



The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai

Bombay Stock Exchange of India,
"Phiroze Jeejeebhoy Towers",
Dalal Street,
Mumbai

March 14, 2011

Dear Sir/Madam,

Vishal Retail Limited: Completion of the Slump Sale of the Wholesale Undertaking and the Retail Undertaking of the Vishal Retail Limited ("Company")

Pursuant to Clause 36 of the Listing Agreement, please be informed that pursuant to the terms of the definitive slump sale agreements entered into by the Company, the approved CDR Package of the Company and the receipt of all requisite approvals, including (i) the approval of the Board of Directors of the Company at its board meeting held on September 10, 2010, (ii) the approval of the Shareholders of the Company, obtained on October 25, 2010, by way of the postal ballot conducted by the Company, and (iii) the modification of the stay orders issued by the Hon'ble Delhi High Court, the Company has today March 14, 2011 completed the sale and transfer, on a slump sale basis, of

- (a) the retail trading undertaking of the Company ("**Retail Undertaking**") to Airplaza Retail Holdings Private Limited (a company owned by the Shriram Group) ("**Airplaza Retail**"), together with all rights, assets and interests pertaining to the Retail Undertaking (including but not limited to fixed and movable assets, inventory, stock-in trade, cash and cash equivalents, store leases, leasehold improvements and fit-outs, and contractual entitlements of the Retail Undertaking) and certain identified liabilities pertaining to the Retail Undertaking;
- (b) the wholesale trading, institutional sales and franchise operations undertaking of the Company ("**Wholesale Undertaking**") to TPG Wholesale Private Limited (Indian subsidiary of TPG VW, Limited) (the "**Wholesale Company**"), together with all rights, assets and interests pertaining to the Wholesale Undertaking (including but not limited to fixed and movable assets, inventory, stock-in trade, cash and cash equivalents, warehouse and distribution centre leases, leasehold improvements and fit-outs, information technology systems, rights to all trademarks and intellectual property used and/or owned by the Company and/or its Promoters (including but not limited to the name and style "Vishal", "Vishal Retail", "Vishal Megamart" and "Vishal Fashion Mart" (including any derivatives thereof)) and contractual entitlements of the Wholesale Undertaking) and certain identified liabilities pertaining to the Wholesale Undertaking.



Pursuant to the transfer of the Retail Undertaking to Airplaza Retail and the Wholesale Undertaking to the Wholesale Company on a slump sale basis for a lump sum consideration, the Company will receive an aggregate cash consideration of Rs. 700 million from Airplaza Retail and the Wholesale Company.

Please also be informed that consequent to slump sale of the undertakings, on and from March 14, 2011:

- (a) barring a few identified employees of the Company, most employees of the Retail Undertaking and the Wholesale Undertaking have obtained fresh employment with the Retail Company and the Wholesale Company respectively and such employees will cease to be employed by the Company; and
- (b) except in the case of the corporate name of the Company (and that too for a limited period of five months), the Company, its promoters and their respective affiliates have ceased trading and conducting business operations under *inter alia* the name and style "Vishal", "Vishal Retail", "Vishal Megamart" and "Vishal Fashion Mart" (including any derivatives thereof); and
- (c) the Company has ceased all trading operations from the store locations from where it conducted its retail trading activities, and pursuant to the transfer of the Retail Undertaking to Airplaza Retail, only Airplaza Retail may conduct trading operations from the store locations from where the Company currently conducts its retail trading activities.

This is for your information and record.

For Vishal Retail Limited


Ram Chandra Agarwal
Chairman & Managing Director

