



May 25, 2016

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001.

**National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G-Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai – 400 051.

**Sub: Outcome of the meeting of the Board of Directors of Aditya Birla Fashion and Retail Limited (formerly known as Pantaloons Fashion & Retail Limited) (“Company”)**

**Ref.: Regulation 33, 50 read with Schedule III-Part A-Clause A(4)(h) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Regulations”) [Scrip Code: BSE – 535755; NSE – ABFRL]**

Dear Sirs,

Further to our letter dated April 29, 2016, kindly note that the Board of Directors of the Company, in its meeting held today i.e. on Wednesday, May 25, 2016 (“said meeting”), has *inter alia* considered and approved the Audited Financial Results of the Company for the Financial Year ended on March 31, 2016. The said Meeting commenced at 12:00 noon and concluded at 2:45 p.m.

In reference thereto and pursuant to the applicable provisions of SEBI Regulations, please find enclosed herewith

- Audited Financial Results of the Company for the Financial Year ended on March 31, 2016 (“Annual Financial Results”);
- Auditors Report dated May 25, 2016, issued by the Statutory Auditors of the Company w.r.t. the Annual Financial Results and taken on record by the Board of Directors of the Company; and
- Form A (for audit report with unmodified opinion).

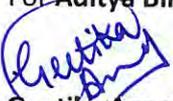
Further, a copy of Investor Presentation w.r.t. the Annual Financial Results is also enclosed herewith.

The above is for your information and record.

Thanking you,

Yours faithfully,

For Aditya Birla Fashion and Retail Limited

  
Geetika Anand

Asst. Vice President & Company Secretary



CC:

**Central Depository Services (India) Ltd.**

16<sup>th</sup> & 17<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers  
Dalal Street, Fort, Mumbai – 400 023  
Fax # 2272 3199

**National Securities Depository Ltd.**

Tradeworld, 4<sup>th</sup> & 5<sup>th</sup> Floors, Kamala Mills Compound,  
Lower Parel, Mumbai – 400 013  
Fax # 2497 2993 / 6351

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

701-704, 7<sup>th</sup> 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



Aditya Birla Fashion and Retail Limited  
(Formerly known as Pantaloons Fashion & Retail Limited)

AUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2016 (Audited) Refer Note 2	December 31, 2015 (Unaudited)	March 31, 2015 (Audited) Refer Note 2	March 31, 2016 (Audited)	March 31, 2015 (Audited)
1	<b>Income from Operations</b>					
	(a) Net Sales / Income from Operations (Net of excise duty)	143,099	161,693	45,051	601,780	181,688
	(b) Other Operating Income	1,125	1,024	889	4,225	3,385
	<b>Total Income from Operations (net)</b>	<b>144,224</b>	<b>162,717</b>	<b>46,040</b>	<b>606,005</b>	<b>185,073</b>
2	<b>Expenses</b>					
	(a) Cost of Materials Consumed	21,413	13,680	2	63,922	16
	(b) Purchase of Stock-In-Trade	65,503	60,359	27,635	234,790	106,482
	(c) Change in Inventories of Finished Goods, Work-in-Progress and Stock-In-Trade	(22,003)	(1,058)	(2,142)	(23,221)	(6,442)
	(d) Employees Benefits Expense	13,238	16,659	4,849	59,689	18,369
	(e) Depreciation and Amortisation Expense (Refer Note: 8)	16,193	5,491	4,884	33,803	18,345
	(f) Rent Expense (Refer Note : 9)	13,230	18,274	7,090	64,793	28,251
	(g) Other Expenses	43,549	44,860	7,109	166,351	31,127
	<b>Total Expenses</b>	<b>151,123</b>	<b>158,265</b>	<b>49,427</b>	<b>600,127</b>	<b>196,148</b>
3	<b>Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1 - 2)</b>	<b>(6,899)</b>	<b>4,452</b>	<b>(3,387)</b>	<b>6,878</b>	<b>(11,075)</b>
4	Other Income	268	309	208	1,195	278
5	<b>Profit / (Loss) from ordinary activities before Finance Costs and Exceptional Items (3 + 4)</b>	<b>(6,631)</b>	<b>4,761</b>	<b>(3,179)</b>	<b>7,073</b>	<b>(10,797)</b>
6	Finance Costs	4,351	4,018	3,199	17,487	12,017
7	<b>Profit / (Loss) from ordinary activities after Finance Costs but Before Exceptional Items (5 - 6)</b>	<b>(10,982)</b>	<b>743</b>	<b>(6,378)</b>	<b>(10,414)</b>	<b>(22,814)</b>
8	Exceptional Items	-	-	-	-	-
9	<b>Profit / (Loss) from ordinary activities before Tax (7 + 8)</b>	<b>(10,982)</b>	<b>743</b>	<b>(6,378)</b>	<b>(10,414)</b>	<b>(22,814)</b>
10	Tax Expense	-	-	-	-	-
11	<b>Net Profit / (Loss) from ordinary activities after tax (9 - 10)</b>	<b>(10,982)</b>	<b>743</b>	<b>(6,378)</b>	<b>(10,414)</b>	<b>(22,814)</b>
12	Paid Up Equity Share Capital (Face Value of Rs. 10/- each)	76,884	9,279	9,279	76,884	9,279
13	Reserve excluding Revaluation Reserves Capital Redemption Reserve / Debenture Redempture Reserve	-	-	-	17,057 N.A	25,227 N.A
14	Earnings per Share (of Rs 10 each) (not annualised) (annualised for March 31, 2016 and March 31, 2015 year end) (Refer Note 3)					
	(a) Basic - Rs	(1.42)	0.10	(6.87)	(1.35)	(24.59)
	(b) Diluted - Rs	(1.42)	0.10	(6.87)	(1.35)	(24.59)
15	Debt Equity Ratio				1.96	3.80
16	Debt Service Coverage Ratio				1.86	0.48
17	Interest Service Coverage Ratio				2.34	0.63
18	Networth				84,370	34,557

**SIGNED FOR IDENTIFICATION BY**  
  
**SRBC & CO LLP**  
**MUMBAI**



AUDITED SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Quarter Ended			Year Ended		Rs. in Lacs
	March 31, 2016 (Audited) Refer Note 2	December 31, 2015 (Unaudited)	March 31, 2015 (Audited) Refer Note 2	March 31, 2016 (Audited)	March 31, 2015 (Audited)	
<b>1 Segment Revenue</b>						
Madura Fashion & Lifestyle	93,201	106,193	-	399,641	-	
Pantaloons	53,419	59,291	46,040	216,447	185,073	
<b>Total Segmental Revenue</b>	<b>146,620</b>	<b>165,484</b>	<b>46,040</b>	<b>616,088</b>	<b>185,073</b>	
Less: Inter Segment Revenue	2,396	2,767	-	10,083	-	
<b>Net Sales / Income from Operations</b>	<b>144,224</b>	<b>162,717</b>	<b>46,040</b>	<b>606,005</b>	<b>185,073</b>	
<b>2 Segment Results (Profit before Finance Costs and Tax)</b>						
Madura Fashion & Lifestyle	7,250	4,560	-	28,619	-	
Pantaloons	(10,815)	69	(3,179)	(15,825)	(10,797)	
<b>Total Segment Result</b>	<b>(3,565)</b>	<b>4,629</b>	<b>(3,179)</b>	<b>12,794</b>	<b>(10,797)</b>	
Less: Inter-Segment Result	(28)	(132)	-	2,627	-	
<b>Net Segment Result</b>	<b>(3,537)</b>	<b>4,761</b>	<b>(3,179)</b>	<b>10,167</b>	<b>(10,797)</b>	
Less: i) Interest	4,351	4,018	3,199	17,487	12,017	
ii) Other Un-allocable (Expenditure) / Income - net	3,094	-	-	3,094	-	
<b>Total Profit / (Loss) before Tax</b>	<b>(10,982)</b>	<b>743</b>	<b>(6,378)</b>	<b>(10,414)</b>	<b>(22,814)</b>	
<b>3 Capital Employed (Including Goodwill) (Segment Assets - Segment Liabilities)</b>	<b>As on Mar. 31, 2016</b>	<b>As on Dec. 31, 2015</b>	<b>As on Mar. 31, 2015</b>	<b>As on Mar. 31, 2016</b>	<b>As on Mar. 31, 2015</b>	
Madura Fashion & Lifestyle	112,829	111,104	-	112,829	-	
Pantaloons	170,927	166,103	167,601	170,927	167,601	
Unallocated Corporate Assets/Liabilities	(1,339)	1,456	1,286	(1,339)	1,286	
<b>Total Capital Employed</b>	<b>282,417</b>	<b>278,663</b>	<b>168,887</b>	<b>282,417</b>	<b>168,887</b>	

STATEMENT OF ASSETS AND LIABILITIES AS ON MARCH 31, 2016

Particulars	Rs. in Lacs	
	As at March 31, 2016 (Audited)	As at March 31, 2015 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' Funds:</b>		
(a) Share Capital	76,935	9,330
(b) Share Suspense Account	378	-
(c) Reserves & Surplus	17,057	25,227
<b>Sub Total - Shareholders' Funds</b>	<b>94,370</b>	<b>34,557</b>
<b>2 Non-current Liabilities</b>		
(a) Long-term Borrowings	67,664	93,750
(b) Other Long-term Liabilities	10,043	5,411
(c) Long-term Provisions	822	656
<b>Sub Total - Non-current Liabilities</b>	<b>78,529</b>	<b>99,817</b>
<b>Current Liabilities</b>		
(a) Short-term Borrowings	79,927	29,813
(b) Trade Payables	143,674	31,140
(c) Current Portion of Long Term Borrowing	37,340	7,500
(d) Other Current Liabilities	20,459	9,854
(e) Short-term Provisions	7,545	1,564
<b>Sub Total - Current Liabilities</b>	<b>288,945</b>	<b>79,871</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>461,844</b>	<b>214,245</b>
<b>B ASSETS</b>		
<b>Non-current Assets</b>		
(a) Fixed Assets	234,706	158,312
(b) Long-term Loans and Advances	27,096	8,161
(c) Other Non-current Assets	108	-
<b>Sub Total - Non-current Assets</b>	<b>261,910</b>	<b>166,473</b>
<b>Current Assets</b>		
(a) Current Investments	-	-
(b) Inventories	138,810	42,733
(c) Trade Receivables	39,094	707
(d) Cash & Bank Balance	2,032	720
(e) Short-term Loans and Advances	17,541	2,638
(f) Other Current Assets	2,457	974
<b>Sub Total - Current Assets</b>	<b>199,934</b>	<b>47,772</b>
<b>TOTAL - ASSETS</b>	<b>461,844</b>	<b>214,245</b>



**SIGNED FOR IDENTIFICATION BY**

*[Signature]*

**S R B O & CO LLP**  
MUMBAI

Notes:

- 1 The above Results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on May 25, 2016.
- 2 The figures for the quarter ended March 31, 2016 and March 31, 2015 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2016 and March 31, 2015 and the unaudited published year-to-date figures upto December 31, 2015 and December 31, 2014 respectively being the dates of the end of the third quarters of the financial years which were subjected to limited review.
- 3 The Hon'ble High Court of Gujarat, vide its Order dated 23rd October, 2015 and the Hon'ble High Court of Bombay, vide its Order dated 5th December, 2015, have approved the Composite Scheme of Arrangement amongst the Company, Aditya Birla Nuvo Limited ("ABNL") and Madura Garments Lifestyle Retail Company Limited ("MGLRCL") and their respective Shareholders and Creditors under Sections 391 to 394 of the Companies Act, 1956 ("Composite Scheme").  

The Board of Directors of the Company, the Madura Demerger Committee of the Board of Directors of ABNL and Madura Garments Lifestyle Demerger Committee of the Board of Directors of MGLRCL, at their respective meetings held on January 9, 2016, made and declared the Effective Date of the Composite Scheme to be January 9, 2016 ("Effective Date").

In terms of the Composite Scheme, Madura Undertaking of ABNL and MGL Retail Undertaking of MGLRCL, now stand transferred to the Company on a going concern basis w.e.f. April 1, 2015 ("Appointed Date" as per the Composite Scheme) and collectively form a division of the Company viz. Madura Fashion & Lifestyle. The present business of the Company i.e. Pantaloon's Fashion business will form another separate division of the Company. Madura undertaking and MGL Retail undertaking are hereby termed as "The Demerged undertakings". Accordingly the financial results of the Company have been restated w.e.f. April 1, 2015 to include the results of the demerged undertakings into the financial results of the Company.

Further to the effectiveness of the Composite Scheme, name of the Company has been changed from "Pantaloon's Fashion & Retail Limited" to "Aditya Birla Fashion and Retail Limited" w.e.f. January 12, 2016, by virtue of the "Certificate of Incorporation pursuant to change of name" issued by Registrar of Companies, Mumbai.
- 4 On effectiveness of the Composite Scheme, the Company issued 67,98,19,778 Equity Shares of Rs. 10/- each to the shareholders of ABNL and MGLRCL, more particularly in the following Share Entitlement Ratio (as enumerated in the Composite Scheme)
  - i) 26 Equity Shares of the Company to the Equity Shareholders of ABNL for every 5 Equity Shares held by them in ABNL - pursuant to transfer of the Madura undertaking;
  - ii) 7 Equity Shares of the Company to the Equity Shareholders of MGLRCL for every 500 Equity Shares held by them in MGLRCL and 1 Equity Share to the Preference shareholder of MGLRCL - pursuant to transfer of the MGL Retail Undertaking.

Out of the aforesaid total issued shares, High Power Committee of the Board of Directors has, on January 27, 2016, allotted 67,60,37,600 Equity Shares of Rs. 10/- each to the Shareholders of ABNL and MGLRCL. Pursuant to Clause 21 of the Composite Scheme, allotment of 37,82,178 Equity Shares of Rs. 10/- each to the Non-Resident Public Shareholders of ABNL has been kept pending until receipt of applicable regulatory approvals. The face value of the pending allotment of shares has been accounted as "Share Suspense Account" as at March 31, 2016
- 5 On January 21, 2016, the Stakeholders Relationship Committee of the Board of Directors, allotted 11,597 Equity Shares of Rs. 10/- each, pursuant to the exercise of Stock Options in terms of the Employee Stock Options Scheme - 2013.
- 6 The figures for the quarter ended March 31, 2016 and December 31, 2015, and nine months ended December 31, 2015 and year ended March 31, 2016 include figures of the Demerged Undertakings which has been transferred to the Company w.e.f. April 1, 2015 and therefore to that extent are not comparable with those of the previous period.
- 7 Ratios have been computed as follows :-  
Debt comprises Long-Term borrowings, Short-Term borrowings and Current maturities of Long Term borrowings  
Debt Service Coverage Ratio = Earnings before Depreciation and Amortization, Interest and Tax / (Finance Cost + Principal Repayments of Long term borrowings)  
Interest Service Coverage Ratio = Earnings before Depreciation and Amortization, Interest and Tax / Finance cost  
Debt Equity Ratio = Debt / Net Worth ; (Net Worth : Equity Share Capital + Reserves and Surplus + Share Suspense Account)
- 8 During the year the company with respect to its "Pantaloon's" business has reassessed the useful life of leasehold improvements and immovable fixtures from the period of lease to six years as the same better reflects the expected usage of such assets.  
Had the company continued to use the earlier life of depreciating the leasehold improvements and immovable fixtures, its financial statements for the year would have been impacted as below:-  

Depreciation and loss for the current year and Quarter ended March 31, 2016 would have been lower by Rs 10,040 lakhs.
- 9 During year, the company with respect to its "Pantaloon's" stores has changed its estimate of using the premises on lease for the period of 6 years instead of erstwhile lease period, hence the lease rentals have been straight-lined for a period of 6 years.  
Had the company continued to use the earlier lease period of straight lining its operating lease, its financial statements for the year would have been impacted as below:-  

Rent and losses for the current year and Quarter ended March 31, 2016 would have been higher by Rs 5,190 lakhs.
- 10 Additional disclosures as per Clause 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:
  - The credit rating by CRISIL for the NCDs issued by the Company continues to be "AA"
  - The non convertible debt securities of the Company are unsecured
  - The previous due date for the payment of interest in case of non-convertible debt securities are:  
Unsecured Redeemable Non Convertible Debentures - Series 1 bearing interest at 9.25% p.a. - May 07, 2015  
Unsecured Redeemable Non Convertible Debentures - Series 2 bearing interest at 9.20% p.a. - May 22, 2015
  - Outstanding redeemable preference shares are as under:  
500,000 8% Redeemable Cumulative Preference Shares of Rs. 10/- each amounting to Rs. 50 lacs  
500 6% Redeemable Cumulative Preference Shares of Rs. 100/- each amounting to Rs. 0.5 lacs
- 11 Previous periods / year figures have been regrouped / rearranged wherever necessary to conform to the current period's classification(s).

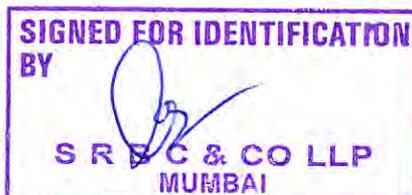


For and on behalf of the Board of Directors

Pranab Barua  
Managing Director

Place : Bengaluru  
Date: May 25, 2016

Aditya Birla Fashion and Retail Limited  
(formerly known as Pantaloon's Fashion & Retail Limited)  
Registered Office: 701-704, 7th Floor, Skyline Icon Business Park, 86-92, Off. A K Road, Marol Village, Andheri (E), Mumbai - 400059, India  
CIN: L18101MH2007PLC233901 E-mail: abfr@adityabirla.com Website: www.abfrl.com



**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company  
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

To  
Board of Directors of  
Aditya Birla Fashion and Retail Limited  
701-704, 7<sup>th</sup> Floor,  
Skyline Icon Business Park,  
86-92, Off A.K.Road,  
Marol Village,  
Andheri (East), Mumbai -400059

1. We have audited the quarterly financial results of Aditya Birla Fashion and Retail Limited (formerly Pantaloons Fashion & Retail Limited) ('the Company') for the quarter ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2016 and year to date ended March 31, 2016 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2015, the audited annual financial statements as at and for the year ended March 31, 2016, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2015 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 "Interim Financial Reporting", Interim Financial Reporting, specified under the Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2016; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of a branch included in the financial results, whose financial statements reflected a total asset of Rs 184,996 lacs as at March 31, 2016, as well as the total revenue of Rs 90,796 lacs and profit before tax of Rs 6,171 lacs for the quarter ended March 31, 2016 and the total revenue of Rs 391,118 lacs and profit before tax of Rs 21,935 lacs for the year ended March 31, 2016. These financial statements and other financial information have been audited by other branch auditors whose report has been furnished to us, and our opinion on the financial results, to the extent they have been derived from such financial statements is based solely on such report.



# SRBC & CO LLP

Chartered Accountants

Aditya Birla Fashion and Retail Limited (formerly Pantaloons Fashion & Retail Limited)  
Quarterly Reporting - March 2016

4. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
  - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - ii. give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2016 and for the year ended March 31, 2016.
5. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2016 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For SRBC & CO. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

  
per Vijay Maniar  
Partner  
Membership No.: 36738



Place: Bengaluru  
Date: May 25, 2016

**ADITYA BIRLA****FASHION & RETAIL**

**FORM A (for audit report with unmodified opinion)**  
[Pursuant to the provisions of Regulation 33(3)(d) of  
the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1.	Name of the company	Aditya Birla Fashion and Retail Limited
2.	Annual financial statements for the year ended	March 31, 2016
3.	Type of Audit observation	Un Modified
4.	Frequency of observation	NA

For Aditya Birla Fashion and Retail Limited

**Pranab Barua**  
Managing Director



For S R B C &amp; CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E

**Vijay Maniar**

Partner

Membership no.: 36738

**S. Visvanathan**  
Chief Financial Officer

**Arun Thiagarajan**  
Chairperson- Audit Committee

Date : May 25, 2016

Place : Mumbai

Aditya Birla Fashion and Retail Limited (formerly known as Pantaloons Fashion &amp; Retail Limited)

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

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Tel. +91 86529 05000  
Fax +91 86529 05400

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



ATSL/CO/2016-17/835  
May 25, 2016

To,  
**Aditya Birla Fashion and Retail Limited (Erstwhile Pantaloon 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 Talwar**

**Sub: Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015**

Dear Madam,

We write in our capacity as the Debenture Trustee for the Non-Convertible Debentures (NCDs) issued by Aditya Birla Fashion and Retail Limited ("Company") and listed on the BSE Limited and National Stock Exchange of India Limited ("**Listed Debt Securities**").

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company is required to submit its half yearly/annual financial results to the Stock Exchange, with a letter of the Debenture Trustee (Axis Trustee Services Limited) that the Debenture Trustee has noted the contents furnished by the Company in terms of Regulation 52(4).

In pursuance thereof we hereby confirm that we have received the said information vide your letter dated May 25, 2016 (enclosed herewith) along with the relevant/necessary supporting and we have noted the contents in respect of the Listed Debt Securities issued by the Company.

Further please note that we have not independently verified the contents submitted vide your above letter and the aforesaid noting is subject to the following:

1. The Debenture Trustee is relying on the information/status as submitted by the company for the purpose of submission to the Stock Exchange; without reconfirming.
2. Any commitment pertaining to the interest /principal payable on the future due dates are sole commitment on the company's part and Trustee is not liable in any manner if company fails to fulfill / does not fulfill its commitments.

Thanking You,

Yours Faithfully  
For **Axis Trustee Services Limited**

**Authorised Signatory**

**AXIS TRUSTEE SERVICES LTD.**  
(A wholly owned subsidiary of Axis Bank)

Corporate Identity Number (CIN): U74999MH2008PLC182264

CORPORATE & REGISTERED OFFICE : Axis House, 2nd Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.

TEL : 022-2425 5215 / 2425 5216 FAX : 022-4325 3000 Website: www.axistrustee.com

ADITYA BIRLA



FASHION & RETAIL

ABFRL

ADITYA BIRLA FASHION AND RETAIL LIMITED

Performance Highlights

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Allen Solly™

PETER ENGLAND

pantaloons

PLANET FASHION

PEOPLE  
MEN+WOMEN+KIDS+ACCESSORIES

THE COLLECTIVE



**5** LARGEST BRANDS  
OF INDIA

OUR FY16 REVENUES ARE

**INR 6,060 cr**

NO. **1** PURE-PLAY FASHION  
LIFESTYLE COMPANY

**5.5 mn sq ft**

LARGEST BRAND FOOTPRINT IN INDIA

WE OPERATE IN OVER

**375** CITIES & TOWNS

STYLING

**2** CONSUMERS

EVERY SECOND

**7,000+**  
POINTS OF SALE

**2,100+**  
EXCLUSIVE  
BRAND OUTLETS



- Powerhouse of **India's leading fashion brands**: Louis Philippe, Van Heusen, Allen Solly, Peter England
- Extensive reach through **multi-channel distribution** network: 2,025 Retail stores & 7,000+ additional points of sale
- Established **global supply chain**
- **Strong in-house design** & product development capabilities
- Track record of **robust financial performance**

India's #1 Menswear Player



- **India's largest** value fashion retailer
- Unique business model: **Design to Retail**
- Strong portfolio of **exclusive private brands**: ~55% of Revenue (~ **62% incl. MF&L**)
- **Wide reach**: 78 cities & 163 stores
- **Rich portfolio** spanning menswear, womenswear western & ethnic and kids
- One of the **largest loyal customer base**: ~ 5 Mn members

India's #1 Womenswear Retailer

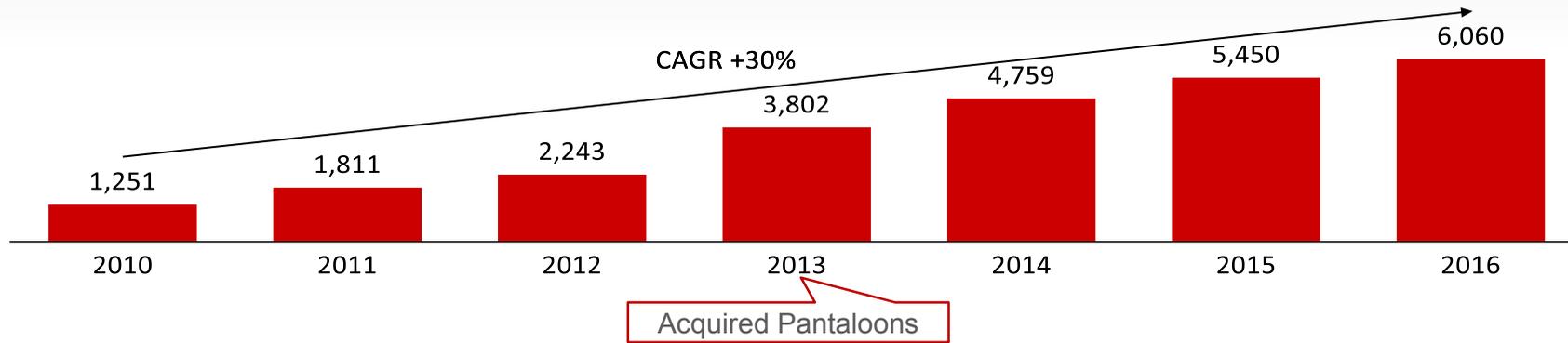


# Milestones | Merger of Pantaloons and MF&L

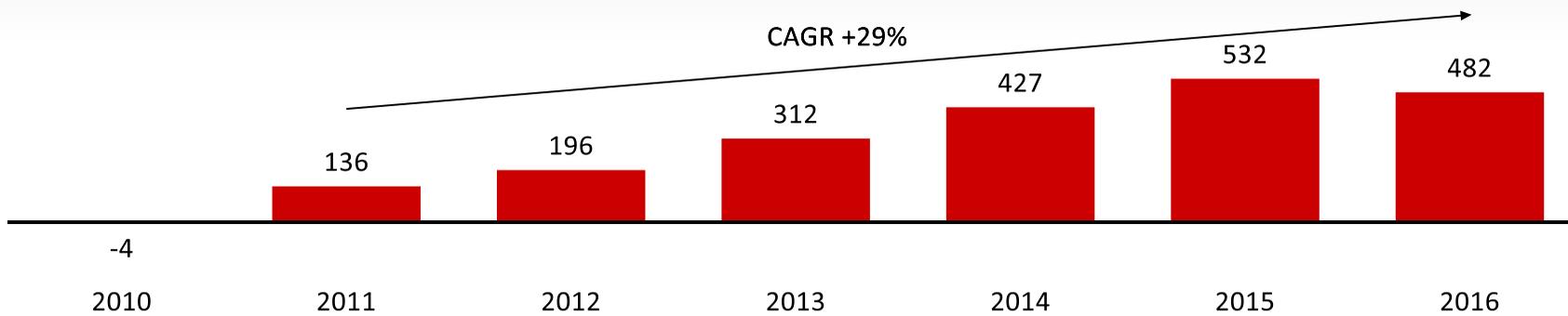


Sr. No.	Activities	Status
1	Board Meeting for approval of the Composite Scheme	May 3, 2015
2	Receipt of Stock Exchange “No-Observation” Letters	June 26, 2015
3	Hon’ble Gujarat High Court approved the Scheme (ABNL & MGLRCL)	Oct. 23, 2015
4	Hon’ble Bombay High Court approved the Scheme (ABFRL)	Dec. 5, 2015
5	Receipt of SEBI & BSE approval	Jan. 5, 2016
6	Board Meeting to declare scheme effective (w.e.f. Appointed Date i.e. April 1, 2015)	Jan 9, 2016
7	RoC Filing(s) of Court Order, Name Change application	Jan 9, 2016
8	Record Date fixed by ABNL and MGLRCL	Jan 21, 2016
9	Allotment of Shares	Jan 27, 2016
10	Listing & Trading of Shares	Feb 4, 2016

## Revenue growth of 30% to create the largest apparel company in the country



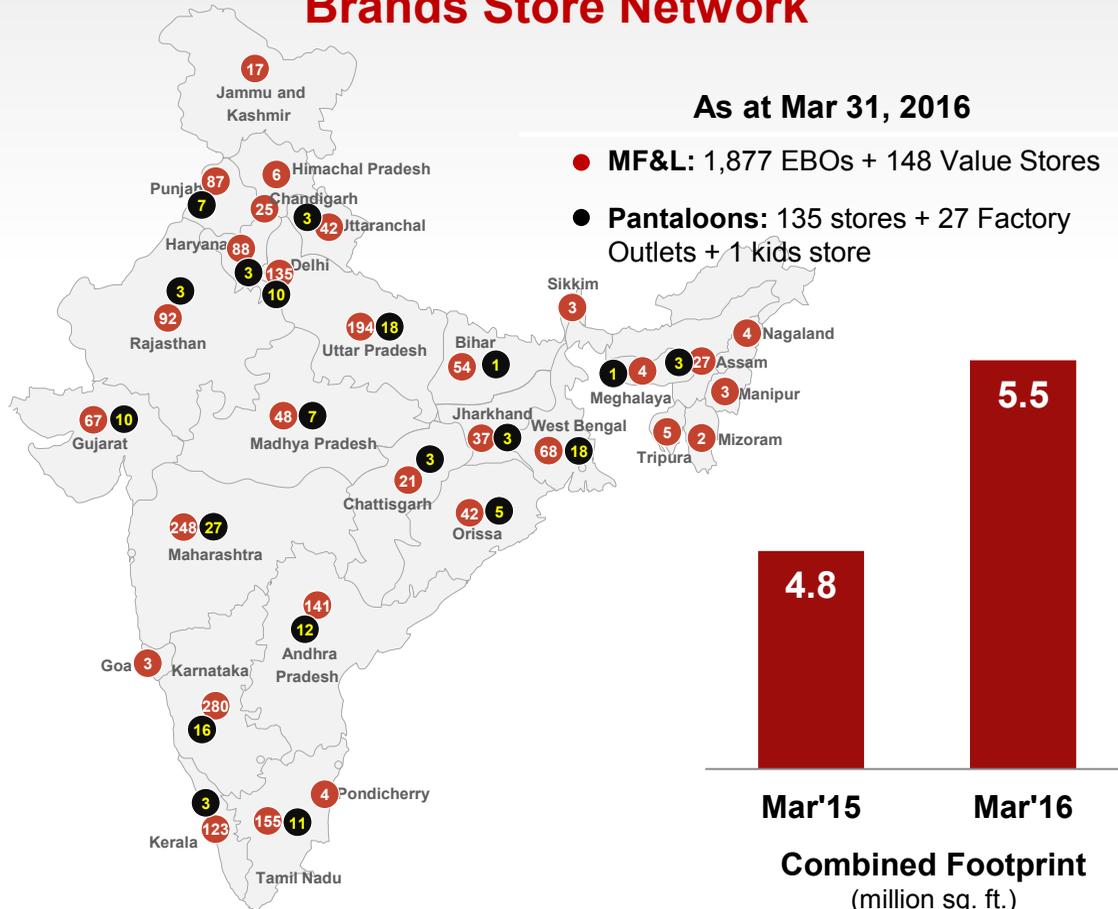
## EBITDA Y-o-Y growth of 29%



## Brands Store Network

As at Mar 31, 2016

- **MF&L:** 1,877 EBOs + 148 Value Stores
- **Pantaloons:** 135 stores + 27 Factory Outlets + 1 kids store



- MF&L brands are present in ~4000 Multi Brand Outlets



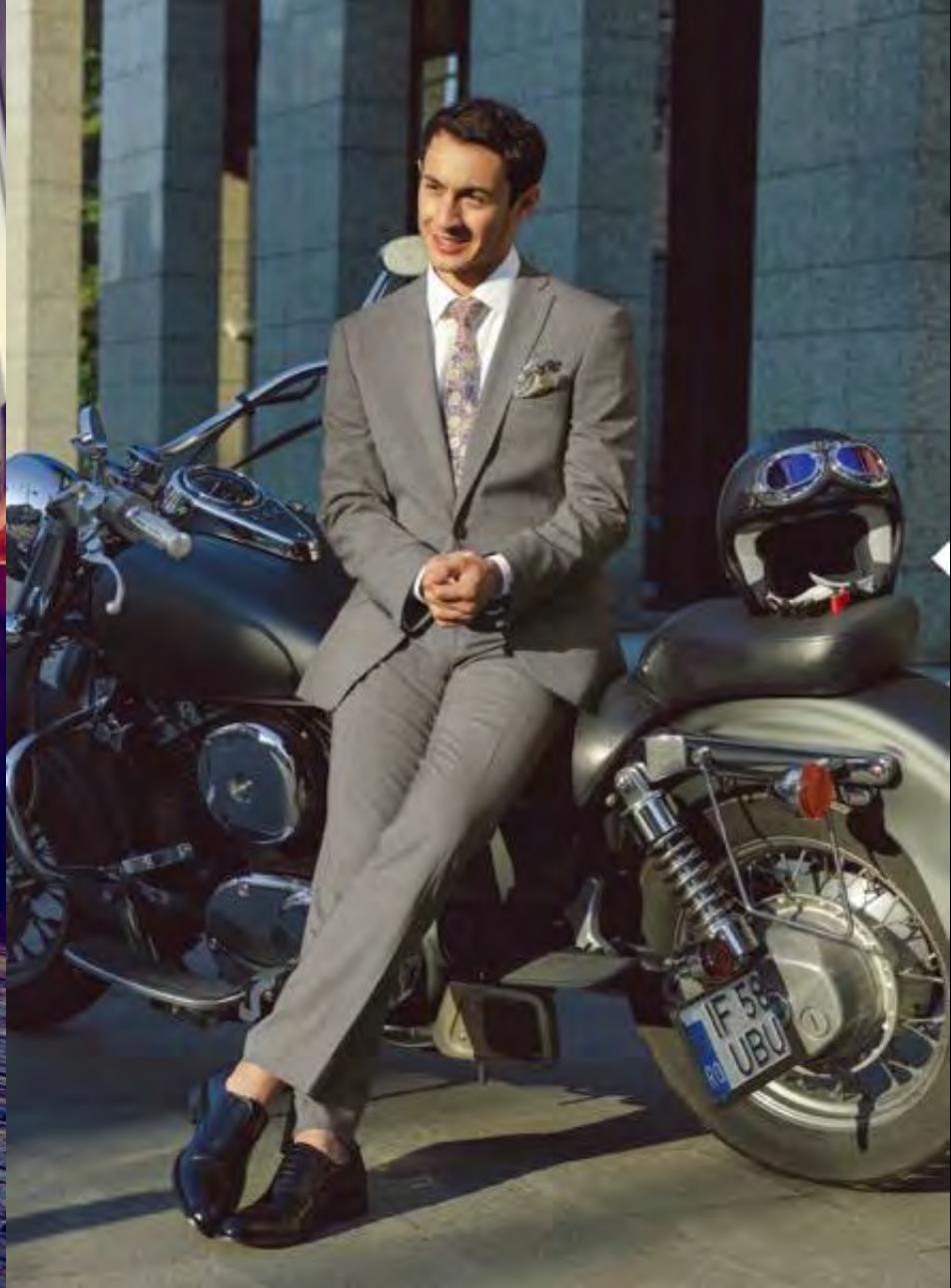
MBOs

- MF&L brands present across all Department Stores thru ~3000 SISs



Large Format Stores

**Pantaloons doubled its store count in last 2 years**



**FY 16 : Operational and Financial Performance**

# Key market trends in FY16



- Overall consumer sentiment remained muted during the year FY16
  - Only festival quarter - Q3 provided a temporary surge
- Discounting and promotions continued to remain at high level right through the year
  - Aggressive discounting during End-Of-Season Sales
- Online shopping continues to grow rapidly driven by high discounts & offers
- Womenswear, casuals & denims segments growing faster than the market
  - Premium segments & formalwear has seen slower growth
- Value fashion growing fast as consumers upgrade from unbranded products

- In difficult macro economic conditions, ABFRL revenue grew by 11% in FY 16
  - Pantaloons grew by 17%, while Madura Brands grew by 7%
- ABFRL continued its distribution expansion growing from 4.8 mn sq ft. to 5.5 mn sq ft.
  - 142 net new EBOs in Madura Brands and 29 net new Pantaloons stores. Pantaloons opened its first Kids store
- Market conditions continued to remain sluggish resulting in low same-store growth
  - Madura brands registered flat sales while Pantaloons LTL sales grew by 5.9% for the year
- EBITDA (before one-time adjustments) for the year was Rs 482 Cr against Rs 532 Cr FY15
  - One time adjustments amounted to Rs 73 Cr during the year includes merger expenses, additional bonus payments and profit elimination due to merger
- PBT for the year was Rs (31) Cr against Rs 47 Cr FY15
  - One time additional depreciation of Rs 100 Cr arising out of change in useful life accounting for store assets of Pantaloons

Particulars	YTD Mar (Numbers in Rs. Crores)			
	FY15	FY16		
	Proforma	FY16 Comparable	One time costs/ adjustments	FY16 Reported
Net Sales / Income from Operations	5397	6018	0	6018
Other Operating Income	53	42	0	42
<b>Total Income from Operations</b>	<b>5450</b>	<b>6060</b>		<b>6060</b>
Expenses (Net of Other Income)	4919	5578	73	5651
<b>EBITDA</b>	<b>532</b>	<b>482</b>	<b>-73</b>	<b>409</b>
<i>EBITDA %</i>	<i>9.8%</i>	<i>8.0%</i>		<i>6.7%</i>
Depreciation and Amortisation Expenses	264	338		338
Finance Cost	221	175	0	175
<b>(Loss) / Profit before Tax</b>	<b>47</b>	<b>-31</b>	<b>-73</b>	<b>-104</b>
<i>PBT %</i>	<i>0.9%</i>	<i>-0.5%</i>		<i>-1.7%</i>
Tax Expenses				0
<b>Net (Loss) / Profit for the period</b>	<b>47</b>	<b>-31</b>	<b>-73</b>	<b>-104</b>

**One-time items** include:

- Retrospective bonus: Rs. 16 Cr.
- Profit elimination: Rs 26 Cr.
- Merger related: Rs. 31 Cr.

One-time additional depreciation of Rs. 100 Cr arising out of change in useful life accounting for store assets of Pantaloons

- Q4 witnessed extremely tough market conditions resulting in prolonged EOSS with deeper discounts. Industry recorded lower same-store growth compared to Q3 and Q4 FY15
- ABFRL posted a revenue growth of 3% during the quarter
  - Madura brands overall revenues declined by 5% in Q4 as we decided to lower our discounts during the quarter
    - Discounts were much lower than industry and Q4 FY15 resulting in negative 6.6% same-store growth
    - Wholesale business also witnessed slow growth, particularly in winterwear
    - Resultant excess inventory has resulted in additional markdown provisions
  - Pantaloon's revenues grew by 16% aided by new store additions with same-store sales growth of 2.9%
- EBITDA (before one time adjustments) for the quarter was Rs 127 Cr against Rs 148 Cr in Q4 FY15

Particulars	Q4 (Numbers in Rs. Crores)			
	FY15	FY16		
	Proforma	FY16 Comparable	One time costs/ adjustments	FY16 Reported
Net Sales / Income from Operations	1387	1431		1431
Other Operating Income	16	11		11
<b>Total Income from Operations</b>	<b>1403</b>	<b>1442</b>		<b>1442</b>
Expenses (Net of Other Income)	1255	1316	31	1347
<b>EBITDA</b>	<b>148</b>	<b>127</b>	<b>-31</b>	<b>96</b>
<i>EBITDA %</i>	<i>10.6%</i>	<i>8.8%</i>		<i>6.6%</i>
Depreciation and Amortisation Expenses	73	162		162
Finance Cost	58	44		44
<b>(Loss) / Profit before Tax</b>	<b>17</b>	<b>-79</b>	<b>-31</b>	<b>-110</b>
<i>PBT %</i>	<i>1.2%</i>	<i>-5.5%</i>		<i>-7.6%</i>
Tax Expenses				
<b>Net (Loss) / Profit for the period</b>	<b>17</b>	<b>-79</b>	<b>-31</b>	<b>-110</b>

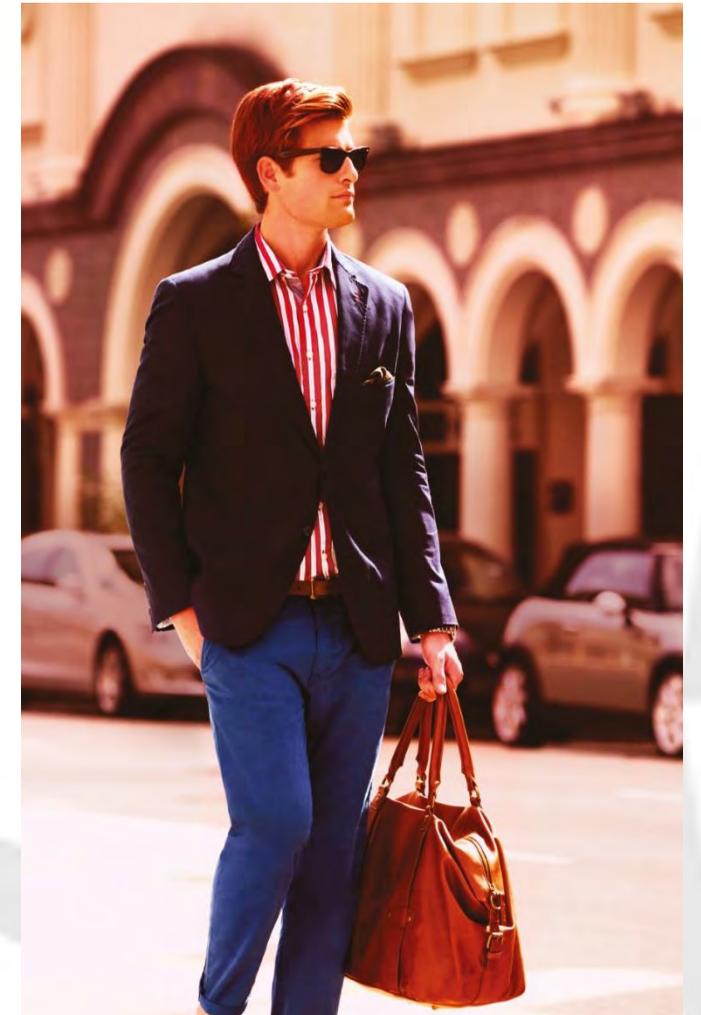
**One time item** includes:

- Merger related: Rs. 31 Cr.

# Balance Sheet Information



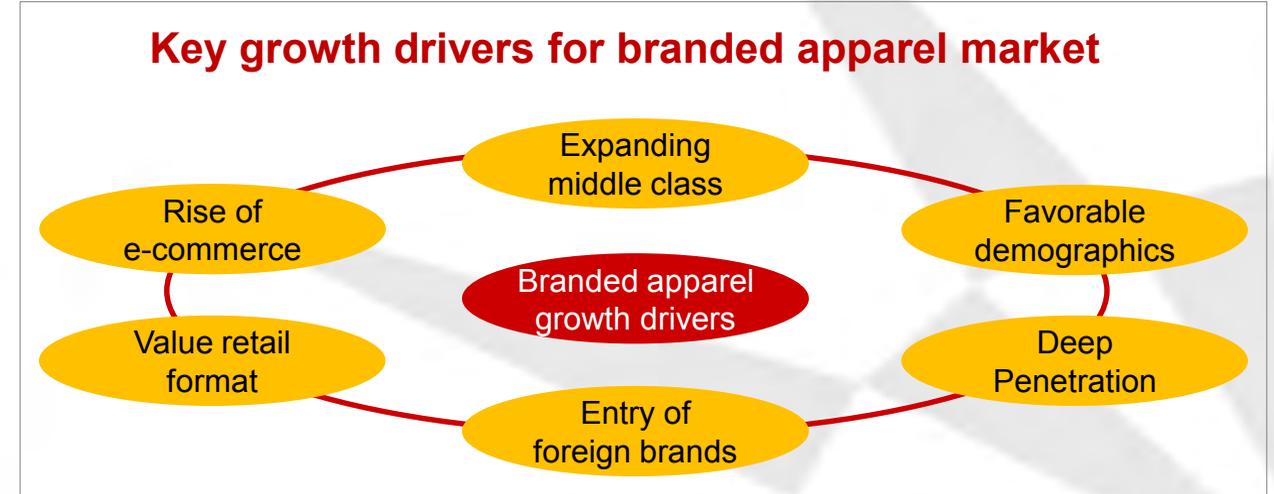
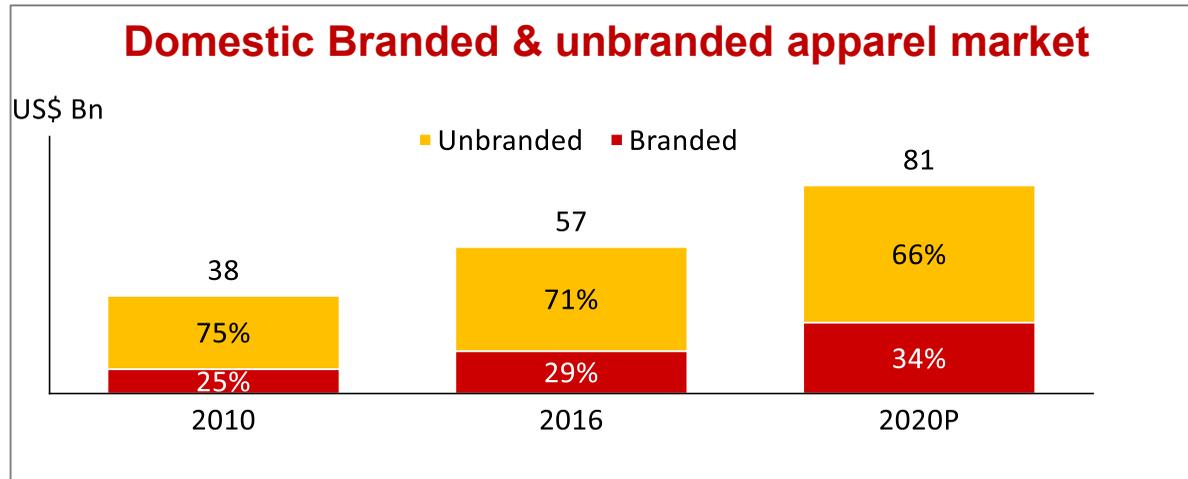
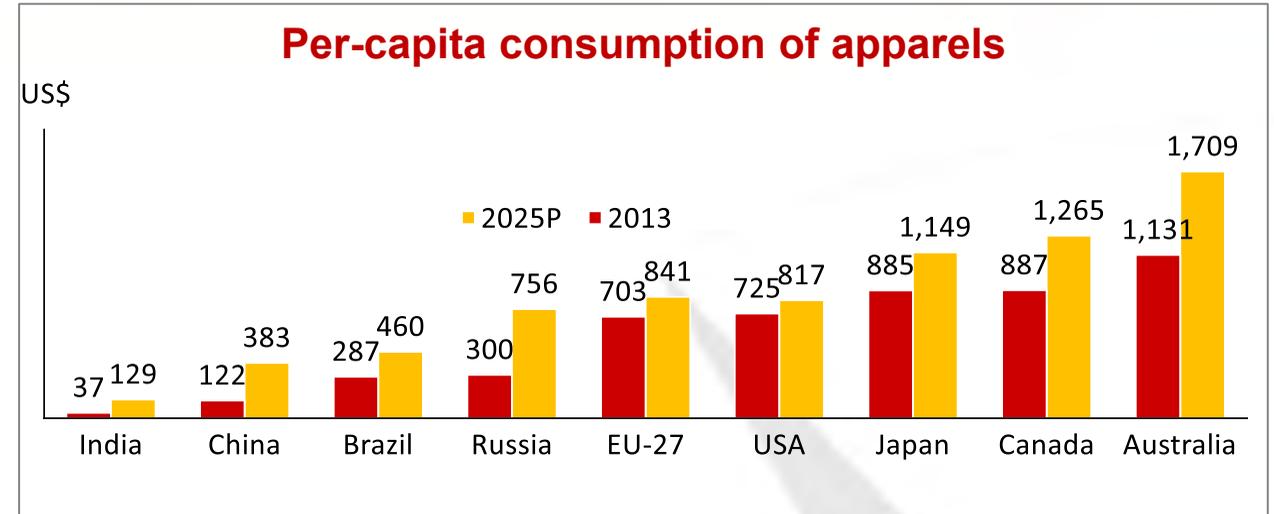
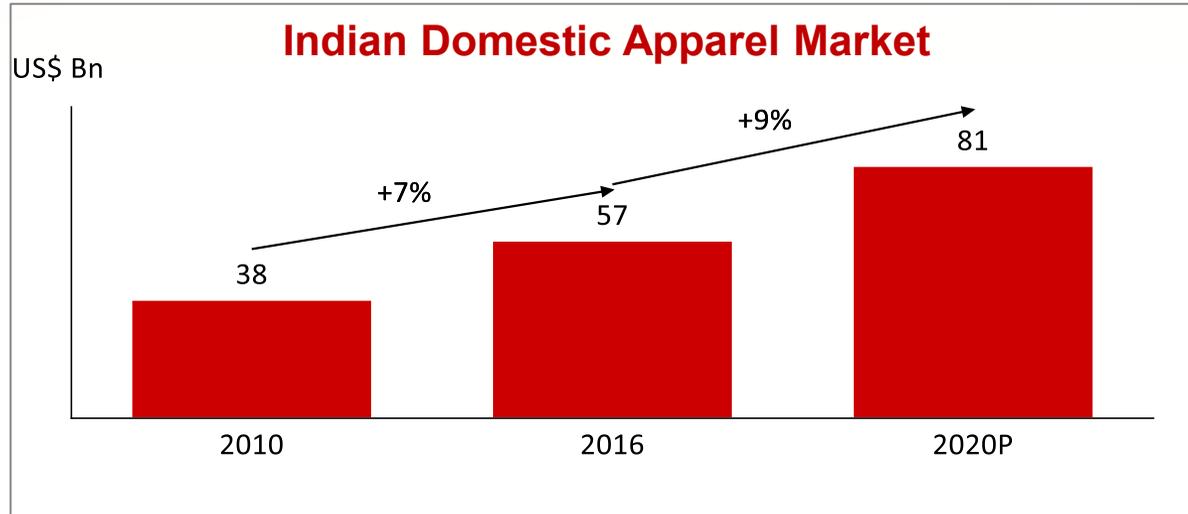
Particulars	31-Mar-16
Net Worth	944
Debt	1,849
Interest Accrued but not due on borrowings	31
<b>Capital Employed</b>	<b>2,824</b>
Net Block (Incl. CWIP)	572
Goodwill	1,775
Net Working Capital	314
Other Non-current Assets/Liabilities	163
<b>Capital Employed</b>	<b>2,824</b>
<hr/>	
Debt / Before one time costs EBITDA	3.8
Debt / Net Worth	2.0





**ABFRL**  
**Well positioned for Next Decade**

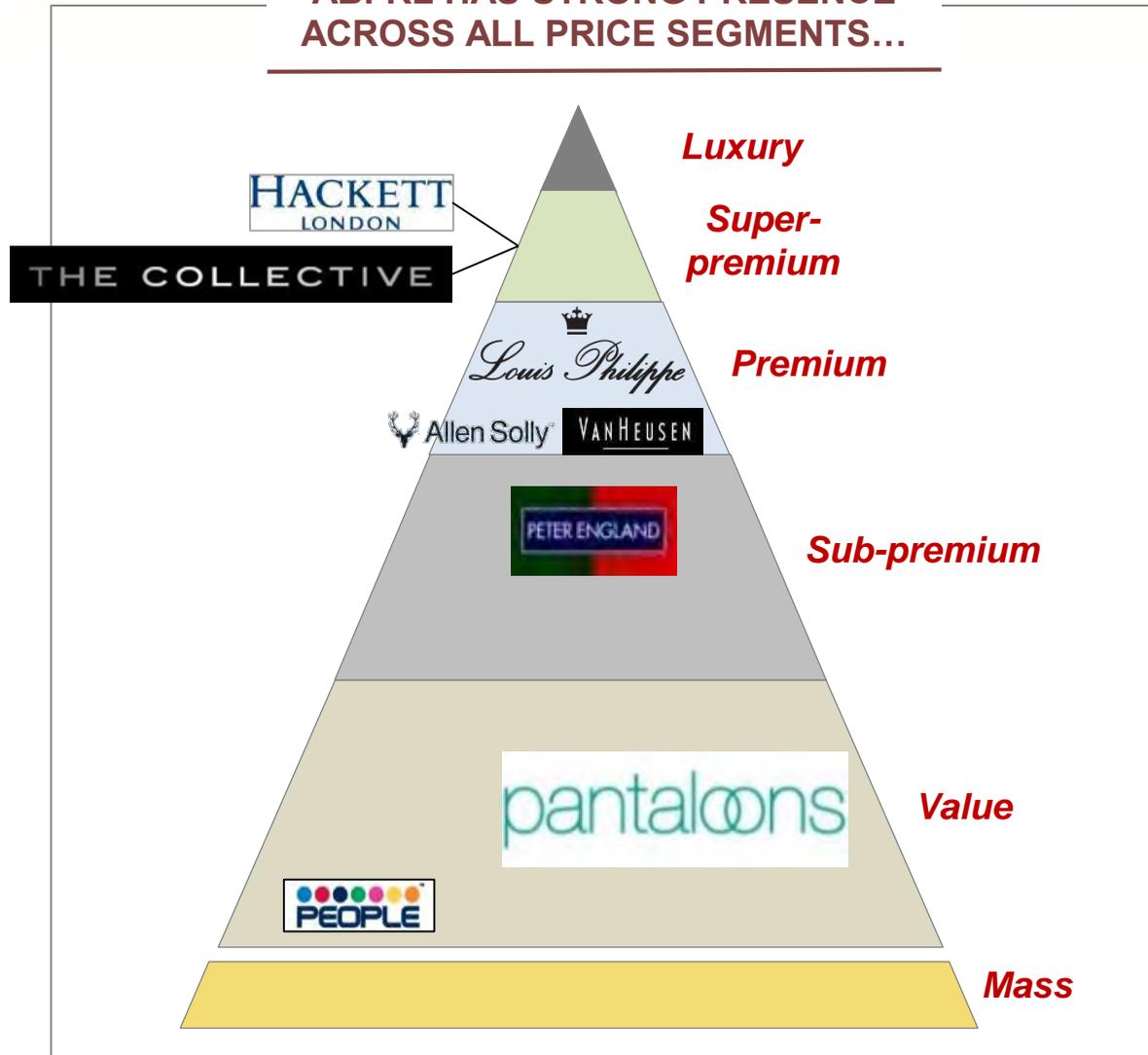
# Organized apparel retail is rapidly growing and presents a huge opportunity



# ABFRL has a strong position across segments with a balanced portfolio across all high growth segments

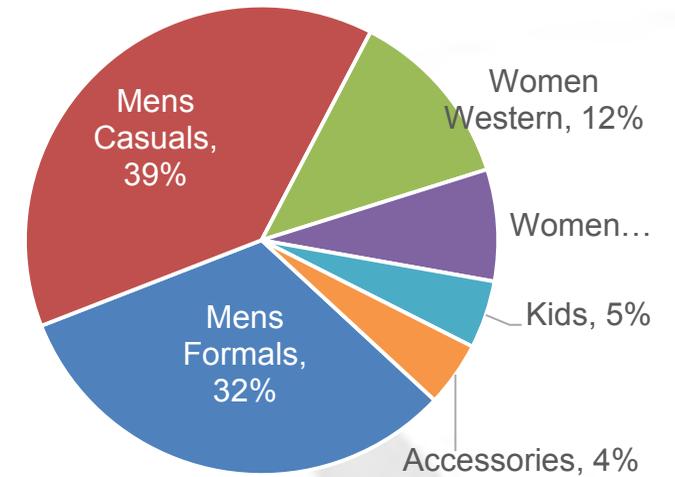


ABFRL HAS STRONG PRESENCE ACROSS ALL PRICE SEGMENTS...



... WITH A BALANCED PORTFOLIO MIX...

ABFRL Revenue Mix (FY 16)



... ACROSS KEY GROWTH SEGMENTS

Product category	Mkt CAGR (FY 16-20)
Men's Formal wear	~10-12%
Men's Casual wear	~20%
Women's Wear	~17-18%
Women's Western	~20%
Women's Ethnic	~15%

Source: McKinsey study, Technopak, Euromonitor

# We have identified new growth areas to strengthen our long-term position



- Build select portfolio in **Super Premium** segment to tap the opportunity offered by growth of 'affluent' Indian
- Build scalable business in **womens fast fashion**, in line with global trends and rapid change in Indian women's wear market
- Grow portfolio of **casual brands** through organic & in-organic route
- Expand into new or under-penetrated categories such as innerwear, active wear

In line with our strategy, we have initiated expansion into super premium and women's fast fashion segments



**GLOBAL SUPER PREMIUM BRANDS**



**GLOBAL FAST FASHION BRANDS**

**FOREVER 21**

# We have identified new growth areas to strengthen our long-term position



- Menswear London brand known for apparel and accessories such as watches, cufflinks, jewellery & luggage
- ABFRL has signed a Long term licensing arrangement with rights to design & manufacturing



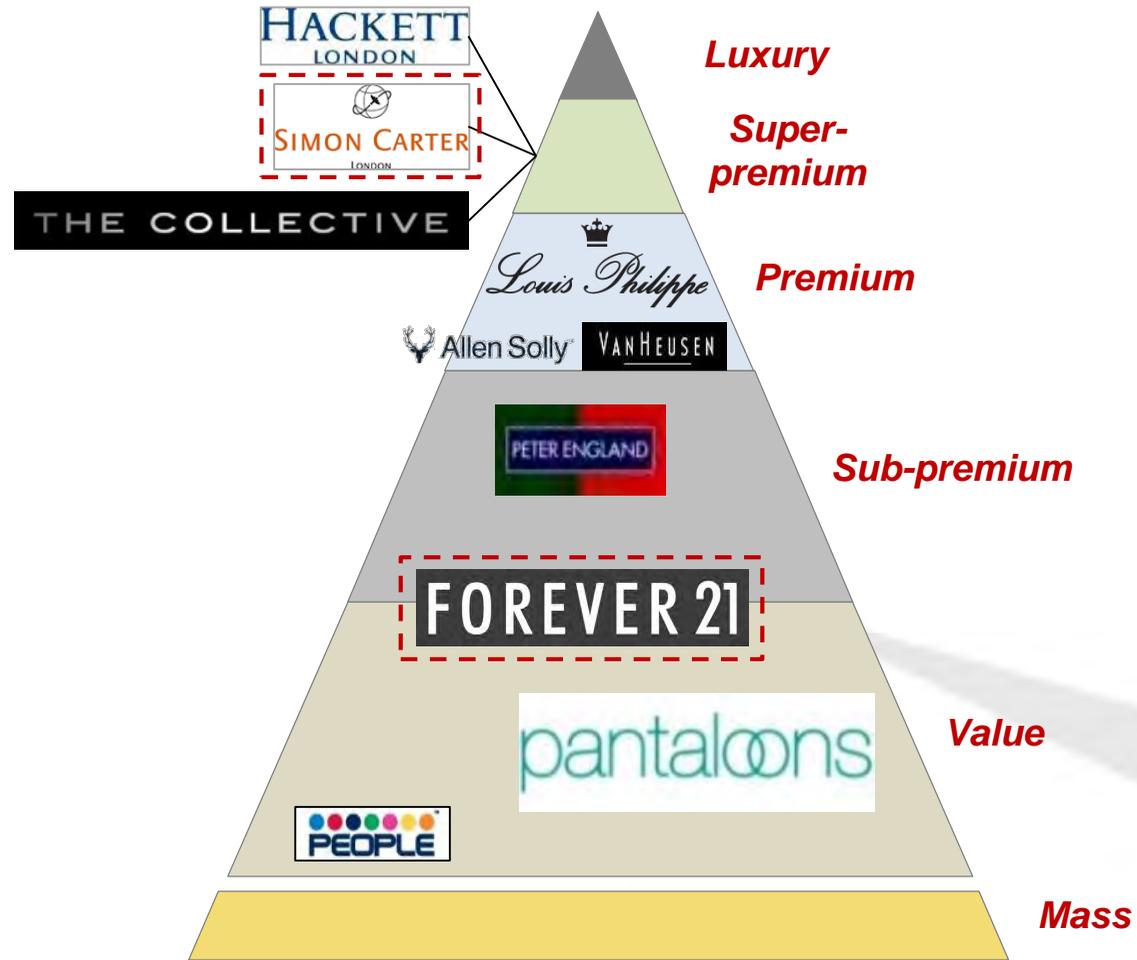
## FOREVER 21 Global Snapshot

Line of business	Apparel & accessories
Founded	1984

- Forever 21 is an American **chain of fashion retailers**
- Founded in 1984 by Do “Don” Won Chang and his wife Jin Sook Chang
- Known for its **trendy offerings** of women’s, men’s, and girls’ clothing, accessories and beauty products as well as its **economical pricing**
- Present across **Americas, Asia, the Middle East, and the UK**
- Awarded the Peter Glen Retailer of the Year award in 2010 by VMSD magazine

- Women's fast fashion globally is the largest and fastest growing segment
- Indian market is also going to witness explosive growth in Women's fast fashion segment
- ABFRL has taken a definitive large step with this partnership to further its leadership position in the Indian market
- ABFRL – Forever 21 partnership will create opportunity to build one of the largest womens fast fashion business in the country

# ABFRL is strengthening its portfolio across all price segments



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