



DEPUTY GENERAL MANAGER
CORPORATION FINANCE DEPARTMENT
Phone no: 022-26449373

भारतीय प्रतिभूति
और विनियम बोर्ड
Securities and Exchange
Board of India

CFD/PC/IG/CBI/31040/14
October 31,2014

M/s Future Corporate Resources Limited
Knowledge House, Shyam nagar
Jogeshwari- Vikhroli link road
Jogeshwari (east)
Mumbai-400060

Dear Sir,

Sub: Request for "Interpretative Letter" under the SEBI (Informal Guidance) Scheme, 2003 {Scheme} by M/s. Future Corporate Resources Limited in the matter of M/s. Future Lifestyle Fashions Limited {Target Company} under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 {Takeover Regulations}.

1. This has reference to your letter dated July 17, 2014, further correspondences dated August 01, 2014, August 05, 2014, August 08,2014 and the revised application dated August 25, 2014 and further correspondence dated October 10, 2014 on the captioned subject.
2. You have, *inter alia*, represented as follows-
 - a. The target company is listed on the National Stock Exchange and the Bombay Stock Exchange and the promoter shareholding in the company is 52.10%.
 - b. The target company was incorporated in May 2012 and was made the 100% subsidiary of Future Retail Limited ("FRL") in November 2012. The target company was listed on October 01, 2013 pursuant to a demerger of the fashion divisions of Future Consumer Enterprise Limited ("FCEL") and FRL since both the companies were listed at the time of the demerger.
 - c. FRL had been holding shares in FCEL for more than three years before the demerger. Pursuant to the demerger, FRL was allotted shares in the target company by virtue of its shareholding in FCEL. FRL is one of the proposed transferors.
 - d. The proposed acquirer, Future Corporate Resources Limited (FCRL) has been holding shares in FRL and FCEL for more than 3 years and was allotted shares in the target company on account of its shareholding in FRL and FCEL.
 - e. Accordingly, the proposed transferor intends to transfer his shareholding to the proposed acquirers by way of an inter-se transfer.

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सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400 051.
दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर. एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in



अनुवर्ती :
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3. In view of the above, you have sought interpretive guidance from SEBI on the following issue:

Whether the above mentioned transaction would qualify for an inter-se exemption in terms of Regulation 10(1)(a)(ii) of the Takeover Regulations.

4. We have considered the submission made by you in your letter under reference and without necessarily agreeing with your analysis; our views are as under:
- As per Regulation 10(1)(a)(ii) of the Takeover Regulations, one of the conditions for claiming exemption with regard to inter-se transfer of shares among promoters is that the entities claiming open offer exemption through inter-se transfer of shares should have been named as promoters in the shareholding pattern filed by the target company in terms of the listing agreement or Takeover Regulations for not less than three years prior to the proposed acquisition.
 - In the instant case, as represented by you, the target company was listed only in 2012 and therefore neither of the transferor nor the transferee held shares in the target company for a period of atleast three years of the Takeover Regulations.
5. In the facts and circumstances as represented, the proposed transfer of shares would not be eligible for exemption under regulation 10(1)(a)(ii) .
6. The above position is based on the information furnished in your letter under reference. Different facts or conditions might lead to a different result. Further, this letter does not express a decision of the Board on the questions referred.
7. Vide your letter dated July 17,2014 and August 25, 2014, you have requested for confidentiality in respect of your interpretative letter. Acceding to your request, it has been decided that the interpretative letter issued to you in this matter will not be made public for a period of 90 days from the date of issuance of this letter.
8. You may also note that the above views are expressed only with respect to the clarification sought in your letter under reference with respect to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and do not affect the applicability of any other law or requirements of any other SEBI Regulations, Guidelines and Circulars administered by SEBI or of the laws administered by any other authority.

Yours faithfully,

Amit Tandon