

## **Summary of the Combination**

*[In terms of Regulation 13 (1B) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations), 2011, as amended].*

### **A. Name of the parties to the combination**

1. Future Retail Limited. (“**FRL**”); and
2. Heritage Foods Retail Limited. (“**HFRL**”).
3. Heritage Foods Limited (“**HFL**”)

### **B. Type of the combination**

4. FRL proposes to acquire (a) small store retail business formats under the format name “Heritage Fresh” and “Heritage Mart” in the supermarket segment (“**Retail Business**”); (b) sourcing, processing and marketing fresh fruits and vegetables (“**Agri Business**”); and (c) manufacturing and supplying bakery products (“**Bakery Business**”)(collectively, “**Retail Undertaking**”) of HFL by way of demerger from HFRL. Prior to the demerger, HFL will transfer the Retail Undertaking together with its veterinary care undertaking (“**VetCa Undertaking**”) to HFRL by way of a slump sale (“**Proposed Transaction**”).
5. The Proposed Transaction amounts to a combination under Section 5(a) of the Competition Act, 2002 (as amended).

### **C. Area of activity of the Parties to the Combination**

#### FRL

6. FRL, a group company of the Future Group, is a public listed company. It operates retail stores in various locations in India under multiple retail formats such as, hypermarkets, supermarkets and home segments of the Indian consumer market under different brand names, including, Big Bazaar (hypermarket chain), FBB (Fashion at Big Bazaar), Food Bazaar (supermarket chain), Foodhall (premium lifestyle food destination), Home Town (Home Improvement Store), easyday (super market chain) and eZone (high end consumer electronics specialty store).

#### HFL

7. HFL is a public listed company, founded in the year 1992 and is among the fastest growing private sector enterprises in India, with six verticals i.e., Dairy, Retail, Agri, Bakery, Renewable Energy and VetCa. It operates under the brand “Heritage Fresh”, a well-recognized chain of small format stores in Hyderabad, Bengaluru and Chennai with 124 stores covering 4.28 lakh ft of trading area. Further, HFL also exports certain products such as, Skimmed Milk Products, Ghee, Butter, Rice, Fruits/ Mango Pulp / Dices etc. on Free on Board or freight-on-board basis.

#### HRFL

8. HFRL was incorporated in 2008 and is a wholly-owned subsidiary of HFL. It has not commenced commercial operations.

***D. Relevant market(s) to which the combination relates***

9. At the broadest level, the relevant market may be identified as the market for retail in Bengaluru, Chennai and Hyderabad, through the large brick and mortar retailers, online retailers and mom-and-pop stores. However, to assist the Hon'ble Commission, requisite information with respect to the narrower relevant market for grocery and food products and general merchandize, located in Bengaluru, Chennai and Hyderabad, with a total store catchment area of 5kms has also been provided.

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