

# FUTURE RETAIL



REF: SEC/BM/BSE/NSE/ 2016-17

6th April, 2016

To,  
Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001  
**Scrip Code: 523574 / 570002**

To,  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
**Scrip Code : FRL / FRLDVR**

**Scrip Code of Debt: 947649 / 949020 / 946840 /  
949039 / 952008 to 952010 / 952045 to 952046 /  
952053 to 952054 / 952074 to 952075 / 952089  
to 952090 / 952097 to 952098 / 952715 / 952717  
to 952718 / 952721 / 952879 to 952883**

Dear Sirs,

**Sub.: Disclosure pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) this is to inform that, the Company has executed a binding term sheet for sale of 14% stake (including approx. 1.25% holding of management team) of Future Supply Chain Solutions Limited ("FSCSL"), a subsidiary of the Company to SSG Capital Management Group.

The consummation of this transaction is subject to fulfilment of certain condition precedents and applicable regulatory approvals, if any.

Consequent to sale of 14% stake of FSCSL, the Company will continue to be holding company of FSCSL and hold majority stake of 57.4% in FSCSL.

The details required to be disclosed in terms of circular no. CIR/CFD/CMD/4/2015 dtd 9th September 2015, for the events specified under Part A of Schedule III of the Listing Regulations is enclosed herewith as Annexure.

Please also find enclosed herewith the press release proposed to be issued in this regard.

We request you to take the above on record.

Yours truly,  
**For Future Retail Limited**

**Deepak Tanna**  
Company Secretary

Encl: As above



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Annexure:  
Sale or disposal of shares of the subsidiary of the listed entity:

Sr. No.	Particulars	
a)	Name of the subsidiary entity, details in brief such as size, turnover etc.;	<b>Name of the Target Entity:</b> Future Supply Chain Solutions Limited  for FY 2014-15 <b>Net profit :</b> Rs. 25 crore <b>Turnover :</b> Rs.408 crore
b)	Date on which the agreement for sale has been entered into	<b>Definitive Term Sheet signed on 06 April 2016</b>
c)	the expected date of completion of sale	<b>May 06, 2016</b>
d)	Consideration received from such sale	<b>Amount to be received is up to approximate Rs. 185 crore subject to completion of transaction</b>
e)	Brief details of buyers and whether any of the buyers belong to the Promoter / Promoter group / group companies. If yes, details thereof;	<b>SSG Capital Management Group, an Investment firm</b> <b>Address: 39 Robinson Road, #21-01, Robinson Point, Singapore 068911</b>  <b>Buyer does not belong to the Promoter / Promoter group / group companies</b>
f)	Whether the acquisition would fall within related party transaction(s)? If yes, whether the same is done at "arms length";	<b>NO</b>
g)	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation / merger, shall be disclosed by the listed entity with respect to such slump sale.	<b>The transaction is not in nature of slump sale.</b>



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

Registered Office: Knowledge House, Shyam Nagar, Jogeshwari Vikhroli Link Road, Jogeshwari ( East ), Mumbai - 400 060

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CIN : L52399MH1987PLC044954

**Press Release**  
**Immediate Publication**

## **Future Supply Chain Solutions Ltd attracts PE investment – 40% stake to change hands**

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**April 6, 2016:** SSG Capital Management Group is investing up to ₹ 580 cr to acquire 40% stake in Future Supply Chain Solutions Ltd (FSC) from the existing shareholders of the company at a valuation of up to ₹1,450 cr. This will include 14% stake to be acquired from Future Retail Ltd (FRL) and the management team collectively, and 26% from another minority shareholder SKC 1 Limited (SKC). SKC is part of Fung Capital, the private equity investment arm of the families of Dr. Victor Fung and Dr. William Fung, the controlling shareholders of the Fung Group with businesses in trading, logistics and retailing. The consummation of this transaction is subject to fulfilment of certain conditions precedent and applicable regulatory approvals, if any.

FSC was incorporated in April 2007 and is promoted by FRL. It is India's first fully integrated and IT enabled end-to-end Supply Chain and Logistics Company with capabilities in handling Modern Warehousing, Express Logistics, Cold Chain and E-Commerce Logistics. FSC caters to distinct requirements of categories including Food & Beverages, Apparel, Lifestyle, Consumer Electronics & High Tech, Automotive & Engineering, Home & Furniture, Healthcare, General Merchandise and E-Commerce.

During the year ended March 31, 2015, FSC registered income from operations amounting to ₹ 408 cr and earned a net profit of ₹ 25 cr. FRL currently holds 70.17% equity stake in FSC, with SKC holding 26% and the remaining mainly held by the management team.

Commenting on the proposed transaction, Mr. Kishore Biyani, MD, Future Retail said, "We are excited about this transaction including our partnership with SSG. It is a step towards our stated intent of optimal monetization of some of the investments held by FRL. FRL has followed a multi pronged approach for strengthening its balance sheet and this partial monetization of its stake in FSC is a step in this direction. It will result in estimated proceeds of up to ₹ 185 cr for FRL's stake. Given that the supply chain arm is of critical importance for furtherance of Future Retail's overall business objectives, FRL will continue to hold majority stake of 57.4% in FSC."

Shyam Maheshwari, Partner at SSG Capital, said "We are very enthusiastic about partnering with Future Group in this journey. This transaction will enable us to participate in one of the leading and fast growing logistics & supply chain Company in India."

Bantry Capital PTE Limited, Singapore acted as a sole financial advisor.

### **About Future Retail Limited**

Future Retail is the flagship company of Future Group, India's retail pioneer catering to the entire Indian consumption space. Through multiple retail formats, FRL connects a diverse and passionate community of Indian buyers, sellers and businesses. Future Retail operates Big Bazaar, Food Hall, fbb, eZone, and Home Town chains. It collectively operates around 401 stores spread over 11.7 million square feet of retail space. The company also holds substantial stakes in various companies including Future Supply Chain Solutions, manufacturing units and joint ventures with NTC, joint ventures in the insurance space with Generali Group and a partnership with Staples Inc.

### **About SSG Capital Management Group**

SSG Capital Management is a successful alternative asset management firm in the Asia Pacific region, with over USD 2 billion of assets under management. The firm was founded in 2009 with a fundamental-driven value investing approach by a team of senior professionals with extensive investment experience in Asia. SSG Capital Management Group has offices across the region, with its main offices in Hong Kong and Singapore being regulated and licensed by the Hong Kong Securities and Futures Commission and the Monetary Authority of Singapore respectively.