



May 03, 2015

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Mumbai – 400 001.
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Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.
Fax # 022- 26598237/38
26598120

Sub.: **Composite Scheme of Arrangement between the Company, Aditya Birla Nuvo Limited, Madura Garments Lifestyle Retail Company Limited and their respective shareholders and creditors**
[Scrip Code: BSE – 535755; NSE – PFRL]

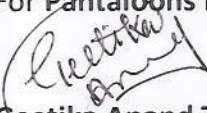
Dear Sirs,

This is further to our letter and email on the subject sent earlier this day.

Please find enclosed herewith a copy of the presentation on the subject which shall be presented to our investors and also posted on our website.

Thanking you,

Yours faithfully,
For **Pantaloons Fashion and Retail Limited**


Geetika Anand Talwar
Company Secretary & Compliance Officer



Encl : a/a

Pantaloons Fashion & Retail Ltd.

701-704, 7th Floor, Skyline Icon, 86-92, Off Andheri Kurla Road, Marol Village, Andheri East, Mumbai - 400 059.
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Creating India's Largest Branded Apparel Company

Aditya Birla Fashion & Retail Limited



Investor presentation

Mumbai, 3rd May 2015

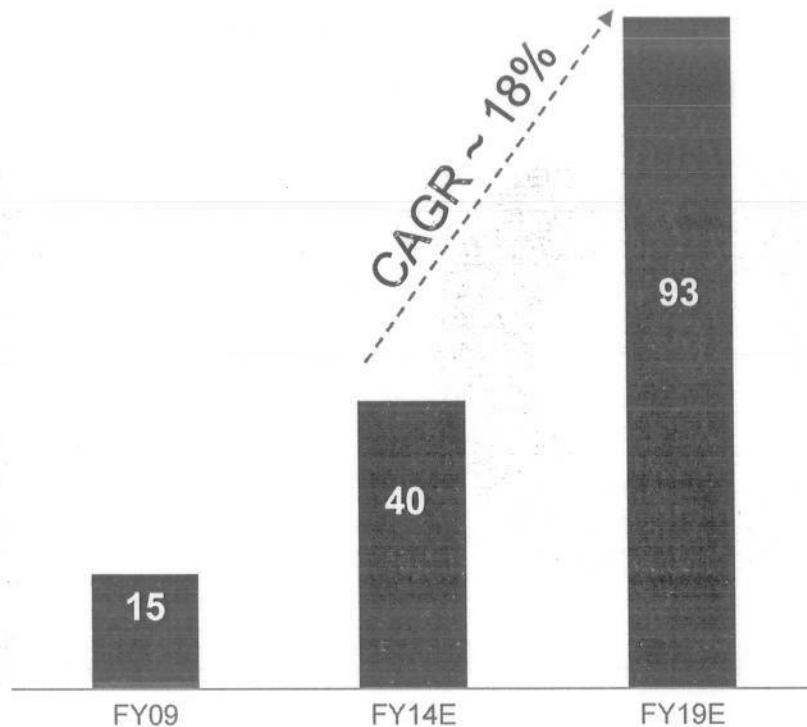
**India's Branded Apparel & Fashion Market
is large & growing rapidly**

Indian Apparel Market – Large and Growing Rapidly

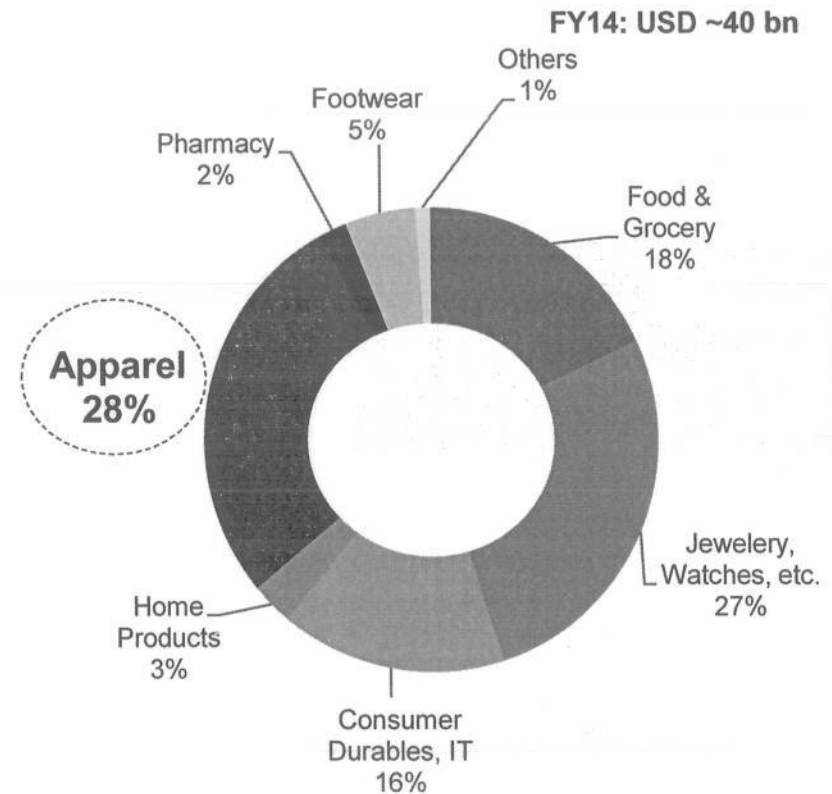
Driven by organized retail growth of ~18% over 5 years

Growth of Organized Retail

Organized Retail Market (USD bn)



Apparel - largest share in Organized Retail

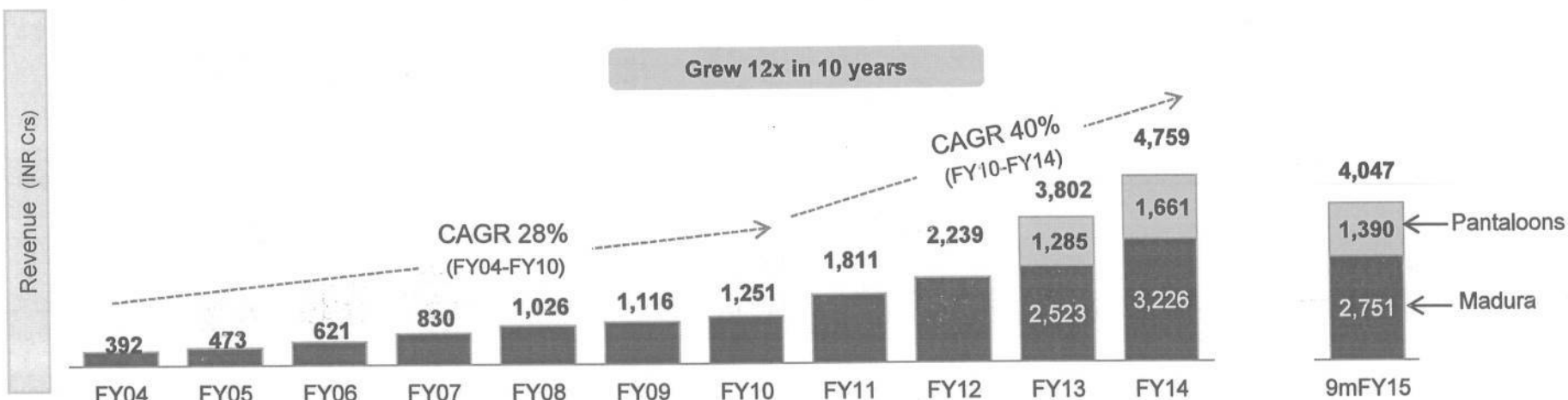
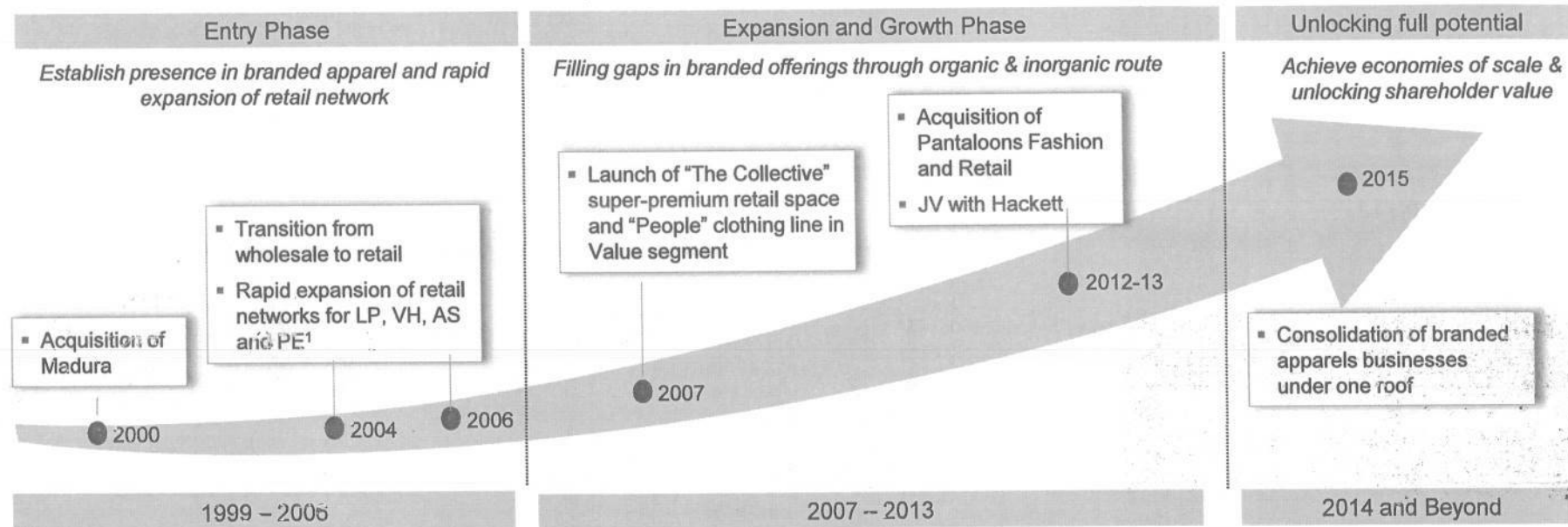


ABFRL well poised to exploit the growth opportunity

We have strong businesses in the Branded apparels Space

ABG's Journey in Apparel Industry

A story of continuous evolution



Note:

(1) LP: Louis Philippe; VH: Van Heusen; AS: Allen Solly; PE: Peter England

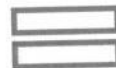
Transaction Highlights

Creating India's largest pure-play fashion lifestyle company

Presence across entire spectrum of Fashion with market leading brands

Largest retail network with 1,869 stores spanning ~5 Mn Sq ft

Significant shareholder value unlock: direct access to apparel entity with track record of high growth & profitability



**ADITYA BIRLA
FASHION & RETAIL
LIMITED**

Winning Combination of Brands & Retail



- Powerhouse of **India's leading fashion brands**: Louis Philippe, Van Heusen, Allen Solly, Peter England
- Extensive reach through **multi-channel distribution network**: ~ 1735 Retail stores & 6000+ additional points of sale
- State of Art **global supply chain**
- **Strong in-house design** & product development capabilities
- Track record of **robust financial performance**

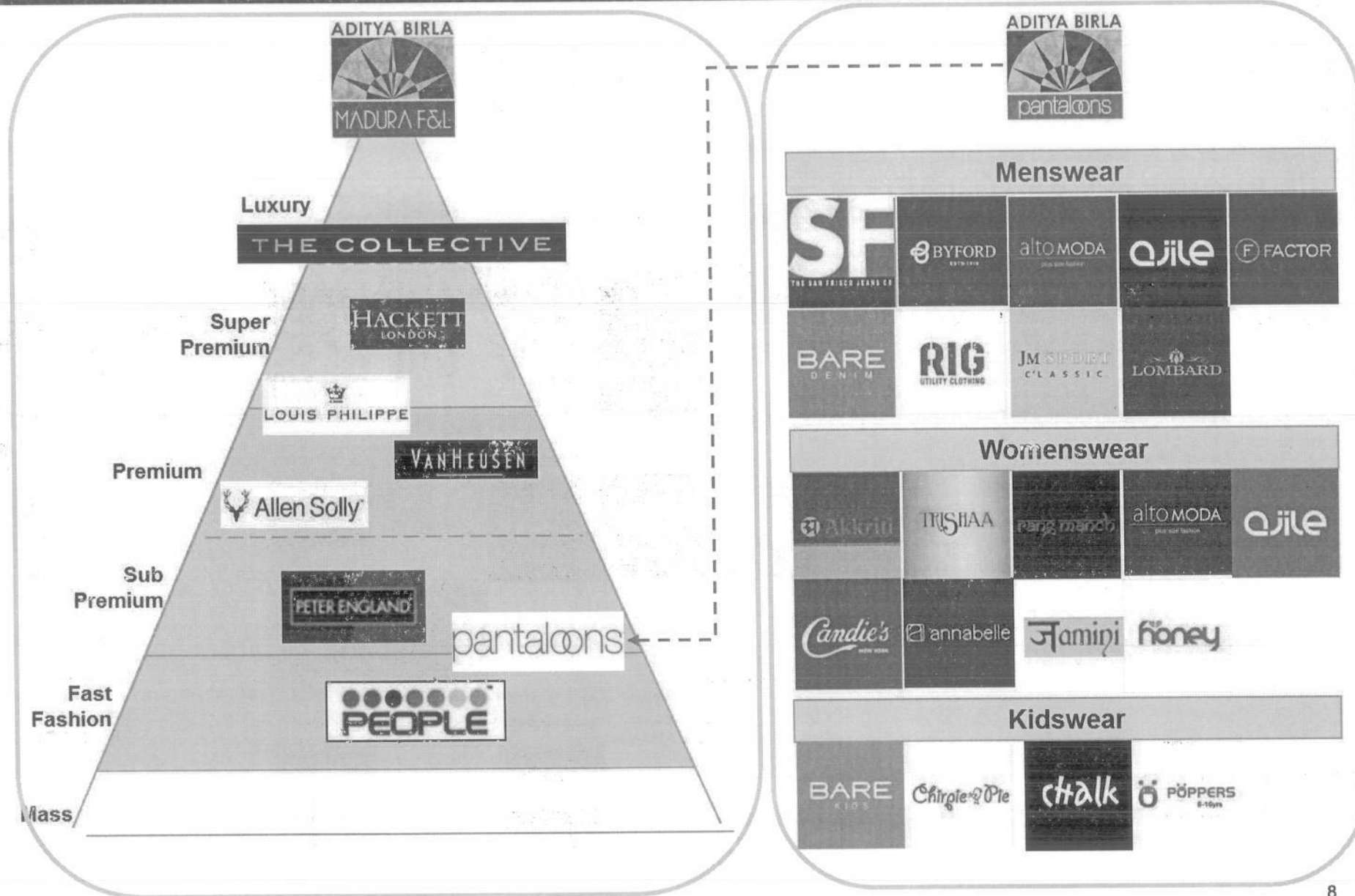
India's #1 Menswear Player



- One of **India's largest big-box** affordable fashion retailer
- Unique business model: **Design to Retail**
- Strong portfolio of **exclusive private brands**: ~60% of Revenue
- **Widest reach**: 49 cities & 104 stores
- **Rich portfolio** spanning all genders & consumer segments
- One of the **largest loyalty programs**: ~4 Mn members - 60% of sales

India's #1 Womenswear Retailer

Bouquet of Market Leading Brands across Segments

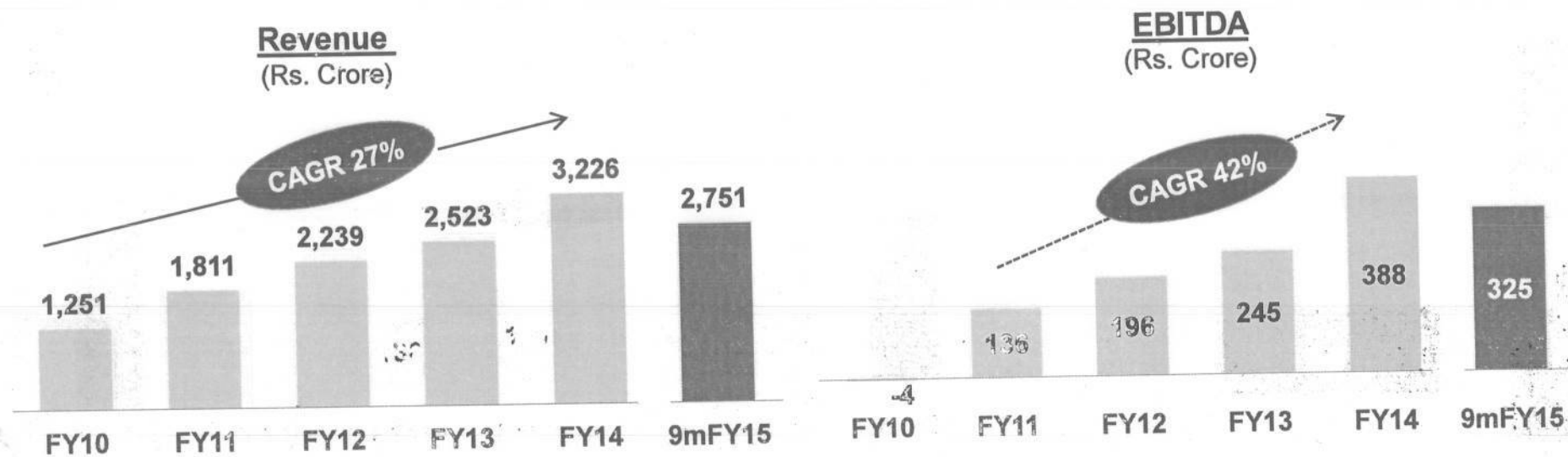


Madura has rapidly grown its 'Power Brands' by successfully extending them into fast growing segments



Successfully broadened product offerings of each brand yet reinforcing core positioning

Madura : Track record of robust financial performance



	FY 11	FY 12	FY 13	FY 14	9m FY 15
EBITDA %	8%	9%	10%	12%	12%
ROACE % (annualised)	11%	20%	29%	64%	70%

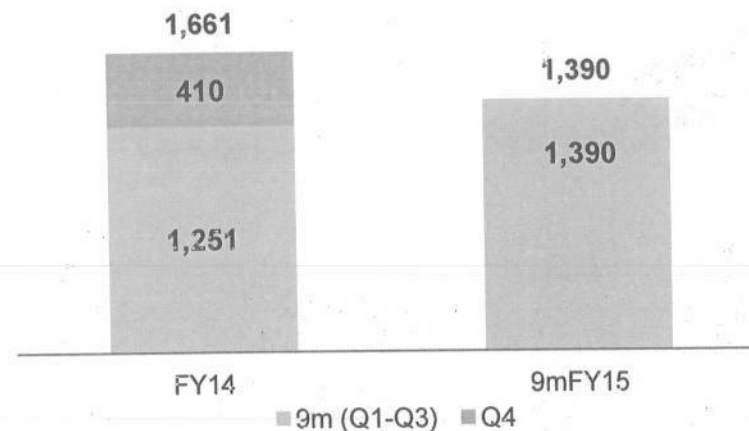
Combination of High ROACE & Robust Growth

Pantaloons: Transformation since acquisition

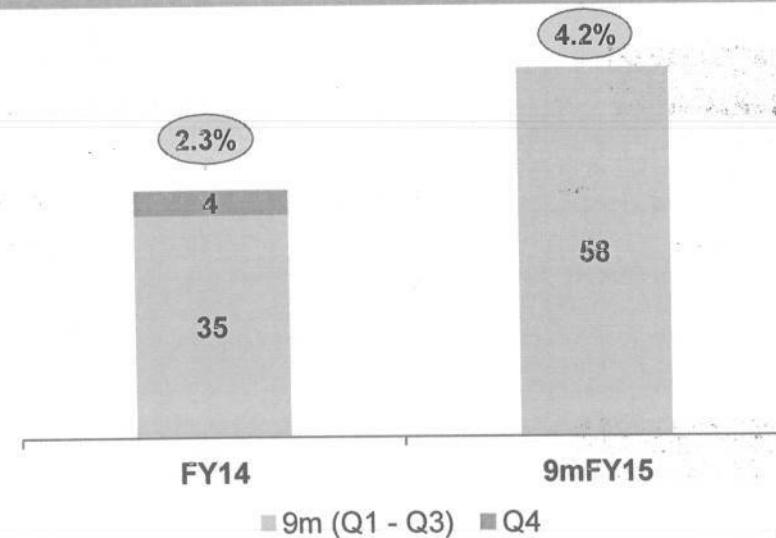
Major Initiatives since acquisition

- 39 new stores launched
- 40 store renovated and 100% store re-layouts
- Overhauling of portfolio leading to 4% improvement in Gross Margin
- Created 8 new brands, added 15 external brands
- Increased share of Private Brands from ~47% to ~60%
- Created a newer & stronger vendor network with pan India capability

Revenue (INR Crs)



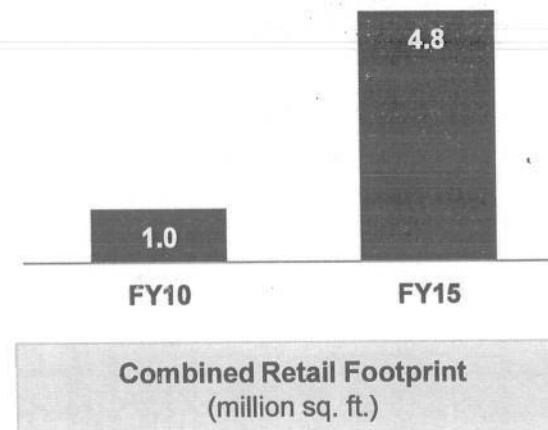
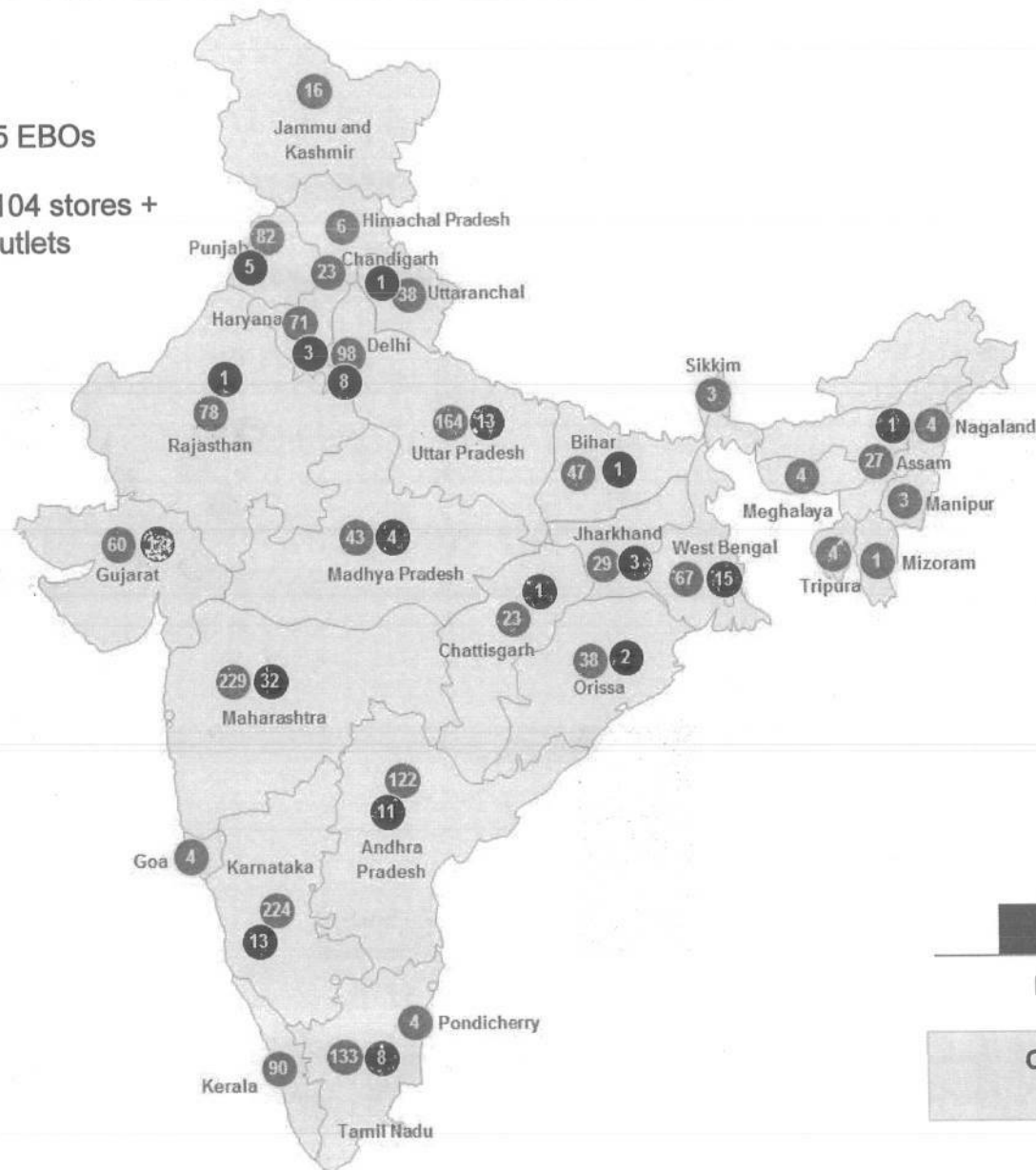
EBITDA (INR Crs)



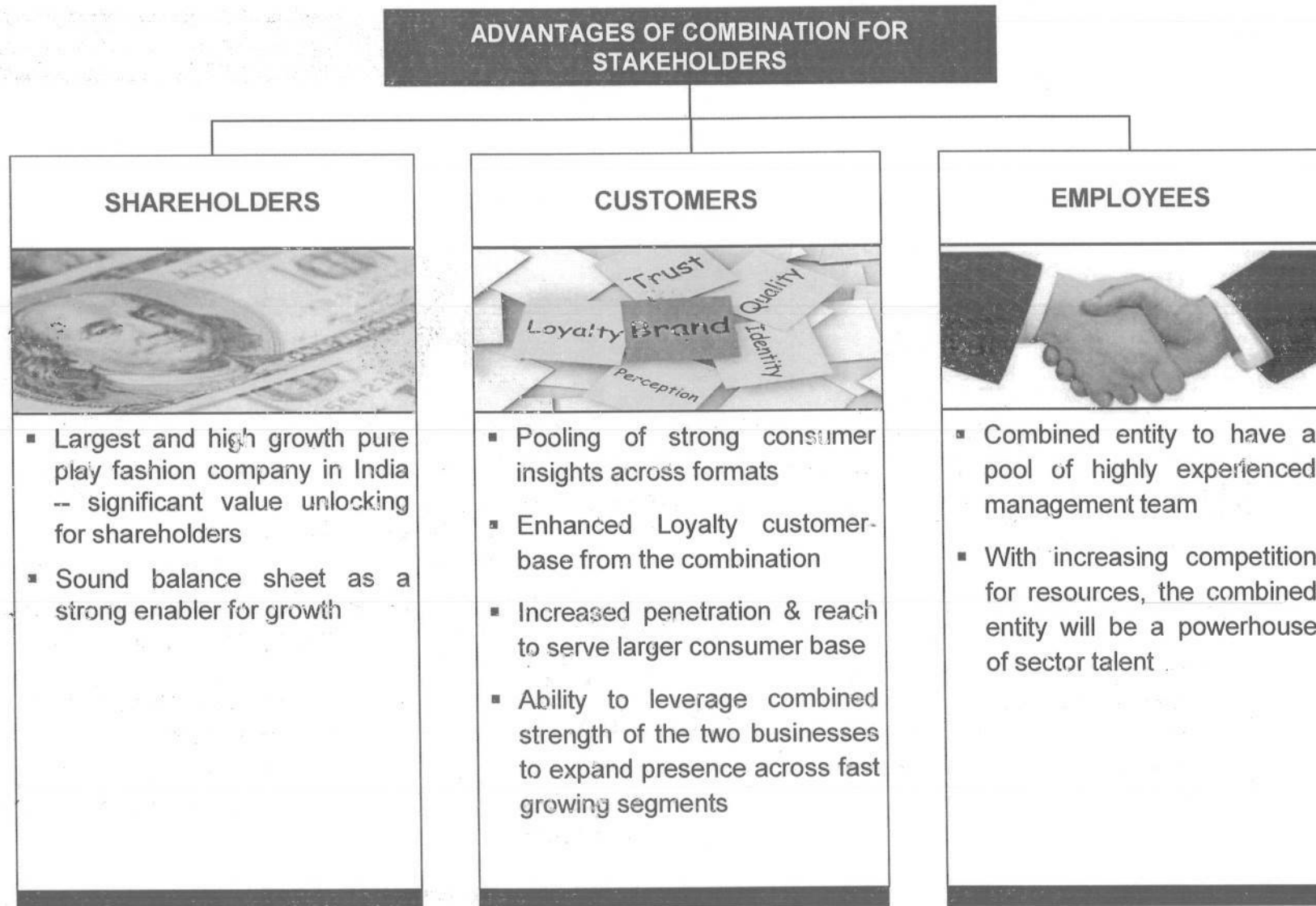
ABFRL: Largest retail network in the fashion space

As at Mar 31, 2015

- Madura: 1735 EBOs
- Pantaloon's: 104 stores + 30 Factory Outlets



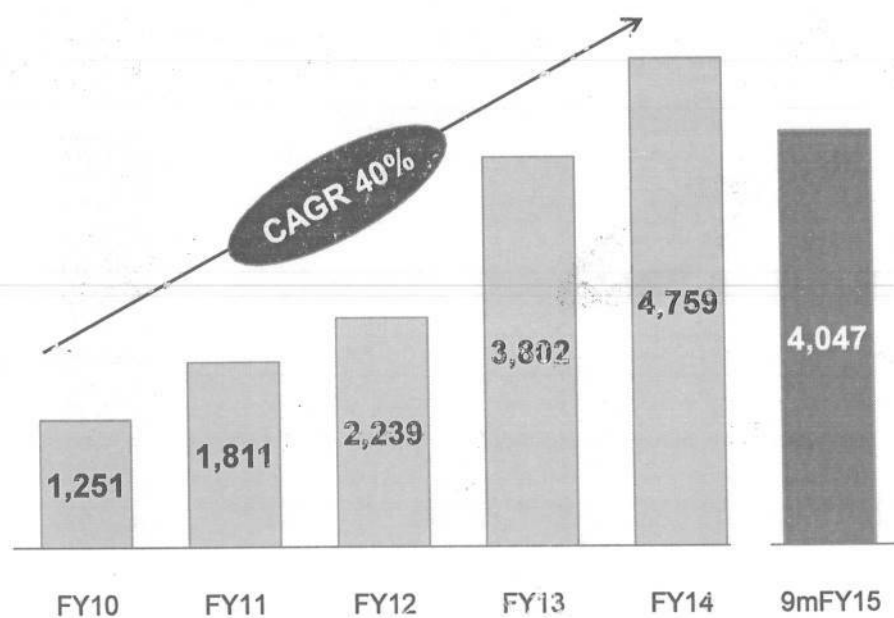
Combination to Lead to Significant Advantages



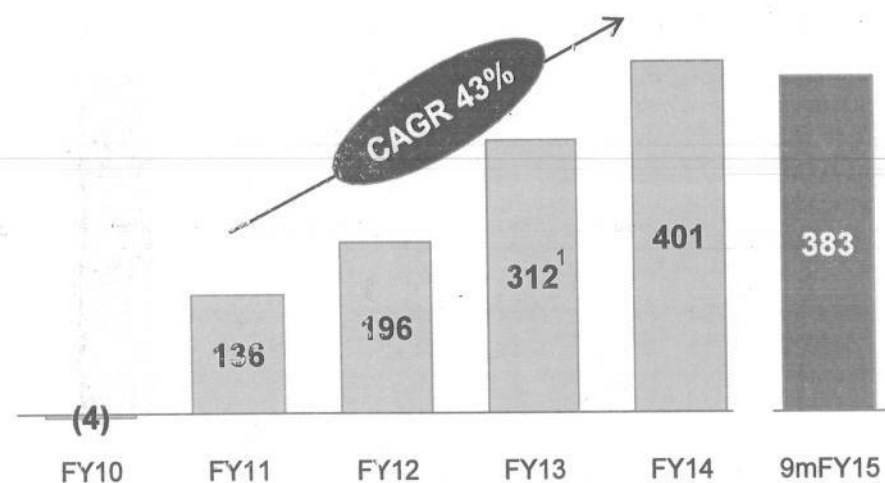
ABFRL: Pro-forma Consolidated Financial Statements

**ABFRL will be the largest branded apparel player in India
with a track record of having delivered substantially higher growth than market**

Revenue (INR Crs)

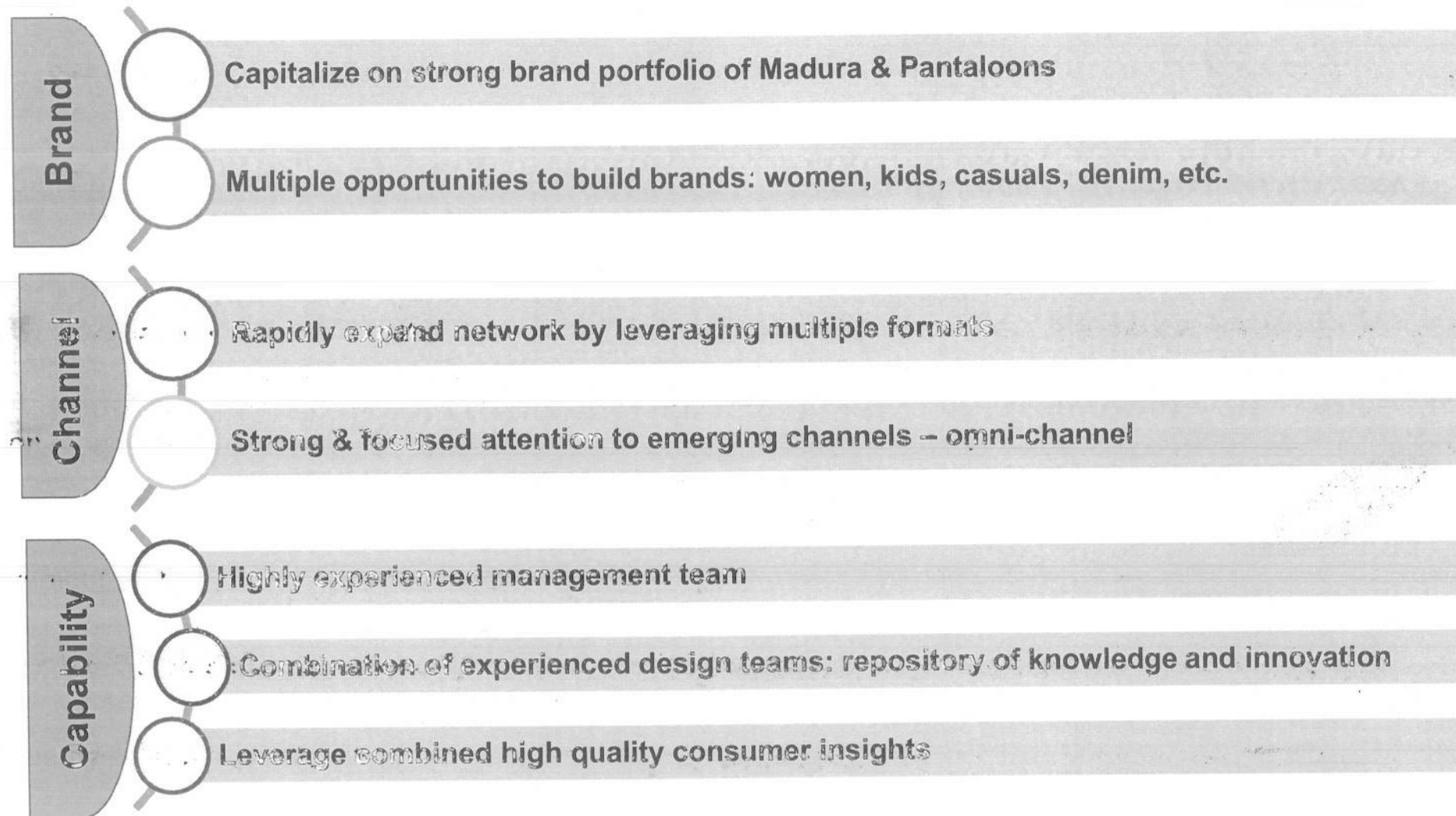


EBITDA (INR Crs)



Note 1 : Excluding one-time investment income

ABFRL – Key pillars of Future Growth



Multiple Operating Synergies – Sourcing, Real Estate, Supply Chain & IT

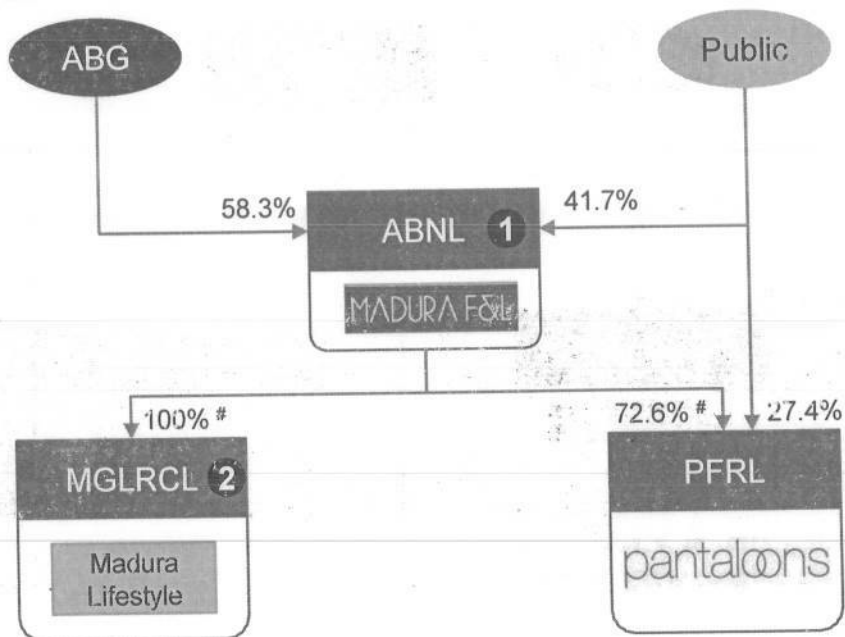
Key Management Personnel

	Pranab Barua Business Director, Apparel & Retail Business	- Pranab, a 40+ year veteran in the consumer and retail industry, is business director for Apparels & Retail businesses of the Aditya Birla Group (ABG) - Before being associated with ABG, he was the CEO of Triniethra Super Retail which was acquired by the ABG in 2007. - He has previously worked in senior positions with Brooke Bond India, as Foods Director on the Hindustan Unilever Board, as Chairman and Managing Director of Reckitt Benckiser and as Regional Director, Reckitt Benckiser for South Asia - He holds a graduate degree in B.A. (English Honours) from St. Stephens College, New Delhi
	Ashish Dikshit Business Head, Madura	- Ashish has been with the Aditya Birla Group for over 15 years having joined Madura from Asian Paints in 1998 - He has worked across several functions in the business and has headed its supply chain, marketing and sourcing functions over this period. He has also worked as Principal Executive Assistant to the Chairman of ABG for more than 3 years - He is an Electronics and Electrical Engineer from IIT-Madras and holds a Postgraduate Diploma in Management from IIM-Bangalore
	Shital Mehta CEO, Pantaloons	- He has been with Aditya Birla Group for about 15 years. Previously, he served as the Chief Operating Officer of the International Brands and Retail, Madura Fashions and Lifestyle - Prior to that worked as brand manager for Godrej Foods (1996-2000) - He is an MBA in marketing from SP Jain Institute of Management and Research and has attended advanced management programs at Wharton Business School
	S Visvanathan CFO, Apparel & Retail Business	S. Visvanathan joined the Aditya Birla Group in 2007 and has been with the Textile and Apparel business since then. He is also a member of the Management Committee of the Textile and Apparel business of the Aditya Birla Group - He has 26 years of experience across industries spanning white goods, capital equipment, electrical equipment and auto components - Previously he has worked with the Tata Group in various capacities in auto components business, Voltas and Allyn (CFO) - He is a commerce graduate from Chennai University and a qualified Chartered Accountant and Cost Accountant

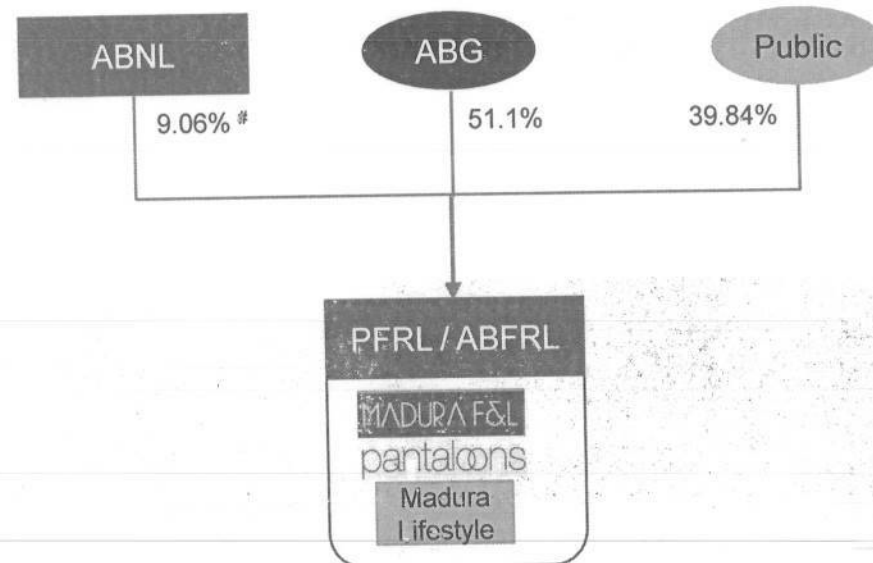
Transaction Details

Transaction Structure

Pre Transaction



Post Transaction



Including indirect holding

Transaction Steps

- 1 Mirror Demerger of Madura Fashion division into PFRL
 - 2 Mirror Demerger of Madura Lifestyle division into PFRL
- Net debt of ~Rs. 473 Cr. will be transferred along with the businesses into PFRL. Transaction is subject to corporate & regulatory approvals and is expected to take 6 to 9 months

Swap Ratio

- 26 equity shares of PFRL for every 5 equity shares of ABNL
- 7 equity shares of PFRL for every 500 equity shares of MGLRCL
- 1 equity share of PFRL for all o/s preference shares of MGLRCL

A shareholder holding 100 equity shares in ABNL will continue to hold 100 equity shares in ABNL & in addition will get 520 equity shares of PFRL

Transaction Details

Key Regulatory Approvals

Regulatory Body

Requirement

- | | |
|---------------------------|--|
| ▪ Stock Exchange and SEBI | <ul style="list-style-type: none"> ▪ Scheme filing after board approval ▪ Post court order – Allotment of shares ▪ Approval for listing of shares |
| ▪ High Courts | <ul style="list-style-type: none"> ▪ Bombay and Gujarat High Courts |

Transaction is expected to be completed in next 6 - 9 months

Advisors

Transaction Advisor

- Standard Chartered Bank

Independent Fairness Opinion

- Axis Capital Limited
- JM Financial Institutional Securities Pvt. Ltd.

Legal Advisor

- Amarchand & Mangaldas & Suresh A Shroff & Co.

Valuation Expert

- Price Waterhouse & Co. LLP
- Bansi S Mehta & Co.

Disclaimer

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Pantaloons Fashion & Retail Limited

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