities			
Proceeds from issuance of equity share capital		109	(163)
Proceeds from non-current borrowings		134,358	(8,637)
Repayment of non-current borrowings		(113,025)	(2,521)
Proceeds from current borrowings		395,647	23,739
Repayment of current borrowings		(399,500)	(7,500)
Interest paid		(14,853)	(8,213)
Net cash flow from / (used in) financing activities		4,736	(13,295)
Net increase / (decrease) in cash and cash equivalents		2,529	(797)
Cash and cash equivalents at the beginning of the year		1,904	2,701
Cash and cash equivalents at the end of the year	10	4,433	1,904



Components of Cash and cash equivalents

Balances with banks - on current account	2,775	1,036
Balance with Credit Card Company	321	345
Cash on hand (Refer Note - 10)	524	420
Cheques in hand	813	105
	<u>4,433</u>	<u>1,906</u>
Less: Bank overdraft (Refer Note - 15)	-	(2)
Total Cash and cash equivalents	<u>4,433</u>	<u>1,904</u>

The accompanying notes are an integral part of the financial statements.

As per our report of even date
 For S R B C & CO LLP
 (CA) Firm Registration No. 324982E/E300003
 Chartered Accountants

Per VIJAY MANIAR
 Partner
 Membership No.: 36738



Date : May 12, 2017



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


 PRANAB BARUA
 (Managing Director)
 (DIN: 00230152)


 S. VISVANATHAN
 Chief Financial Officer

Date : May 12, 2017


 SUKANYA KRIPALU
 (Director)
 (DIN: 06994202)


 GEETIKA ANAND
 Company Secretary


 ARUN T. BAGARAL
 (Director)
 (DIN: 00242757)