

NOTICE OF POSTAL BALLOT

(Notice pursuant to Section 110 of the Companies Act, 2013)

Dear Shareholder(s),

Notice is hereby given to the members pursuant to Section 110 and the applicable provisions of the Companies Act, 2013 read together with the Companies (Management and Administration) Rules, 2014 as amended from time to time hereinafter referred to as “the Rules”) the Special Resolution in respect of the matter as set out in accompanying Postal Ballot Notice is proposed to be transacted by way of Postal Ballot / e-voting, (“Postal Ballot”)

Accordingly, the draft Special Resolution together with the Statement pertaining to the said Resolution setting out the material facts in respect of the same is being sent to the members, along with Postal Ballot Form for their consideration and to enable the members for sending their assent or dissent in writing by Postal Ballot means or through e-voting.

Members who wish to cast their votes physically through Postal Ballot Form are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before 4th October, 2017.

In accordance to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that of the Rules, the Company is pleased to offer e-voting facility to its Shareholders. The Company has engaged National Securities Depository Limited (“NSDL”), an agency authorized by the Ministry of Corporate Affairs (“MCA”) for providing e-voting platform. The procedure for e-voting is explained under the Notes provided with this Postal Ballot Notice.

1. Issue of Corporate Guarantee

To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 185, 186 and 188 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) and subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to issue additional guarantee in connection with obligations of Future Retail Limited (“FRL”) in respect of additional borrowings having aggregate principle / nominal value of upto Rs. 1600.00 crore (Rupees One Thousand Six Hundred Crore only) notwithstanding that the aggregate of the guarantees to be given may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of Director or Key Managerial Personnel who is related, if any	Nature of Relationship	Material Terms and particulars of the contract or arrangement	Monetary value (in Rs.)	Any other information relevant or important for the Members to take decision on the proposed resolution
Future Retail Limited (FRL)	Issue of additional Corporate Guarantee in favour of Lenders / Bankers of FRL to secure obligations of FRL in respect of borrowings having aggregate principle / nominal value of upto Rs. 1600 crore.	Mr. Kishore Biyani and Mr. Vijay Biyani	Mr. Kishore Biyani is a Promoter and Chairman & Managing Director of FRL Mr. Vijay Biyani is related to Mr. Kishore Biyani	Providing of additional Corporate Guarantee to various Bankers, and Lenders of FRL in connection with various facilities availed / to be availed by FRL on terms and conditions agreed with respective Bankers and Lenders to secure obligations of FRL in respect of such borrowings.	Upto an aggregate limit of principle sanctioned amount of borrowing aggregating upto additional Rs. 1600 crore and any other amount / obligations due on such facilities (as per terms of sanctioned letters of consortium member banks).	Future Retail Limited (FRL) is providing the Corporate Guarantee for term loan and working capital facilities enjoyed by the Company. As a reciprocal arrangement, the Company is also providing the corporate guarantee to the lenders of the FRL. The working capital facilities of the FRL is being enhanced from Rs. 4152.50 crores assessed for FY 15-16 by upto additional Rs. 1600 crores, with assessment of the FY16-17 and FY 17-18.

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby given for the above limit to be in addition to the existing limit approved by members for investment and giving of loan or guarantee or providing security for in connection with loan / facility taken by any body corporate.

RESOLVED FURTHER THAT the Board of Directors of the Company (the “**Board**”, which term shall be deemed to include its “Committee of Directors”), be and is hereby authorised to do or cause to be done all such acts, matters, deeds and things and to settle any questions, difficulties or doubts that may arise with regard to any transactions with related parties and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution.”

By Order of the Board of Directors
for **Future Enterprises Limited**

Place : Mumbai
Date : 21st August, 2017

Deepak Tanna
Company Secretary

Registered office:

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

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 along with the Rules as may be prescribed therein, in relation to resolutions as set out in the Notice is annexed hereto.

2. The Notice is being sent by prescribed mode to all the members of the Company whose name appears on the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) / Central Depository Services(India) Limited (“CDSL”) as on 18th August, 2017 (Cut-off date). Each Member's voting rights shall be in proportion to his/her/its share of the paid up equity share capital of the Company as on Cut-off date, which will only be considered for voting.

Voting Rights: Shareholders holding equity shares shall have one vote per share as shown against their holding and shareholders holding Class B (Series 1) Shares 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 (Series 1) Shares. 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.

3. The Company offers e-voting option to all the Members. Members have an option to vote either through e-voting or physically through Postal Ballot Form. Members opting for e-voting, should not vote through Postal Ballot Form. Similarly, Members opting to vote through Postal Ballot Form should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e through Postal Ballot Form and e-voting, then votes casted through e-voting shall only be taken into consideration and votes casted by Postal Ballot Form shall be treated as invalid.

4. The Board has appointed Mr. Virendra Bhatt, (Membership No. 1157 / CP No. 124) Practicing Company Secretary as the Scrutinizer to scrutinize for the e-voting process and voting by way of Postal Ballot in a fair and transparent manner. Members are requested to carefully read the instructions printed for voting by “postal ballot” or through “e-voting”, namely by-

- (i) returning the Postal Ballot Form duly completed, as per the instructions contained in the Postal Ballot Form, in the attached self addressed postage pre-paid envelope, so as to reach the Scrutinizer not later than 5:00 P.M. on 4th October, 2017; or
- (ii) casting their votes electronically from 4th September, 2017 (9:00 a.m.) to 4th October, 2017 (5:00 p.m.) by following the procedures as explained in the Notes.

The Scrutinizer will submit his report on the results of voting by “postal ballot” and through “e-voting” to the Company, after completion of the scrutiny of Postal Ballot Forms and e-voting.

The results of the Postal Ballot will be announced on 5th October, 2017 The results of postal ballot alongwith Scrutinizer Report will be placed on the website of the Company www.felindia.in and on the website of NSDL and shall also be communicated to BSE Limited and National Stock Exchange of India Limited.

5. Members are requested to read the instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed in the attached self addressed and postage pre-paid envelope so as to reach the Scrutinizer on or before 4th October, 2017 at the following address failing which, it will be strictly treated as if no reply has been received from the member:

Mr. Virendra Bhatt, Scrutinizer
Future Enterprises Limited
Knowledge House, Shyam Nagar
Off Jogeshwari - Vikhroli Link Road,
Jogeshwari (East), Mumbai – 400 060

6. As per Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the members through electronic transmission. Members who have registered their e-mail IDs with depositories or with the Company are being sent Notice of Postal Ballot by e-mail and members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with Postal Ballot Form through post/courier. The Postal Ballot Form for casting vote physically can also be obtained from the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083

or from the Company. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form may download the Postal Ballot Form from the 'Investors' section on the Company's website www.felindia.in

7. All documents referred to in the accompanying Notice and the Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 a.m. to 1.00 p.m.) on all working days (except Saturday, Sunday and Public Holidays) upto 4th October, 2017.

7.1. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'), 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.

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

- A In case of Members' receiving e-mail from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participants(s)]:

- (i) Open e-mail and open PDF file viz; "FEL 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 Enterprises 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 bhattvirendra1945@yahoo.co.in with a copy marked to evoting@nsdl.co.in.

- B In case of Members receiving Postal Ballot Form by Post [for members whose e-mail IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:

- (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.

- II. 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 toll free no. 1800 222 990 or Telephone No: (022) 2499 4600.

- III. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.

- IV. You can also update your mobile number and e-mail id in the user provide details of the folio which may be used for sending future communication(s).

- V. The e-voting period commences on 4th September, 2017 (9:00 a.m.) to 4th October, 2017 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th August, 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- 7.2. Members are requested to send all communications relating to shares to Company's Registrar & Share Transfer Agent (R & T Agent) at the following address:

LINKINTIME INDIA PRIVATE LIMITED

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083
Phone No. (022) 4918 6000; Fax No. (022) 4918 6060
e-mail : rnt.helpdesk@linkintime.co.in

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Statement pursuant to Section 102 (1) of the Companies Act, 2013 setting out the material facts concerning each item of special business mentioned in the accompanying Postal Ballot Notice dated 21st August, 2017.

Item No. 1

Future Retail Limited (FRL) is providing the Corporate Guarantee for term loan and working capital facilities enjoyed by the Company. As a reciprocal arrangement, the Company is also providing the corporate guarantee to the lenders of the FRL. The working capital facilities of the FRL is being enhanced from Rs. 4152.50 crores assessed for FY 15-16 by upto additional Rs. 1600 crores, with assessment of the FY16-17 and FY 17-18. i.e. upto Rs. 5750 crores. Currently the Company has extended its corporate guarantee to the extent of Rs. 4152.50 crores in favour of working capital consortium of FRL.

Accordingly, the Company is now required to provide additional corporate guarantee to the extent of additional enhanced working capital facilities of upto Rs. 1600 crores.

The provisions of corporate guarantee by the Company as above requires approval of shareholders through Special Resolution pursuant to the provisions of Section 186 and Section 188 (since both FEL and FRL would be related parties within the meaning of Section 188 of the Companies Act, 2013) of the Act. Further, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also provides for obtaining approval of the Shareholders by way of passing a resolution for entering into material related party transactions as provided therein.

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of Director or Key Managerial Personnel who is related, if any	Nature of Relationship	Material Terms and particulars of the contract or arrangement	Monetary value (in Rs.)	Any other information relevant or important for the Members to take decision on the proposed resolution
Future Retail Limited (FRL)	Issue of additional Corporate Guarantee in favour of Lenders / Bankers of FRL to secure obligations of FRL in respect of borrowings having aggregate principle / nominal value of upto Rs. 1600 crore.	Mr. Kishore Biyani and Mr. Vijay Biyani	Mr. Kishore Biyani is a Promoter and Chairman & Managing Director of FRL Mr. Vijay Biyani is related to Mr. Kishore Biyani	Providing of additional Corporate Guarantee to various Bankers, and Lenders of FRL in connection with various facilities availed / to be availed by FRL on terms and conditions agreed with respective Bankers and Lenders to secure obligations of FRL in respect of such borrowings.	Upto an aggregate limit of principle sanctioned amount of borrowing aggregating upto additional Rs. 1600 crore and any other amount / obligations due on such facilities (as per terms of sanctioned letters of consortium member banks).	Future Retail Limited (FRL) is providing the Corporate Guarantee for term loan and working capital facilities enjoyed by the Company. As a reciprocal arrangement, the Company is also providing the corporate guarantee to the lenders of the FRL. The working capital facilities of the FRL is being enhanced from Rs. 4152.50 crores assessed for FY 15-16 by upto additional Rs. 1600 crores, with assessment of the FY16-17 and FY 17-18.

No Shareholder of the Company being a related party or having any interest in the Special Resolution as set out at Item No. 1 of the Notice shall be entitled to vote on this Special Resolution.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested in the aforesaid Special Resolution set out at Item no. 1 of this Notice, save and except to the extent of their Directorship / Shareholding, if any, in the entity mentioned in the said Resolution.

Your Directors recommend the Special Resolution proposed at Item No. 1 of this Notice for your approval.

By Order of the Board of Directors
for Future Enterprises Limited

Place : Mumbai
Date : 21st August, 2017

Deepak Tanna
Company Secretary

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