



NOTICE OF POSTAL BALLOT
(Notice pursuant to Section 192A of the Companies Act, 1956)

Dear Shareholder(s),

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011. Approval of Members (Other than Promoter and Promoter Group members) of the Company is sought for the revised Scheme of Amalgamation ("the Scheme") of Future Value Retail Limited ("FVRL") with Future Retail Limited ("FRL" or "the Company") and their respective shareholders and creditors.

The Company seeks the consent of Members (Other than Promoter and Promoter Group members) for the aforesaid proposal through resolution specified below. An Explanatory Statement pertaining to the said resolution is annexed. Accordingly, the said resolution and Explanatory Statement along with Postal Ballot Form are being sent to you for your consideration. The Company has appointed Mr. Virendra Bhatt, Practicing Company Secretary as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The resolution would be deemed to be approved by the Members (Other than Promoter and Promoter Group members) in case the votes cast in favour of the resolution are more than the votes cast against the resolution.

The approval to the Scheme has already been sought by way of postal ballot through Postal Ballot Notice dated 10th day of May, 2013 along with the approval that had been sought in the meeting of members in accordance with Order dated 10th day of May, 2013 of the Hon'ble High Court of Judicature at Bombay passed in Company Summons for Direction No. 428 of 2013. Certain modifications are proposed in the Scheme in accordance with discussions with Securities and Exchange Board of India ("SEBI") and holders of Compulsorily Convertible Debentures (CCDs) of the Company. These approvals are already in place.

However, Stock Exchanges in their observation letters both dated December 18, 2013 has instructed to revise the Scheme in accordance with the submissions made with SEBI. The details of modifications are set out in the explanatory statement attached hereto. Further, Stock Exchanges have instructed seeking of fresh approval of members by way of postal ballot to the revised Scheme. Hence, the revised Scheme shall require approval which is now being sought by way of postal ballot. We have also enclosed the revised Scheme with amended clause 5.4 along with the notice.

You are requested to carefully read the instructions printed overleaf of the Postal Ballot Form and return the Postal Ballot Form duly completed and signed in the attached self addressed, postage pre-paid envelope so as to reach the Scrutinizer **on or before the close of working hours on Monday, January 27, 2014**. Postal Ballot Forms received after this date will be considered invalid. The Scrutinizer will submit his report to the Managing Director on the completion of the scrutiny. The results of the Postal Ballot shall be announced by a Director of the Company on **Tuesday, January 28, 2014** and displayed on the Notice Board at "Knowledge House", Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai- 400060 at 5:00 pm.

1. To consider and if thought fit, to pass with or without modification, the following resolution:

"RESOLVED THAT the arrangement as embodied in the revised Scheme of Amalgamation of Future Value Retail Limited with Future Retail Limited and their respective Shareholders and Creditors ('the Scheme or 'this Scheme') be and is hereby approved.

RESOLVED FURTHER THAT the Committee of Directors and / or Mr. Sanjay Rathi, Mr. Deepak Tanna, Mr. Kuldeep Sharma, Mr. Virendra Samani, Mr. Vimal Dhruve, Mr. Anant Gude, Mr. Arun Bhandari and Mr. Subodh More, Authorised Signatories (Authorised Persons) of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as are considered requisite or necessary to effectively implement the arrangement embodied in the Scheme and to accept such modification and / or conditions, if any, which may be required and / or imposed by the Hon'ble High Court of Judicature at Bombay while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in carrying out the Scheme."

By Order of the Board of Directors
for **Future Retail Ltd.**

Place : Mumbai
Date : December 18, 2013

Deepak Tanna
Company Secretary

Registered Office:

Knowledge House, Shyam Nagar,
Off Jogeshwari Vikhroli Link Road,
Jogeshwari (East), Mumbai-400060.

Future Retail Limited

Registered Office: Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (E), Mumbai 400060.

Tel: 91-22-61190000 Fax: 91-22-61995019, www.futureretail.co.in

Explanatory Statement

Scheme of Amalgamation of Future Value Retail Limited with Future Retail Limited and their respective shareholders and creditors

1. Background of Companies

A. Future Retail Limited ("FRL")

- a. FRL was incorporated on 12th day of October, 1987 under the provisions of the Companies Act, 1956 under the name "Manz Wear Private Limited". The name of FRL was changed to "Manz Wear Limited" with effect from 20th day of September 1991. The name of FRL was further changed to "Pantaloons Fashion (India) Limited" with effect from 25th day of September 1991. The name of FRL was further changed to its name "Pantaloons Retail (India) Limited" with effect from 7th day of July 1999. The name of FRL was further changed to its present name "Future Retail Limited" with effect from 16th day of March 2013.
- b. The Registered Office of FRL is situated at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060.
- c. The authorised, issued, subscribed and paid-up share capital of FRL as on 30th September, 2013 is as under:

Share Capital	Rupees
<u>Authorized Share Capital</u>	
50,00,00,000 Equity Shares of Rs. 2 each (divided into 45,00,00,000 Equity Shares and 5,00,00,000 Class B (Series 1) Shares)	100,00,00,000
30,00,000 0.01% Compulsory Convertible Preference Shares of Rs.100 each	30,00,00,000
TOTAL	130,00,00,000
<u>Issued Share Capital</u>	
23,15,93,991 Equity Shares of Rs 2 each (divided into 21,56,64,839 Equity Shares and 1,59,29,152 Class B (Series 1) Shares)	463,187,982
<u>Subscribed & Paid-up Share Capital</u>	
23,15,82,591 Equity Shares of Rs 2 each (divided into 21,56,53,439 Equity Shares and 1,59,29,152 Class B (Series 1) Shares)	463,165,182

Subsequent to the date, there has been no change in the capital structure of FRL.

- d. FRL is engaged in the business of organised retail through its various business formats.

B. Future Value Retail Limited ("FVRL")

- a. FVRL was incorporated under the provisions of the Indian Companies Act, 1956 in Mumbai, the State of Maharashtra on 11th day of June, 2007, under the name "Pantaloons Future Ventures Limited". The name was later changed to "Future Value Retail Limited" on 16th day of November 2009.
- b. The Registered Office of FVRL is situated at Knowledge House, Off Jogeshwari - Vikhroli Link Road, Shyam Nagar, Jogeshwari (East), Mumbai 400060.
- c. The authorised, issued, subscribed and paid-up share capital of FVRL as on 30th September, 2013 is as under:

Share Capital	Rupees
<u>Authorized Share Capital</u>	
10,00,00,000 Equity Shares of Rs 10 each	100,00,00,000
Total	100,00,00,000
<u>Issued, Subscribed and Paid-up Share Capital</u>	
6,64,99,912 Equity Shares of Rs 10 each fully paid up	66,49,99,120
Total	66,49,99,120

- d. FRL alongwith with its nominee shareholders presently hold the entire share capital of FVRL.
- e. FVRL is currently in the business of operating retail formats like Big Bazaar and Food Bazaar.

2. Description and Rationale for the Scheme

Description

- a. The Scheme of Amalgamation ("**Scheme**") pursuant to Sections 391 to 394 of the Companies Act, 1956 provides for merger of FVRL with FRL and matters incidental and consequential thereto.

Rationale

- a. FRL is a public listed company which, through itself and its subsidiaries, is a diversified retail player and also has interests in financial services, insurance, media and other businesses.
- b. FVRL is, inter alia, in the business of operating retail formats like Big Bazaar and Food Bazaar.
- c. The amalgamation of FVRL with FRL would, inter-alia, have the following benefits:
 - i) Cost savings in terms of economies of scale, sourcing benefits, vendor rationalization, more focused operational efforts, rationalisation, standardisation and simplification of business processes and productivity improvements;
 - ii) The synergies that exist between the two entities can be put to the best advantage of all stakeholders;
 - iii) Greater size, scale, integration and greater financial strength and flexibility for the restructured entity;
 - iv) The consolidated entity will benefit from improved organizational capability and leadership, arising from the combination of people from FVRL and FRL who have the diverse skills, talent and vast experience to compete successfully in increasingly competitive environment;
 - v) Removing multiple layer hindrances.

3. The salient features of the Scheme are as follows:

- a. Appointed Date of the Scheme is July 1, 2012.
- b. With effect from the Appointed Date, the whole of the undertaking of FVRL shall be merged with FRL.
- c. Since the entire share capital of FVRL is held by FRL, no consideration shall be payable / dischargeable to the shareholders of FVRL for the amalgamation of FVRL with FRL.
- d. Upon the Scheme becoming effective, in respect of existing Convertible Debentures of FVRL held by IFCI Limited, FRL shall issue its optionally convertible debentures of face value equal to face value of Convertible Debentures held in FVRL. Such optionally convertible debentures of FRL shall be subject to such terms and conditions as may be agreed with IFCI Limited and shall be convertible on conversion date(s), at the option of IFCI Limited, into equity shares of FRL at a price not less than the average of share price of FRL on stock exchanges having the higher turnover, for a period of four weeks immediately prior to the date of conversion based on the conversion amount of Rs.282 crores as on the conversion date, subject to deduction of applicable taxes, if any.
- e. Upon the Scheme becoming effective, in respect of existing Convertible Debentures of FVRL held by Brand Equity Treaties Limited, FRL shall issue its compulsorily convertible debentures of face value equal to face value of Convertible Debentures held in FVRL. Such compulsorily convertible debentures of FRL shall be subject to such terms and conditions as may be agreed with Brand Equity Treaties Limited and shall be convertible on conversion date into equity shares of FRL at a price not less than the average of share price of FRL on stock exchanges having the higher turnover, for a period of four weeks immediately prior to the date of conversion based on the conversion amount of Rs.228 crores as on the conversion date, subject to deduction of applicable taxes, if any. Further, post announcement of the Scheme, the debentures issued by FVRL to Axis Bank Ltd., have already been acquired by FRL and accordingly, it would be cancelled together with other debentures in FVRL held by FRL, on the Scheme becoming effective.
- f. The holders of debentures issued pursuant to this clause shall have a put option with respect to such debentures on FRL. The redemption of the debentures will be guaranteed by a promoter company of FRL.
- g. On the Scheme becoming effective, FVRL shall be dissolved without being wound up.

The features set out above being only the salient features of the Scheme of Amalgamation; the members are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

4. Pursuant to the Scheme, there is no issue of shares since the Transferor Company is a wholly owned subsidiary of the Transferee Company. There are pre existing Compulsory Convertible Debentures in the Transferor Company, holders of which as part of the Scheme, would be issued optionally / compulsory convertible debentures of the Transferee Company based on the terms and conditions as mutually agreed between the holders of the CCDs, FVRL and FRL.

The shareholding pattern of FRL as on September 30, 2013 is as under:

SN	Description	Equity Shares	%	Class B Shares (Series 1)	%
A	Promoters				
1	Indian Promoters				
A	Individuals / Hindu Undivided Family			20489	0.13
B	Bodies Corporate	101003940	46.84	8518730	53.48
	Sub-Total (A)(1)	101003940	46.84	8539219	53.61
2	Foreign				
	Sub-Total (A)(2)				
	Total Shareholding of Promoter	101003940	46.84	8539219	53.61
B	Public Shareholding				
1	Institution				
A	Mutual Funds/ UTI	2328045	1.08	11611	0.07
B	Financial Institutions/ Banks	6068305	2.81	166342	1.04
C	Central/State Government	0	0.00	0	0.00
D	Venture Capital Funds	8159147	3.78	0	0.00
E	Insurance Companies	2413649	1.12	39560	0.25
F	Foreign Institutional Investors	46331150	21.48	95281	0.60
	Sub-Total (B)(1)	65300296	30.27	312794	1.96
B 2	Non Institution				
	Bodies Corporate	31667474	14.68	2707339	17.00
	Individuals				
	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	11984257	5.56	1575792	9.89
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	4677080	2.17	2742015	17.21
	Any Other (specify)				
	NRIs	136400	0.06	23034	0.15
	Clearing Member	833142	0.39	27699	0.17
	Directors & their Relatives & Friends	37600	0.02	1260	0.01
	Trusts	13250	0.01	0	0.00
	Sub-Total (B)(2)	49349203	22.89	7077139	44.43
(B)	Total Public Shareholding (B) = (B)(1)+(B)(2)	114649499	53.16	7389933	46.39
	TOTAL (A)+(B)	215653439	100.00	15929152	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued				
1	Promoter and Promoter Group				
2	Public				
	Sub- Total (C)				
	Grand Total (A+B+C)	215653439	100.00	15929152	100.00

5. The directors holding the shares in FRL do not have any other interest in the Scheme otherwise than that as shareholders in general. Save as aforesaid, none of the Directors of the Companies has any material interest in the Scheme.

The extent of the shareholding of the Directors of FVRL in FVRL and FRL either singly or jointly or as nominee as on September 30, 2013 is as under:

Sr No	Name of the Director	Designation	Shares in FVRL	Shares in FRL
1	Mr. Rakesh Biyani	Director	Nil	1,000 Class B (Series 1) Shares
2	Mr. Vivek Biyani	Director	Nil	1,000 Class B (Series 1) Shares
3	Mr. C. P. Toshniwal	Director	Nil	10,000 Equity & 1,000 Class B (Series 1) Shares
4	Mr. V. K. Chopra	Director	Nil	Nil

The extent of the shareholding of the current Directors of FRL in FRL and FVRL either singly or jointly or as nominee as on September 30, 2013 is as under:

Sr No	Name of the Director	Designation	Shares in FVRL	Shares in FRL
1	Mr. Kishore Biyani	Managing Director	Nil	1,000 Class B (Series 1) Shares
2	Mr. Rakesh Biyani	Joint Managing Director	Nil	1,000 Class B (Series 1) Shares
3	Mr. Vijay Biyani	Wholetime Director	Nil	1,000 Class B (Series 1) Shares
4	Mr. Anil Harish	Director	Nil	10,000 Equity & 1,000 Class B (Series 1) Shares

6. FRL had filed the application for approval to the Scheme in the terms of Clause 24(f) of the Listing Agreement with BSE Limited and National Stock Exchange of India Limited on March 18, 2013. BSE Limited and National Stock Exchange of India Limited have given their observation letters dated December 18, 2013 expressing their no objection to the Scheme after incorporating the comments from SEBI. The copies of said observation letters of BSE Limited and National Stock Exchange of India Limited are attached with this Notice. As per the observation letters, Company has been instructed to revise the Scheme in accordance with the submissions made with SEBI and discussions with holders of Compulsorily Convertible Debentures of FVRL.
7. Accordingly, Clause 5.4 of the Scheme which read as *"The holders of debentures issued pursuant to this clause shall have a put option with respect to such debentures on a promoter company of FRL / FRL"* is now proposed to be modified / amended as under:
- "The holders of debentures issued pursuant to this clause shall have a put option with respect to such debentures on FRL. The redemption of the debentures will be guaranteed by a promoter company of FRL"*
8. The financial position of FRL will not be adversely affected by the Scheme. Further, the rights and interests of the creditors of FRL will not be prejudicially affected by the Scheme as FRL, post the Scheme, will be able to meet its liabilities as they arise in the ordinary course of business. Further, the rights and interests of the shareholders and creditors of FRL will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.
9. No investigation proceedings are pending or are likely to be pending under Sections 235 to 251 of the Companies Act, 1956 in respect of FRL. No winding up petitions have been admitted against FRL.
10. In the event that this Scheme is terminated or withdrawn in the manner set out herein, this Scheme shall stand revoked, cancelled and be of no effect and null and void and in such event each party hereto shall bear and pay their respective costs, charges and expenses for and or in connection with the Scheme.
11. Inspection of the following documents may be had by the members of FRL at the Registered Office of FRL between 11:00 am and 1:00 pm till the date of the conclusion of postal ballot on all working days (except Saturdays, Sundays and Public holidays):
- Copy of the Order dated 10th day of May, 2013 of the Hon'ble High Court of Judicature at Bombay passed in Company Summons for Direction No. 428 of 2013 directing the convening of the meeting of the members of FRL;
 - Revised Scheme of Amalgamation;
 - Memorandum and Articles of Association of FRL and FVRL;

- (d) The Audited Financial Statements of FRL and FVRL for last three financial years / periods ended December 31, 2012, June 30, 2011 and June 30, 2010;
- (e) Copies of the resolutions passed by the respective Board of Directors and / or any duly authorised committee thereof of FRL and FVRL approving the Scheme;
- (f) Observation letters issued by BSE Limited and National Stock Exchange of India Limited.

None of the Directors of the Company is in any way, concerned or interested in the resolution.

Your Directors recommend the resolution as set out in this Notice for your approval.

By Order of the Board of Directors
for Future Retail Ltd.

Place: Mumbai
Date: December 18, 2013

Deepak Tanna
Company Secretary

Registered Office:
Knowledge House, Shyam Nagar,
Off Jogeshwari Vikhroli Link Road,
Jogeshwari (East), Mumbai-400060.

**SCHEME OF AMALGAMATION
OF
FUTURE VALUE RETAIL LIMITED.
WITH
FUTURE RETAIL LIMITED
AND**

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(A) PREAMBLE

This Scheme of Amalgamation ('Scheme') is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for amalgamation of Future Value Retail Limited. ("FVRL"), a wholly owned subsidiary of Future Retail Limited ("FRL") into FRL.

This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

(B) RATIONALE FOR THE SCHEME

FRL is a public listed company which, through itself and its subsidiaries, is a diversified retail player and also has interests in financial services, insurance, media and other businesses.

FVRL is, *inter alia*, in the business of operating retail formats like Big Bazaar and Food Bazaar.

The amalgamation of FVRL with FRL would, inter-alia, have the following benefits:

- i) Cost savings in terms of economies of scale, sourcing benefits, vendor rationalization, more focused operational efforts, rationalisation, standardisation and simplification of business processes and productivity improvements;
- ii) The synergies that exist between the two entities can be put to the best advantage of all stakeholders;
- iii) Greater size, scale, integration and greater financial strength and flexibility for the restructured entity;
- iv) The consolidated entity will benefit from improved organizational capability and leadership, arising from the combination of people from FVRL and FRL who have the diverse skills, talent and vast experience to compete successfully in increasingly competitive environment;
- v) Removing multiple layer hindrances;

(C) PARTS OF THE SCHEME:

This Scheme is divided into the following parts:

- (i) PART I deals with the definitions and share capital;
- (ii) Part II deals with amalgamation of FVRL with FRL;
- (iii) PART III deals with general terms and conditions applicable to this Scheme.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereunder), unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1 **"Act" or "The Act"** means the Companies Act, 1956, or any statutory modification or re-enactment thereof or amendments thereto for the time being in force;
- 1.2 **"Appointed Date"** would mean 1st day of July 2012 or such other date as may be fixed or approved by the High Court or such other competent authority as may be applicable;
- 1.3 **"Board of Directors" or "Board"** means the Board of Directors of FRL and/ or FVRL as the context may require and includes a committee thereof.
- 1.4 **"Convertible Debentures"** means 6850 5% Unsecured Compulsorily Convertible Debentures of Rs 10 lacs each aggregating to Rs 685 Crores (Series A and Series B) issued by FVRL.
- 1.5 **"Court" or "High Court"** means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if and when applicable;
- 1.6 **"Effective Date"** means the later of the dates on which the certified copies of the Orders sanctioning this Scheme, passed by the High Court, or such other competent authority, as may be applicable, are filed with the Registrar of Companies, at Mumbai by FRL and FVRL;
- 1.7 **"FVRL" or "the Transferor Company"** means Future Value Retail Limited., a company incorporated under the Companies Act, 1956, and having its Registered Office at Knowledge House, Off Jogeshwari, Vikhroli Link Road, Shyam Nagar, Jogeshwari (East), Mumbai - 400060;
- 1.8 **"FRL" or "the Transferee Company"** means Future Retail Limited, a company incorporated under the Companies Act, 1956, and having its Registered Office at Knowledge House, Off Jogeshwari, Vikhroli Link Road, Shyam Nagar, Jogeshwari (East), Mumbai - 400060;
- 1.9 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form as submitted to the High Court or this Scheme with such modification(s), if any made, as per the Scheme;

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

- 3.1 The authorized, issued, subscribed and paid-up share capital of FRL as on June 30, 2012 is as under:

Share Capital	Rupees
<u>Authorized Share Capital</u>	
50,00,00,000 Equity Shares of Rs. 2 each (divided into 45,00,00,000 Equity Shares and 5,00,00,000 Class B (Series 1) Shares)	100,00,00,000
30,00,000 preference Shares of Rs.100 each	30,00,00,000
TOTAL	130,00,00,000
<u>Issued Share Capital</u>	
23,15,93,991 equity shares of Rs 2 each (divided into 21,56,64,839 Equity Shares and 1,59,29,152 Class B (Series 1) Shares)	463,187,982
<u>Subscribed & Paid Up Share Capital</u>	
23,15,82,591 equity shares of Rs 2 each (divided into 21,56,53,439 Equity Shares and 1,59,29,152 Class B (Series 1) Shares)	463,165,182

Subsequent to June 30, 2012, there has been no change in the capital structure of FRL .

3.2 The authorized, issued, subscribed and paid-up share capital of FVRL as on June 30, 2012 is as under:

Share Capital	Rupees
<u>Authorized Share Capital</u>	
10,00,00,000 equity shares of Rs. 10 each	100,00,00,000
TOTAL	100,00,00,000
<u>Issued , Subscribed and Paid Up</u>	
<u>Share Capital</u>	
6,64,99,912 equity shares of Rs. 10 each,	66,49,99,120
fully paid up	
TOTAL	66,49,99,120

Subsequent to June 30, 2012, there has been no change in the capital structure of FVRL.

PART II

AMALGAMATION OF FVRL WITH FRL

4. VESTING OF UNDERTAKING

With effect from the Appointed Date and upon the Scheme becoming effective, the whole of the undertaking and properties (whether movable or immovable, tangible or intangible) of whatsoever nature such as licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, if any, and all other rights, title, interest, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever, of FVRL shall pursuant to the provisions contained in Sections 391 to 394 of the Act and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in FRL in the manner specified hereinafter in this Scheme

4.1 All the assets of the FVRL as on the Appointed Date shall, without any further act, instrument or deed and pursuant to Sections 391 to 394 of the Act be transferred to and vested in or be deemed to have been transferred to and vested in FRL on a going concern basis, so as to become the business, undertaking, estate, assets,

properties, rights, title and interests of FRL in the following manner:.

- (i) All the movable assets of FVRL which are capable of being physically transferred including cash on hand, shall be physically handed over by delivery to FRL to the end and intent that the property therein passes to FRL ;
- (ii) In respect of other assets pertaining to FVRL including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, FRL shall issue notices stating that pursuant to this Scheme, the relevant debt, loan, advance, deposit or other asset, be paid or made good to, or be held on account of FRL as the person entitled thereto, to the end and intent that the right of FVRL to receive, recover or realize the same, stands transferred to FRL and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- (iii) any and all immovable properties (including land together with the buildings and structures standing thereon) of FVRL, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in FRL, without any act or deed done by FRL or FVRL. With effect from the Appointed Date, FRL shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfill all obligations, in relation to or applicable to such immovable properties. The mutation of title to the immovable properties in the name of FRL shall be made and duly recorded by the appropriate authorities / parties pursuant to the sanction of this Scheme by the Hon'ble High Court and this Scheme becoming effective in accordance with the terms hereof without any further act or deed on part of FRL;
- (iv) In respect of such of the assets of FVRL other than those referred to in clause (i) to (iii), the same shall be transferred to and vested in and/or be deemed to be transferred to and vested in FRL on the Appointed Date pursuant to the provisions of Section 394 of the Act.

4.2 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of FVRL including debentures shall also, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to FRL, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of FRL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

4.3 With effect from the Appointed Date and upon the Scheme becoming effective, any brands, copyrights, trademarks, statutory licenses, permissions or approvals or consents held by FVRL required to carry on operations of FVRL shall stand vested in or transferred to FRL without any further act or deed, and shall be appropriately

- mutated by the statutory authorities concerned therewith in favour of FRL and the benefit of all brands, copyrights, trademarks, statutory and regulatory permissions, environmental approvals and consents, registrations or other licenses, consents, certificates, authorities (including for the operation of Bank accounts), power of attorneys given by, issued to or executed in favour of FVRL shall vest in and become available to FRL as if they were originally obtained by FRL. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by FVRL, are concerned, the same shall vest with and be available to FRL on the same terms and conditions as applicable to FVRL, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to FRL.
- 4.4 The transfer and vesting of the undertaking and properties of FVRL as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances, if any, subsisting over or in respect of the property and assets or any part thereof.
- 4.5 With effect from the Appointed Date, loans or other obligations if any, due between FVRL and FRL, shall stand discharged and there shall be no liability in that behalf. In so far as any securities or notes issued by the FVRL and held by FRL and vice versa are concerned, the same shall, unless sold or transferred by FVRL or FRL, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date and shall have no effect and FVRL and FRL, as the case may be, shall have no further rights or obligations outstanding in that behalf.
- 4.6 With effect from the Effective Date, FRL shall commence and carry on and shall be authorized to carry on the business carried on by FVRL in addition to the business of FRL.
- 4.7 The resolutions, if any, of FVRL which are valid and subsisting on the Effective Date, shall be continued to be valid and subsisting and be considered as resolutions of FRL and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in FRL.
- 5. CONSIDERATION**
- 5.1 Since the entire share capital of FVRL is held by FRL, no consideration shall be payable / dischargeable to the shareholders of FVRL for the amalgamation of FVRL with FRL.
- 5.2 Upon the Scheme becoming effective, in respect of existing Convertible Debentures of FVRL held by IFCI Limited, FRL shall issue its optionally convertible debentures of face value equal to face value of Convertible Debentures held in FVRL. Such optionally convertible debentures of FRL shall be subject to such terms and conditions as may be agreed with IFCI Limited and shall be convertible, at the option of IFCI Limited, into equity shares of FRL at a price not less than the average of share price of FRL on stock exchanges having the higher turnover, for a period of four weeks immediately prior to the date of conversion based on the conversion amount of Rs.282 crores as on the conversion date, subject to deduction of applicable taxes, if any.
- 5.3 Upon the Scheme becoming effective, in respect of existing Convertible Debentures of FVRL held by Brand Equity Treaties Limited and AXIS Bank Limited, FRL shall issue its compulsorily convertible debentures of face value equal to face value of Convertible Debentures held in FVRL. Such compulsorily convertible debentures of FRL shall be subject to such terms and conditions as may be agreed with such holders and shall be convertible into equity shares of FRL at a price not less than the average of share price of FRL on stock exchanges having the higher turnover, for a period of four weeks immediately prior to the date of conversion based on the conversion amount of Rs.228 crores and Rs.384 crores in case of Brand Equity Treaties Limited and AXIS Bank Limited respectively, as on the conversion dates, subject to deduction of applicable taxes, if any.
- 5.4 The holders of debentures issued pursuant to this clause shall have a put option with respect to such debentures on FRL. The redemption of the debentures will be guaranteed by a promoter company of FRL.
- 6. ACCOUNTING TREATMENT IN THE BOOKS OF FRL**
- 6.1 With effect from the opening of business as on the Appointed Date, FRL shall account for the transfer and vesting of entire undertaking of FVRL pursuant to the Scheme, in accordance with pooling of interest method as prescribed in Accounting Standard 14 as notified by Companies (Accounting Standard) Rules, 2006 in the following manner:
- 6.1.1 With effect from the Appointed Date, FRL shall record all the assets, liabilities and reserves of FVRL, at the respective book values as appearing in the books of FVRL as on the Appointed Date;
- 6.1.2 An amount equal to share capital of FVRL shall be credited to capital reserve account.
- 6.1.3 Inter Company balances including debentures shall be cancelled;
- 6.1.4 Investment in the shares of FVRL as appearing in the books of FRL shall be cancelled and debited to the profit and loss account;
- 6.1.5 The Securities Premium account of FVRL recorded in the books of FRL pursuant to Clause 6.1.1 be transferred to capital reserve account and the same, shall be utilized to create a provision for diminution / loss on assets and for unprovided liabilities of FVRL.
- 6.1.6 The application and reduction, if any, of the Securities Premium Account as above, shall be effected as an integral part of the Scheme itself in accordance with the provisions of Sections 78 read with Sections 100 to 103 of the Act. However as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of Section 101 of the Act are not applicable. Order approving the Scheme shall be deemed to be order confirming the reduction.
- 6.1.7 FRL may make suitable adjustments as considered appropriate, for the purpose of application of uniform

accounting methods and adjust the same in Capital Reserve.

7. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

During the period between the Appointed Date and upto and including the Effective Date:

- 7.1 FVRL shall carry on its business and activities with reasonable diligence and business prudence and shall not alter or diversify its respective businesses nor venture into any new business, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior written consent of the Board of Directors of FRL or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme. FVRL shall hold and stand possessed of all its properties and assets pertaining to the business and undertaking of FVRL for and on account of and in trust for FRL.
- 7.2 FRL shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which FRL, may require to carry on the business of FVRL.

8. LEGAL PROCEEDINGS

- 8.1 If any suit, appeal or other legal proceedings of whatever nature by or against FVRL is pending in on the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against FRL, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against FVRL as if this Scheme had not been made.

9. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 9.1 Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which FVRL is a party, subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of FRL, and may be enforced as if, instead of FVRL, FRL had been a party thereto.

10. STAFF, WORKMEN & EMPLOYEES

- 10.1 Upon the coming into effect of this Scheme, all staff, workmen and employees of FVRL engaged in or in service on the Effective Date shall be deemed to have become staff, workmen and employees of FRL without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with FRL shall not be less favourable than those applicable to them with reference to FVRL respectively on the Effective Date.
- 10.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund and/ or Pension Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees (collectively referred to as "Funds") of FVRL shall become the trusts/ funds of FRL for all purposes whatsoever in relation to the administration or operation of such Funds

or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of FVRL in relation to such Funds shall become those of FRL. It is clarified that the services of the staff, workmen and employees of FVRL will be treated as having been continuous for the purpose of the said Funds.

11. PERMISSIONS

- 11.1 Any statutory licenses, permissions, approvals or consents to carry on the operations of FVRL shall stand vested in or transferred to FRL without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of FRL. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents, sales tax registrations or other licenses and consents shall vest in and become available to FRL pursuant to this Scheme. In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by FVRL, are concerned, the same shall vest with and be available to FRL, on the same terms and conditions. In particular and without prejudice to the generality of the foregoing, benefit of all balances relating to CENVAT or Service Tax or VAT, shall stand transferred to and vested in FRL as if the transaction giving rise to the said balance or credit was a transaction carried out by FRL. The assets and properties of FVRL shall not be required to be and shall not be physically transferred from any premises or location of FVRL and consequently or otherwise, there shall be no withdrawal of or obligation to pay or refund any CENVAT, VAT, Service Tax or other tax or duty.

12. TAXES

- 12.1 FRL will be the successors of FVRL. Hence, it will be deemed that the benefit of any tax credits whether central, state or local, availed by FVRL and the obligations if any for payment of the tax on any assets or their erection and / or installation, etc. shall be deemed to have been availed by FRL or as the case may be deemed to be the obligations of FRL. Consequently, and as the Scheme does not contemplate removal of any asset by FRL from the premises in which it is installed, no reversal of any tax credit needs to be made or is required to be made.
- 12.2 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable/receivable by FVRL including all or any refunds/ credit/claims relating thereto shall be treated as the asset/liability or refunds/credit/claims, as the case may be, of FRL.
- 12.3 FRL is expressly permitted to revise its tax returns, tax deducted at source (TDS) certificates/ returns and to claim deductions, refunds, advance tax credits, excise and service tax credits, set off, etc., upon coming into effect of this Scheme, and its right to make such revisions in the related tax returns and related certificates, as applicable, and the right to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

13. SAVING OF CONCLUDED TRANSACTIONS

The vesting of the undertaking of FVRL into FRL shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date, to the end and intent that FRL accepts and adopts all acts, deeds and things done and executed by or on behalf of FVRL.

14. WINDING UP OF FVRL

- 14.1 On and from the Effective Date, FVRL shall stand dissolved without being wound up.
- 14.2 On and with effect from the Effective Date, the name of FVRL shall be struck off from the records of the relevant Registrar of Companies.
- 14.3 The Board of Directors (or any Committee thereof) of FVRL shall without any further act, instrument or deed be and stand dissolved.

PART III

GENERAL CLAUSES AND OTHER TERMS AND CONDITIONS

15. RESOLUTIONS

- 15.1 Approval to this Scheme by the share holders of FRL and FVRL shall be deemed to be their approval under all the requisite provisions of the Act for all matters in relation to the Scheme including but not limited to issuance / conversion of securities and vesting of investments / instruments.

16. APPLICATION TO HIGH COURT

- 16.1 FRL and FVRL shall with all reasonable dispatch make all necessary applications under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court or such other appropriate authority for sanction of this Scheme and all matters ancillary or incidental thereto.

17. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 17.1 FRL and FVRL by their respective Boards of Directors ('the Board', which term shall include Committee thereof), may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court and/or any other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). FRL and FVRL by their respective Board are authorised to take all such steps as may be necessary, desirable or proper

to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme, whether by reason of any directive or Orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

18. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 18.1 The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of FRL and FVRL as may be directed by the High Court.
- 18.2 The sanction of the High Court under Sections 391 to 394 of the said Act in favour of FRL and FVRL under the said provisions and to the necessary Order under Section 394 of the said Act being obtained;
- 18.3 Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, of Maharashtra at Mumbai by FRL and FVRL as may be applicable.

19. EFFECT OF NON-RECEIPT OF APPROVALS

- 19.1 In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the High Court or such other competent authority and / or the Order not being passed as aforesaid before December 31, 2014 or within such further period or periods as may be agreed upon between FRL and FVRL by their respective Board of Directors (and which the Board of Directors of the companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

20. COSTS, CHARGES & EXPENSES

- 20.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by FRL.

DCS/AMAL/PS/24(f)/322/2013-14

December 18, 2013

The Company Secretary
Future Retail Limited
Knowledge House, Off Jogeshwari,
Vikhroli Link Road, Shyam Nagar,
Jogeshwari (East), Mumbai ,
Maharashtra - 400060

Dear Sir;

Sub: **Observation letter regarding the Draft Scheme of Arrangement/ Amalgamation between Future Retail Ltd (FRL) and Future Value Retail Ltd (FVRL).**

We are in receipt of draft Scheme of Arrangement/ Amalgamation involving merger of Future Value Retail Limited (WOS) with the company.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated December 13, 2013 received on December 16, 2013 given the following comment(s) on the draft scheme of arrangement:

Considering the significant developments with respect to Optionally convertible Debentures (OCDs) and Compulsorily Convertible Debentures (CCDs) issued by FVRL, ensure:-

- a) ***FRL undertakes voting from public shareholders of the company in accordance with SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013***
- b) ***FRL incorporates a separate section in draft scheme of arrangement furnishing details of the said OCDs and CCDs allotted to various entities by FVRL and the further developments with respect to the same.***
- c) ***Details of OCDs and CCDs allotted to various entities by FVRL and the future developments with respect to the same are uploaded on the website of the company alongwith various other documents pertaining to the instant scheme of arrangement.***
- d) ***Details of OCDs and CCDs allotted to various entities by FVRL and the future developments with respect to the same are disclosed to the stock exchange as part of corporate announcements***
- e) ***Necessary amendments in the scheme are undertaken to give effect to various submissions and undertakings submitted by the company including submissions and undertaking submitted by the company vide letter dated December 6, 2013.***

&

The company shall duly comply with various provisions of the aforesaid SEBI circular.

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Yours faithfully,


Jayesh Ashtekar
Manager


Lalif Phatak
Asst. Manager



Ref: NSE/LIST/224868-P

December 18, 2013

The Company Secretary
Future Retail Limited
"Knowledge House", Shyam Nagar,
Off. Jogeshwari Vikhroli Link Road,
Jogeshwari (E), Mumbai – 400060.

Kind Attn.: Mr. Deepak Tanna

Dear Sir,

Sub: Observation letter for the draft Scheme of Amalgamation of Future Value Retail Limited with Future Retail Limited and their respective shareholders and creditors.

We are in receipt of the draft Scheme of Amalgamation of Future Value Retail Limited with Future Retail Limited and their respective shareholders and creditors.

We have perused the draft Scheme of Amalgamation and the related documents/details submitted by Future Retail Limited including the confirmation of the Company Secretary that the scheme so submitted does not in any way violate, over-ride or circumscribe the provisions of the Securities Laws or the Stock Exchange requirements.

Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated December 13, 2013, has given following comments on the draft Scheme of Amalgamation:

“a. Considering the significant developments with respect to Optionally Convertible Debentures (OCDs) and Compulsorily Convertible Debentures (CCDs) issued by FVRL, the Company shall ensure the following:

- (i) Future Retail Limited undertakes voting from public shareholders of the Company in accordance with SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 read with SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013.
- (ii) Future Retail Limited incorporates a separate section in the draft scheme of arrangement furnishing details of the said OCDs and CCDs allotted to various entities by Future Value Retail Limited and the further developments with respect to the same.
- (iii) Details of the OCDs and CCDs allotted to various entities by Future Value Retail Limited and the further developments with respect to the same are uploaded on the websites of Company along with various other documents pertaining to the instant scheme of arrangement.
- (iv) Details of the OCDs and CCDs allotted to various entities by Future Value Retail Limited and the further developments with respect to the same are disclosed to the stock exchanges as part of corporate announcements.

NT



Ref: NSE/LIST/224868-P

December 18, 2013

- (v) Necessary amendments in the scheme are undertaken to give effect to various submissions and undertakings submitted by the Company including submissions and undertaking submitted by the Company vide letter dated December 6, 2013.

b. The Company shall duly comply with various provisions of the Circulars.”

Accordingly, we do hereby convey our ‘No-objection’ with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the scheme with Hon’ble High Court.

However, the Exchange reserves its rights to withdraw this No-objection approval at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of the “Observation Letter” shall be six months from December 18, 2013, within which the scheme shall be submitted to the Hon’ble High Court.

Kindly also note that Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 read with SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, upon sanction of the Scheme by the Hon’ble High Court, the listed company shall submit to the stock exchange the following:

- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the approved scheme vis-à-vis the Draft Scheme;
- d. Status of compliance with the Observation Letter/s of the stock exchanges;
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable and
- f. Complaints Report as per Annexure II of this Circular.

Yours faithfully,
For National Stock Exchange of India Ltd.

WT Samir Rajdev
Manager

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FUTURE RETAIL

Registered Office: Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060.

Tel. Nos. 61190000 Fax: 61995019

Website: www.futureretail.co.in

POSTAL BALLOT FORM

Sr. No.:

(Kindly refer to the instructions specified overleaf before filling the form)

1. Name and registered address of the sole/ first named shareholder :

2. Name(s) of Joint shareholder(s) :

3. Registered Folio No. / DP Id No./Client Id No.* :
(*applicable to investors holding shares in dematerialised form)

4. Number of shares held :

Type of Equity Shares	No. of Shares	Votes entitled #
Equity		
Class B (Series 1)		
Total		

Equity Shareholders - one vote for each share held.
Class B (Series 1) Shareholders - three vote for four shares held (fraction if any to be ignored)

5. I/ We hereby exercise my / our vote in respect of the Resolution to be passed through postal ballot for the business stated in the notice of the Company by sending my / our consent or dissent to the said resolution by placing tick (✓) mark at the appropriate box below.

Sr No.	Brief particulars of the item	Number of Votes exercised corresponding to the total number of voting rights	I/We assent to the resolution (For)	I/We assent to the resolution (Against)
1.	Revised Scheme of Amalgamation of Future Value Retail Limited with Future Retail Limited and their respective shareholders and creditors.			

Place :

Signature of the Shareholder

Date :

(Must be as per the signature registered with the company)

ELECTRONIC VOTING PARTICULARS

Type of Equity Shares	EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN
Equity			
Class B (Series 1)			

INSTRUCTIONS

1. A shareholder desiring to exercise vote by postal ballot may complete this postal ballot form and send it to the Company in the attached self-addressed envelope. Postage will be borne by the Company. However envelopes containing postal ballot, if sent by any other mode at the expense of the registered shareholder will also be accepted.
2. Only Non Promoter and Non Promoter Group members are entitled to vote.
3. Voting Rights: Shareholders holding equity shares shall have one vote per share as shown against their holding and shareholders holding Class B Shares (Series 1) shall have three votes for four shares as shown against their holding. Fraction, if any in the voting right is to be ignored as per provisions of Article 43B and terms of issue of Class B Shares (Series 1). The shareholders holding both type of shares will have combined voting right as shown in total row. The shareholders can vote for their entire voting rights as per their discretion. Investors have to vote electronically for each class of shares separately.
4. The self addressed envelope contains the address of the scrutinizer appointed by the Board of Directors.
5. This form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the company) by the first named shareholder and in his absence, by the next named shareholder.
6. Unsigned postal ballot or incomplete postal ballot forms will be rejected.
7. Duly signed Postal Ballot Form should reach the Company not later than the close of working hours on Monday, 27th January, 2014. All postal ballot forms received after this date will be strictly treated as if reply from such shareholder has not been received.
8. A shareholder may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than the date specified at item 7 above.
9. Voting rights shall be reckoned on the paid up value of the shares registered. In the name of the shareholder on the cut-off date i.e. Friday, 13th December, 2013.
10. In case of shares held by companies, trusts, societies etc. the duly filled in postal ballot form should be accompanied by a certified true copy of the appropriate Resolution.
11. In case of the postal ballot is signed by the holder of power of attorney reference to the power of attorney registration with the Company should be mentioned in the postal ballot form. In case a postal ballot form has been signed by an authorized representative of a body corporate, a certified copy of the relevant authorisation to vote on the postal ballot should accompany the postal ballot form. Where the postal ballot form has been signed by a representative of the President of India or of the Governor of a State, a certified copy of the nomination should accompany the postal ballot form.
12. Shareholders are requested not to send any other paper along with the postal ballot form in the enclosed self-addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
13. In compliance with the provisions of Section 192A of the Companies Act, 1956 read with (Passing of Resolution by Postal Ballot) Rules, 2011, the Company also offers e-voting option to all the members. For this purpose, the Company has signed an agreement with NSDL for facilitating e-voting and is pleased to offer e-voting facility for the members to enable them to cast their votes electronically. Members have option to vote either through e-voting or through Ballot Form. If a member has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through physical ballot shall prevail and voting done by e-voting shall be treated as invalid.

The instructions for Members for e-voting are as under:

- (a) In case of Members' receiving e-mail from NSDL:
 - (i) Open e-mail and open PDF file viz; "FRL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and password for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on Member – Login
 - (iv) Put User ID and password as initial password noted in step (i) above. Click Login
 - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles
 - (vii) Select "EVEN" of Future Retail Limited
 - (viii) Now you are ready for e-Voting as Cast Vote page opens
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xii) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail bhattivendra1945@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
 - (b) In case of Members receiving Postal Ballot Form by Post:
 - (i) Initial password is provided at the bottom of the Postal Ballot Form.
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above to cast vote.
 - (c) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of www.evoting.nsdl.com or contact NSDL at the following Telephone No: 022-24994600
 - (d) If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
 - (e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
14. Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of MCA have been sent Postal Ballot Notice by e-mail and who wish to vote through Ballot Form can obtain the Ballot Form from Registrar and Share Transfer Agent (R & T Agent), M/s. Linktime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup, (West), Mumbai – 400 078 or from the Company at its Registered Office and fill in the details and send the same to the Scrutinizer by Post at the Registered Office of the Company.