



March 27, 2025

BSE Limited
Scrip code: 535755

National Stock Exchange of India Limited
Symbol: ABFRL

Sub.: Pronouncement of Order by National Company Law Tribunal, Mumbai Bench ("NCLT") approving the Scheme of Arrangement among Aditya Birla Fashion and Retail Limited ("Demerged Company"), Aditya Birla Lifestyle Brands Limited ("Resulting Company") and their respective shareholders and creditors

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

Dear Sir/ Madam,

In furtherance to our earlier intimations on the Scheme of Arrangement among Aditya Birla Fashion and Retail Limited ("Demerged Company"), Aditya Birla Lifestyle Brands Limited ("Resulting Company") and their respective shareholders and creditors ("Scheme"), this is to inform you that Hon'ble NCLT vide its order dated March 27, 2025 has sanctioned the Scheme filed by the Company ("Said Order").

In this regard, a copy of said order was uploaded on the website of the NCLT and is enclosed herewith.

The certified copy of the said order of NCLT sanctioning the above Scheme is awaited.

This is for your information and records.

Thanking you.

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

Anil Malik
President & Company Secretary

ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered Office:

Piramal Agastya Corporate Park, Building 'A',
4th and 5th Floor, Unit No. 401, 403, 501, 502,
L.B.S. Road, Kurla, Mumbai - 400 070

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

Website: www.abfrl.com

E-mail: secretarial@abfrl.adityabirla.com



THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT-1

C.P.(CAA)/43/MB/2025

Connected with

C.A.(CAA)/223/MB/2024

In the matter of

The Companies Act, 2013 (18 of 2013)

and

Section 232 r/w Section 230 of

The Companies Act, 2013 and other

applicable provisions of the Companies Act,

2013

*read with the Companies (Compromises,
Arrangements and Amalgamations) Rules,*

2016;

In the matter of

Scheme of Arrangement

Aditya Birla Fashion and Retail Limited,

CIN: L18101MH2007PLC233901

...Petitioner Company 1/

Demerged Company

Aditya Birla Lifestyle Brands Limited

CIN: U46410MH2024PLC423195

...Petitioner Company 2/

Resulting Company

[Collectively referred to as 'Petitioner Companies']

Order delivered on 27.03.2025

Coram:

Shri Prabhat Kumar

Hon'ble Member (Technical)

Justice V.G. Bisht (Retd.)

Hon'ble Member (Judicial)



Appearances:

For the Petitioner Companies: Mr. Ahmed Chunawala, Advocate

For the Regional Director: Mr. Bhagwati Prasad, Assistant Director from the Office of the Regional Director Western Region, Ministry of Corporate Affairs.

ORDER

1. Heard Learned Counsel for the Petitioner Companies as well as the Representative of the Regional Director, Western Region, the Ministry of Corporate Affairs (“**Regional Director**”). No objection has been received by the National Company Law Tribunal, Mumbai Bench (“**Tribunal**”) opposing the Company Scheme Petition and nor has any party controverted any averments made in the Company Scheme Petition.
2. The sanction of the Scheme is sought under Sections 232 r/w Section 230 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the Scheme of Arrangement between **Aditya Birla Fashion and Retail Limited** (“**Demerged Company**”) and **Aditya Birla Lifestyle Brands Limited** (“**Resulting Company**”) and their respective shareholders and creditors.
3. The Board of Directors of the Petitioner Companies have approved the Scheme of Arrangement by passing the Board Resolutions in its meeting held on April 19, 2024. The appointed date is fixed as 01.04.2024.



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4. The Petitioner Company No. 1 is currently engaged in the business of manufacturing, marketing, sales and/or distribution of fashion apparel, footwear and accessories through offline and/or online channels including wholesale, retail and e-commerce under multiple owned and licensed brands and that the Petitioner Company No. 2 has been incorporated for carrying out the business of manufacturing, marketing, sales and/or distribution of fashion apparel, footwear and accessories through offline and/or online channels including wholesale, retail and e-commerce under multiple owned and licensed brands.
5. The rationale for the proposed Scheme as per Part A of the Scheme is as under:
- (a) ABFRL runs a diverse portfolio of fashion brands and retail formats with key business segments comprising of Madura Fashion and Lifestyle and Pantaloons, Ethnic portfolio along with other new growth platforms.
 - (b) The MFL Business (as defined in the Scheme) has built a leadership position over a long period of time and has a proven track record of delivering consistent revenue growth, profitability, strong free cash flows and high return on capital. The Remaining Business of the Demerged Company (as defined hereinafter) comprises portfolio of multiple businesses. The Scheme is being proposed to separate MFL Business from the Remaining Business of the Demerged Company and demerge it into the Resulting Company.
 - (c) The proposed Scheme would be in the best interests of the Demerged Company, Resulting Company and, their



respective shareholders, employees, creditors and other stakeholders for the below reasons:

- (i) The distinctive profile and established business model of the MFL Business makes it suitable to be housed in a separately listed entity, allowing sharper strategic focus in pursuit of its independent value creation trajectory;
- (ii) Result in better and efficient control and management for the segregated businesses, operational rationalization, organization efficiency and optimum utilization of various resources;
- (iii) The Scheme would unlock value for the overall-business portfolio through price discovery of the individual entities for existing shareholders;
- (iv) The Demerged Company will house multiple growth platforms across value and masstige retail, branded ethnic business, super premium and luxury retail formats and portfolio of digital brands and will chart its own growth journey;
- (v) The Scheme could lead to the right operating architecture for both companies with sharper focus on their individual business strategies and clear capital allocation, in alignment with their respective value creation journeys; and
- (vi) Separately listed companies to attract specific set of investors for their business profile, and consequently, encourage stronger capital market outcomes.



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6. The Petitioner Companies submits that the captioned Company Scheme Petition is filed in consonance with Section 232 r/w Section 230 and other applicable provisions of the Act and the order dated 27.11.2024 passed in the Company Scheme Application No. C.A.(CAA)/223/(MB)2024 (“**Order**”) by this Tribunal.
 7. The Petitioner Companies further submits that they have complied the order 10.02.2025 intimating the date of hearing and service of Petition upon the Sectoral/Regulatory authorities and also made paper publication in two leading newspapers one in Business Standard and another one in vernacular language i.e. Navshakti on 21.02.2025 and filed necessary affidavit of Compliance with this Tribunal on 07.03.2025 and the Petitioner Companies have complied with all the requirements as per the directions of this Tribunal. Moreover, the Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the rules & regulations made thereunder. The said undertaking is accepted.
 8. The Regional Director has filed his Report dated 28.02.2025 making certain observations and the Petitioner Companies have undertaken/made following submission that :
 - a. The Petitioner Companies shall pass such accounting entries as may be necessary in connection with the Scheme to comply with other applicable Accounting Standards;
 - b. The Scheme enclosed to the Company Application and Company Scheme Petition is one and the same and that there is no discrepancy;



- c. The approval of Scheme by the Tribunal shall not deter such authorities to deal with any of the issues arising after giving effect to the Scheme and the decisions of such authorities shall, as per applicable law, be binding on the concerned Petitioner Companies;
 - d. The Petitioner Companies shall comply with observation made by the BSE limited and NSE limited vide their observation letters dated October 30, 2024 and October 28, 2024 respectively, read with Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e. The Petitioner Company shall comply with the applicable rules, regulations, guidelines of FEMA, FERA and RBI to the extent applicable.
9. Mr. Bhagwati Prasad, Additional Director for the Office of Regional Director (WR), Mumbai appears on the date of hearing and submits that above explanations and clarifications given by the Petitioner Companies in rejoinder are satisfactory and they have no further objection to the Scheme.
10. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 43 of 2025 (C.P. (CAA)/43/MB/2025) is made absolute in terms of the prayer clause of the said Company Scheme Petition.



11. The creditors of undertaking, being demerged, shall be entitled to make claim against the resulting company as well as demerged company in relation to their debt up to the date of demerger. In case the resulting Company is made to pay the debt of such undertaking, it shall be entitled to seek reimbursement of the amount so paid from the Demerged Company.
12. The Income Tax Department will be at liberty to examine the aspect of any tax payable as a result of this Scheme and it shall be open to the Income Tax Authorities to take necessary action to deal with, in relation to tax or any other kind of obligations of Demerged Company against the Resulting Company, as permissible under the Income Tax Laws.
13. The Petitioner Companies are directed to file a copy of this Order along with a copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically in E-Form INC-28, within 30 days from the date of receipt of the Order by the Petitioner Companies.
14. The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from the date of receipt of the Order, if any.
15. All concerned authorities to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai.



16. Ordered Accordingly. Pronounced in open court today.

Sd
Prabhat Kumar
Member (Technical)

Sd
Justice V. G. Bisht
Member (Judicial)