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**A SUMMARY OF THE PROPOSED TRANSACTION, AS REQUIRED UNDER REGULATION 13(1A) OF THE COMPETITION COMMISSION OF INDIA (PROCEDURE IN REGARD TO THE TRANSACTION OF BUSINESS RELATING TO COMBINATIONS) REGULATIONS, 2011 (AS AMENDED)**

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**(a) Name of the parties to the combination**

1. Flipkart Investments Private Limited (**FIPL/Acquirer**)
2. Aditya Birla Fashion and Retail Limited (**ABFRL/Target**)
3. The Notification Form is being filed in relation to the proposed acquisition by FIPL of a minority non-controlling stake of 7.8%, on a fully diluted basis, in ABFRL, by way of subscription to its equity shares (**Proposed Transaction**).
4. FIPL and ABFRL are together referred to as the **Parties**.

**(b) Nature and purpose of the combination**

5. The Proposed Transaction is in the nature of a share acquisition and falls under Section 5(a) of the Competition Act, 2002.
6. The purpose of the transaction is as follows:
  - (i) For the Acquirer: FIPL is a wholly-owned subsidiary of Flipkart Private Limited (**FPL**), and FPL belongs to the Walmart Group, which comprises Walmart Inc. (**Walmart**) and its affiliates. FPL has enabled millions of consumers, sellers, merchants and small businesses to be a part of India's e-commerce revolution. Flipkart's efforts to democratize e-commerce in India, drive

access and affordability, service customers, create lakhs of jobs in the ecosystem and empower generations of entrepreneurs and MSMEs has driven it to innovate on many industry firsts. Through the Proposed Transaction with ABFRL, the Walmart Group will continue to work with ABFRL towards making available a wide range of products for fashion-conscious consumers online.

- (ii) For the Target: The Proposed Transaction imparts adequate financial strength to ABFRL for funding its growth plans across product categories and markets. ABFRL plans to use this capital to strengthen its balance sheet and accelerate its growth trajectory. Further, ABFRL will accelerate execution of its digital transformation strategy that will deepen the consumer connect of its brands, expand reach of its diverse brand portfolio, build omni-channel functionalities and augment its backend capabilities.

**(c) Products, services and business(es) of the parties to the combination**

- 7. **FIPL** is a newly incorporated company and, as on the date of the Parties filing this Notification Form, does not undertake any business activities, either in India or elsewhere. The Walmart Group (through Walmart's affiliates) undertakes various business activities in India, such as wholesale trading of products, providing e-commerce marketplace services, and digital payments services.

8. **ABFRL** is a public limited company incorporated under the Companies Act, 1956. ABFRL (including through its subsidiaries) is engaged in the business of manufacturing and retailing branded apparels, footwear and accessories, through its retail stores, multi-brand outlets, departmental stores, online retail platforms and e-commerce marketplaces, across India.

**(d) Respective market(s) in which the parties to the combination operate**

9. At the outset, it is submitted that the relevant product and geographic markets can be left open, given that the Proposed Transaction relates to only a non-controlling minority investment by FIPL in ABFRL. As such, both Parties will continue to operate independently and compete with each other in any hypothetical relevant markets/segments that they both might be said to be operating in and the Proposed Transaction will have no impact on the competitive landscape in any potential relevant market in India, in any manner.
10. Without prejudice to the foregoing, given that ABFRL undertakes limited B2B sales in India, the Parties may be said to have a limited overlap in the relevant market for B2B sales in India.
11. In addition, ABFRL and the Walmart Group also have limited existing and potential vertical and complementary relationships.
12. As stated above, the Proposed Transaction will have no bearing on the competitive landscape in any potential relevant market in India in any manner, for *inter alia* the following reasons:

- (i) the Proposed Transaction entails a non-controlling minority investment by FIPL in ABFRL and the Parties would continue to operate independently and compete with each other even post the Proposed Transaction;
- (ii) the Parties (i.e. the Walmart Group and ABFRL) have insignificant market shares in the relevant market for B2B sales in India; and
- (iii) given the size of the *inter se* business of the Parties, and the nature of the Proposed Transaction, there will also be no ability or incentive to create input or customer foreclosure in any of the vertically related and/or complementary relevant markets (both actual and potential).

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