

FUTURE RETAIL

FUTURE RETAIL LIMITED

Regd. Off.: Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai 400060. India
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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 other applicable provisions of the Companies Act, 2013 read together with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof) ("the Rules"), as amended from time to time, for seeking consent of the members, by way of Special Resolutions through postal ballot/e-voting ("Postal Ballot"):

Accordingly, the draft special resolutions together with the Statement pursuant to Section 102 of the Companies Act, 2013, are being sent to the members, along with Postal Ballot Form so as to enable the members for sending their assent or dissent in writing by Postal Ballot means.

The Board has appointed Mr. Virendra Bhatt, Practicing Company Secretary as Scrutinizer for conducting the voting by way of Postal Ballot in a fair and transparent manner. Members are, therefore, 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 28th March 2015; or
- (ii) casting their votes electronically from Friday, 27th February, 2015 (9:00 a.m.) to Saturday, 28th March 2015 (5:00 p.m.) by following the procedures as explained in the Statement.

The Scrutinizer will submit his report on the results of voting by "postal ballot" and through "e-voting" to the Director of the Company, after completion of the scrutiny of postal ballot forms and "e-voting".

The results of the Postal Ballot shall be announced by a Director of the Company on the completion of the scrutiny and displayed on the Notice Board at the Registered Office of the Company at "Knowledge House", Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai- 400060 at 5:00 pm on Monday, 30th March, 2015.

1. APPROVAL OF FUTURE RETAIL LIMITED EMPLOYEE STOCK OPTION PLAN 2015 AND GRANT OF EMPLOYEE STOCK OPTIONS TO THE EMPLOYEES OF THE COMPANY THEREUNDER

To consider and if thought fit, to pass, with or without modifications(s), the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as "**SEBI SBEB Regulations**") and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "**Board**") which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Shareholders of the Company ("**Shareholders**") be and is hereby accorded respectively to the 'Future Retail Limited Employee Stock Option Plan 2015 (hereinafter referred to as the "**FRL ESOP 2015**"/ "**Plan**") and to the Board to create, offer and grant from time to time upto 75,00,000 (Seventy Five Lac) Employee Stock Options ("**ESOPs**") being not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on the date of passing the resolution to the permanent employees including Directors of the Company (other than Promoter(s) or belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, whether working in India or out of India (hereinafter referred to as an "**Employee(s)**"), as may be decided solely by the Board under the Plan, exercisable into not more than 75,00,000 (Seventy Five Lac) fully paid-up equity shares in the Company in aggregate of face value of ₹ 2/- (Rupees Two) each, through an Employee Welfare Trust (herein after referred to as "**Trust**") to be set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

RESOLVED FURTHER THAT the Board be and is hereby further authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank *pari passu* in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the number of ESOPs that may be granted to the Employee(s), in any financial year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Shareholders ("**Additional Shares**"), the ceiling as aforesaid of 75,00,000 (Seventy Five Lacs) ESOPs and equity shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 2/- (Rupees Two) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

RESOLVED FURTHER THAT the Board be and is hereby also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the FRL ESOP 2015 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the FRL ESOP 2015 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the FRL ESOP 2015.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to take necessary steps for listing of the equity shares allotted under the FRL ESOP 2015 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of FRL ESOP 2015 as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution."

2. GRANT OF EMPLOYEE STOCK OPTIONS TO THE EMPLOYEES OF THE SUBSIDIARY COMPANY(IES) OF THE COMPANY UNDER FUTURE RETAIL LIMITED EMPLOYEE STOCK OPTION PLAN 2015

To consider and if thought fit, to pass, with or without modifications(s), the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as "**SEBI SBEB Regulations**") and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Shareholders of the Company ("**Shareholders**") be and is hereby accorded to create, offer and grant from time to time 75,00,000 (Seventy Five Lac) Employee Stock Options ("**ESOPs**"), within the overall ceiling of 75,00,000 (Seventy Five Lac) equity shares as specified in a separate Resolution to be approved by the

Shareholders of the Company through Postal Ballot Notice on dated 12th February, 2015, being not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on the date of passing the resolution to the permanent employees including Directors (other than Promoter(s) or belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, whether working in India or out of India of any existing and future subsidiary company(ies) of the Company whether in or outside India (hereinafter referred to as an “**Employee(s)**”), as may be decided solely by the Board under the 'Future Retail Limited Employee Stock Option Plan 2015' (hereinafter referred to as the “**FRL ESOP 2015**”/ “**Plan**”), exercisable into not more than 75,00,000 (Seventy Five Lac) fully paid-up equity shares in the Company in aggregate of face value of ₹ 2/- (Rupees Two) each, through an Employee Welfare Trust (herein after referred to as “**Trust**”) to be set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

RESOLVED FURTHER THAT the Board for this purpose be and is hereby further authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank *pari passu* in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the number of ESOPs that may be granted to the any employee(s) of the subsidiary company(ies), in any financial year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Shareholders (“**Additional Shares**”), the ceiling as aforesaid of 75,00,000 (Seventy Five Lac) ESOPs and equity shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 2/- (Rupees Two) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

RESOLVED FURTHER THAT the Board be and is hereby also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the FRL ESOP 2015 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the FRL ESOP 2015 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the FRL ESOP 2015.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to take necessary steps for listing of the equity shares allotted under the FRL ESOP 2015 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to do all such acts, deeds and things, as may it may in its absolute discretion, deem necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of FRL ESOP 2015 as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution.”

3. GRANT OF EMPLOYEE STOCK OPTIONS TO THE EMPLOYEES OF THE COMPANY AND THAT OF THE SUBSIDIARY COMPANY(IES) BY WAY OF SECONDARY ACQUISITION UNDER FUTURE RETAIL LIMITED EMPLOYEE STOCK OPTION PLAN 2015

To consider and if thought fit, to pass, with or without modifications(s), the following resolution as a **Special Resolution**

“RESOLVED THAT pursuant to the applicable provisions, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as **“SEBI SBEB Regulations”**) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), and further pursuant to the approval and consent of the Shareholders of the Company (**“Shareholders”**) accorded to the 'Future Retail Limited Employee Stock Option Plan 2015 (hereinafter referred to as the **“FRL ESOP 2015”/ “Plan”**) for creation, offer and grant from time to time upto 75,00,000 (Seventy Five Lac) Employee Stock Options (**“ESOPs”**) in respect of the eligible employees and directors of the Company and its subsidiaries (hereinafter referred to as an **“Employee(s)”**) vide resolution no. 1 and 2 of the Postal Ballot Notice dated 12th February 2015 further approval and consent of the Shareholder of the Company be and is hereby accorded for secondary acquisition of shares for implementation of Plan upto the fullest extent of limits prescribed hereunder and those under the SEBI SBEB Regulations as may be decided solely by the Board under the Plan, exercisable into not more than 75,00,000 (Seventy Five Lac) fully paid-up equity shares in the Company in aggregate of face value of ₹ 2/- (Rupees Two) each, through an Employee Welfare Trust (herein after referred to as **“Trust”**) to be set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board subject however that secondary acquisition by the trust in any financial year shall not exceed two percent of the paid-up capital as at the end of the respective previous financial year, more particularly in accordance with the provisions of the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT in the event of expansion of share capital of the Company arising due to any corporate action(s), including by way of preferential allotment of shares or qualified institutions placement, the limits set hereunder prescribed for secondary acquisition shall accordingly apply to such increased capital, in proportion of such expanded share capital, subject however that, the Company shall adhere to the cap prescribed under sub-regulation (11) of regulation 3 of the SEBI SBEB Regulations.

RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

RESOLVED FURTHER THAT the Board be and is hereby further authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank *pari passu* in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the number of ESOPs that may be granted to the Employee(s), in any financial year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Shareholders (**“Additional Shares”**), the ceiling as aforesaid of 75,00,000 (Seventy Five Lacs) ESOPs and equity shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 2/- (Rupees Two) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

RESOLVED FURTHER THAT the Board be and is hereby also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the FRL ESOP 2015 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the FRL ESOP 2015 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the FRL ESOP 2015.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to take necessary steps for listing of the equity shares allotted under the FRL ESOP 2015 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.

RESOLVED FURTHER THAT the total ESOPs to be created, offered and granted and further conversion in shares on exercise of ESOPs, whether acquired through primary or secondary acquisition, shall not exceed 75,00,000 (Seventy Five Lacs) ESOPs/shares or such expanded number of ESOPs/shares, which has been revised due to any corporate action(s).

RESOLVED FURTHER THAT the Board be and is hereby further authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of FRL ESOP 2015 as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution.”

4. APPROVAL OF TRUST ROUTE FOR THE IMPLEMENTATIONS OF FUTURE RETAIL LIMITED EMPLOYEE STOCK OPTION PLAN 2015

To consider and if thought fit, to pass, with or without modifications(s), the following resolution as a **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as **“SEBI SBEB Regulations”**) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Shareholders of the Company (**“Shareholders”**) be and is hereby accorded to the Board to implement 'Future Retail Limited Employee Stock Option Plan 2015' (hereinafter referred to as the **“FRL ESOP 2015”/ “Plan”**) through an Employee Welfare Trust (hereinafter referred to as **“Trust”**) and the Trust to subscribe, acquire, purchase, hold and deal in equity shares of the Company for the purpose of implementation of FRL ESOP 2015 or any other employee stock plan or share based employee benefit plan which may be introduced by the Company from time to time, (hereinafter referred to as **“Employee Benefit Plan(s)”**), or for any other purpose(s) as contemplated herein and in due compliance with the provisions of the SEBI SBEB Regulations, the Companies, Act, 2013 (including rules framed thereunder) and other applicable laws and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further consent or approval of the Shareholders and the Board be and is hereby further authorized to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this Resolution.”

5. PROVISION OF MONEY BY THE COMPANY FOR PURCHASE OF ITS OWN SHARES BY THE TRUST/TRUSTEES FOR THE BENEFIT OF EMPLOYEES UNDER FUTURE RETAIL LIMITED EMPLOYEE STOCK OPTION PLAN 2015

To consider and if thought fit, to pass, with or without modifications(s), the following resolution as a **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as **“SEBI SBEB Regulations”**), Rule 16 of the Companies (Share Capital and Debentures) Rules, 2015 as amended from time to time (hereinafter referred to as **“Companies Rules”**) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), consent of the Shareholders of the Company be and is hereby accorded to the Board to grant loan, to provide guarantee or security in connection with a loan granted or to be granted to, the Employee Welfare Trust (hereinafter referred to as **“Trust”**) set-up by the Company in one or more tranches not exceeding 5% (Five percent) of the aggregate of the paid-up share capital and Free Reserves for the purpose of subscription and/or purchase of equity shares of the Company by the Trust/ Trustees, in one or more tranches, subject to the ceiling of equity shares as may be prescribed under 'Future Retail Limited Employee Stock Option Plan 2015' (hereinafter referred to as the **“FRL ESOP 2015”/ “Plan”**), or any other employee stock plan or share based employee benefit plan, which may be introduced by the Company from time to time

(hereinafter referred to as "Employee Benefit Plan(s)") with a view to deal in such equity shares in line with contemplated objectives of the Plan or for any other purpose(s) as permitted under and in due compliance with the provisions of the SEBI SBEB Regulations, the Companies Rules and other applicable laws and regulations.

RESOLVED FURTHER THAT any loan provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the FRL ESOP 2015 and/or Employee Benefit Plans, as the case may be, subject to exercise price being paid by the employees on exercise of Employee Stock Options under the respective Employee Benefit Plan.

RESOLVED FURTHER THAT the Trust shall not deal in derivatives and shall undertake transactions as permitted by SEBI SBEB Regulations.

RESOLVED FURTHER THAT the Trustees of the Trust shall not vote in respect of the shares held by such Trust.

RESOLVED FURTHER THAT for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as non-promoter and non-public shareholding.

RESOLVED FURTHER THAT the Trustees of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Companies Rules and all other applicable laws at all times in connection with dealing with the shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed."

6. ISSUE OF SECURITIES ON PRIVATE PLACEMENT BASIS

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 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and Rules made there under (including any statutory modifications, clarifications, exemptions or re-enactment thereof, from time to time), and pursuant to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Debt Securities) (Amendment) notification, 2012 and 2014 and other applicable SEBI regulations and guidelines, the provisions of Memorandum and Articles of Association of the Company and subject to such applicable laws, rules and regulations and guidelines, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall deemed to include any Committee thereof which the Board may have constituted / reconstituted or hereinafter constitute/ reconstitute to exercise its powers including the powers conferred by this Resolution) to offer, issue and allot, in one or more tranches Secured/ Unsecured/ Redeemable Non-convertible Debentures (NCDs) including but not limited to subordinate debentures, bonds, and/or other debt securities etc. on private placement basis, during the period of one year from the date of passing of the Special Resolution by the Members, for an amount not exceeding ₹ 1,500/- Crore (Rupees One Thousand Five Hundred Crore only) on such terms and conditions and at such times at par or at such premium, as may be decided by the Board to such person(s) , including one or more company(ies), bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board/Committee of Directors may decide so, however, that the aggregate amount of funds to be raised by issue of NCDs, subordinate debentures, bonds, and/or other debt securities etc shall not exceed the overall borrowing limits of the Company, as may be approved by the Members from time to time.

RESOLVED FURTHER THAT in connection with the above, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

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

Place : Mumbai

Date : 12th February, 2015

Deepak Tanna
Company Secretary

Registered office:

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

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, setting out the material facts thereto 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 13th February, 2015 (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: Members holding equity shares shall have one vote per one equity share as shown against their holding and shareholders holding Class B Shares (Series 1) shall have three votes for four Class B Shares (Series 1) 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 Members 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. Kindly note that the members can opt for only one mode of voting i.e. either by way of physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote in physical Postal Ballot also and vice versa. However, in case members cast their vote by both physical Postal Ballot and e-voting, then voting done through physical Postal Ballot shall prevail and voting done by e-voting shall be treated as invalid.
4. 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 prepaid envelope so as to reach the Scrutinizer on or before Saturday 28th March 2015, at the following address:

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

5. 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. 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.futureretail.co.in

6.1. VOTING THROUGH ELECTRONIC MEANS

1. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with (Management and Administration) Rules, 2014, and Clause 35B of the listing agreement, 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 email IDs are registered with the Company/Depository Participants(s)]:
 - (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 bhattivirendra1945@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 email 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.nsd.com or contact NSDL at the following Telephone No: 022-24994600
- 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 27th February 2015 (9:00 am) and ends on 28th March 2015 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th February, 2015, 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.
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-13, Pannalal Silk Mills Compound,
 LBS Marg, Bhandup (West), Mumbai 400078
 Phone No. (022) 25963838 Fax No. 022 – 25946969
 email : 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 12th February, 2015.

Item No. 1, 2 and 3.

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation scheme/ plan. Your Company believes in rewarding its employees including Directors of the Company as well as that of the Subsidiary Company(ies) for their continuous hard work, dedication and support, which has led the Company and the Subsidiary Company(ies) on the growth path. The Company intends to implement Future Retail Limited Employee Stock Option Plan 2015 (“**FRL ESOP 2015**”/ “**Plan**”) with a view to attract and retain key talents working with the Company and its Subsidiary Company(ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The Company seeks approval of the Shareholders in respect of FRL ESOP 2015 and for grant of Stock Options to the eligible employees / Directors of the Company, that of its Subsidiary Company(ies) as may decided by the Nomination and Remuneration Committee (“**Committee**”) from time to time in due compliance with Companies, Act, 2013 (including rules framed thereunder), SEBI SBEB Regulations and other applicable laws and regulations.

The main features of the FRL ESOP 2015 are as under:

1. Total number of Options to be granted:

75,00,000 (Seventy Five Lac) Options would be available for grant to the eligible employees of the Company and eligible employees of the Subsidiary Company(ies) in aggregate under FRL ESOP 2015, in one or more tranches exercisable into not exceeding 75,00,000 (Seventy Five Lac) equity shares in aggregate in the Company of face value of ₹ 2/- each fully paid-up.

Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled options as per the provisions of FRL ESOP 2015.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of Options or equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the SEBI SBEB Regulations.

2. Identification of classes of employees entitled to participate in FRL ESOP 2015

Following class/classes of employees are entitled to participate in FRL ESOP 2015:

- a) Permanent employees of the Company working with the Company or on deputation with any other company in India or out of India;
- b) Directors of the Company; and
- c) Permanent employees and Directors of the Subsidiary Company(ies) / working with respective subsidiary company or on deputation with any other company.

Following class/classes of employees are not eligible:

- a) an employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director within the meaning of the Companies Act, 2013.

3. Transferability of Employee Stock Options:

The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under FRL ESOP 2015.

4. Requirements of vesting and period of vesting:

The Options granted shall vest so long as an employee continues to be in the employment of the Company or the Subsidiary Company as the case may be. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to the minimum vesting period of 1 year.

5. Maximum period within which the Options shall be vested:

Options granted under FRL ESOP 2015 would vest subject to maximum period of 3 years from the date of grant of such Options.

6. Exercise price or pricing formula:

The exercise price per Option shall not be less than face value of equity share and shall not exceed market price of the equity share of the Company as on date of grant of Option which may be decided by the Committee.

Market price in this context refers to the meaning assigned to it under the SEBI SBEB Regulations.

The Committee can give cashless exercise of options, if required, to the employees and shall provide necessary procedures and/or mechanism for exercising such options subject to applicable laws, rules and regulations.

7. Exercise period and the process of Exercise:

The vested Options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 3 years from the date of vesting of such Options.

The vested Option shall be exercisable by the employees by a written application to the Trust or Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Trust/ Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

In case of cashless system of exercise of vested Options, the Committee shall be entitled to specify such procedures and/or mechanisms for the Shares to be dealt with thereon as may be necessary and the same shall be binding on the Option grantees.

8. Appraisal process for determining the eligibility of employees under FRL ESOP 2015:

The appraisal process for determining the eligibility of the employees will be decided by the Committee from time to time.

The employees would be granted Options under the FRL ESOP 2015 based on various parameters such as performance rating, period of service, rank or designation and such other parameters as may be decided by the Committee from time to time.

9. Maximum number of Options to be issued per employee and in aggregate:

The number of Options that may be granted to any specific employee of the Company or of its Subsidiary Company under the Plan, in any financial year and in aggregate under the FRL ESOP 2015 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

10. Accounting and Disclosure Policies:

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

11. Method of Option Valuation:

To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the Option granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on EPS of the company shall also be disclosed in the Directors' Report.

12. Primary / Secondary Route:

The Board shall decide on exploring the option for issuance of shares upon exercise, either by way of primary issue or by way of secondary acquisition, subject however to adherence with applicable laws and regulations as prevailing and in force from time to time.

In terms of provisions of Section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 consent of the Shareholders is being sought by way of a Special Resolution(s) set out at Item No. 1 Item No. 2 and Item No. 3 of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution(s), except to the extent of their entitlements, if any, under the Plan.

Your Directors recommend the Resolution(s) proposed at Item No. 1, Item No. 2 and Item No. 3 of this Notice for your approval.

Item No. 4

The Company intends to implement Future Retail Limited Employee Stock Option Plan 2015 (“**FRL ESOP 2015**”/ “**Plan**”) with a view to attract and retain key talents working with the Company and its Subsidiary Company(ies). Your Company contemplates implementation of the Plan through an Employee Welfare Trust (“**Trust**”) route with a view to efficiently manage the Plan and if required to enable cashless exercise of vested options. FRL ESOP 2015 envisages primary issue of 75,00,000 (Seventy Five Lac) equity shares within the term of the Plan. The Company also contemplates to manage any future employee stock option plan or share based employee benefit plan as may be introduced from time to time through the Trust route.

The Board of Directors of the Company have at its meeting held on 12th February, 2015 approved FRL ESOP 2015, envisaging aforesaid number of equity shares.

In terms of the provisions of Regulation 6 of the SEBI SBEB Regulations, consent of the Shareholders is being sought by way of a Special Resolution set out at Item No.4 of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution, except to the extent of their entitlements, if any, under the Plan.

Your Directors recommend the resolution proposed at Item No. 4 of this Notice for your approval.

Item No. 5

The Company intends to implement Future Retail Limited Stock Option Plan 2015 (“**FRL ESOP 2015**”/ “**Plan**”) with a view to attract and retain key talents working with the Company and its Subsidiary Company(ies) by primary issue of shares and through Trust route for its implementation. The SEBI SBEB Regulations govern share based employee benefit schemes/ plans being implemented by a Company. These Regulations permits Trust route in Plan implementation.

The Board passed a resolution to set-up an Employee Welfare Trust namely Future Retail Limited Employees Welfare Trust (“Trust”) and approved the proposal for sanction of loan by the Company to the Trust. This proposed amount of loan is within the statutory limit of 5% of the aggregate of paid-up share capital and free reserves, as prescribed under SEBI SBEB Regulations read with Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014 (“Companies Rules”).

Particulars in respect of the Trust:

a) The class/classes of employees for whose benefit the Plan is being implemented and money is being provided for purchase and subscription of the shares:

The Plan is being implemented and money is being provided for purchase and subscription of shares for the benefit of employees within the meaning of the Plan. The class/ classes of employees who are eligible subject to selection by the Nomination and Remuneration Committee (“Committee”) are as under:

- i. Permanent employees of the Company working with the Company or on deputation with any other company in India or out of India;
- ii. Directors of the Company; and
- iii. Permanent employees and Directors of the Subsidiary Company(ies) / working with respective subsidiary company or on deputation with any other company.

Following class/classes of employees are not eligible:

- i. an employee who is a Promoter or belongs to the Promoter Group;
- ii. a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- iii. an Independent Director within the meaning of the Companies Act, 2013.

b) The particulars of the Trustee or employees in whose favour such shares are to be registered:

It is contemplated that one or more of the designated Trustees shall acquire and hold the Shares in due compliance of the relevant provisions of SEBI SBEB Regulations and other applicable provisions. The Trustees shall transfer the Shares in favour of the employees on exercise of the Employee Stock Options after realisation of exercise price and applicable income tax.

c) The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:

Trust is proposed to be set-up in the nature of an irrevocable Employee Welfare Trust with the name Future Retail Limited Employees Welfare Trust having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060.

Particulars of the Trustees

S. No.	Name	Address	Occupation	Nationality
1.	Milestone Trusteeship Services Private Limited	602, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Opp. Guru Nanak Hospital Bandra (E), Mumbai-400 051	Fiduciary and Trusteeship Services (Sebi registered Debenture Trustee Company)	Indian company (Incorporated under the Companies Act 1956)

The Trustees are neither promoters, directors nor key managerial personnel of the Company nor are they related to the promoters, directors or key managerial personnel in their personal capacity.

d) Any interest of key managerial personnel, directors or promoters in such scheme or trust and effect thereof:

Promoters are not eligible to be covered under the Plan. However, key managerial personnel, directors may be covered under the Plan as provided in the Plan in due compliance with the SEBI SBEB Regulations.

Any key managerial personnel, director or promoter does not relate to the Trust.

e) The detailed particulars of benefits which will accrue to the employees from the implementation of the Plan:

The eligible employees shall be granted Employee Stock Options under the Plan which would vest subject to vesting conditions prescribed by the Committee. After vesting and on exercise of the Options, the Trust/ Trustees shall transfer corresponding number of Equity Shares to the employees. The employees may deal in the shares by way of selling /holding or otherwise deal in their absolute discretion subject to applicable laws and regulations immediately after exercise or may hold and sell after a definite period of time at his/ her discretion. The employees would get the benefit on sell of shares depending on sale price of such Shares. In case of cashless system of exercise of vested Options, the Committee shall be entitled to specify such procedures and/or mechanisms for the equity shares to be dealt with thereon as may be necessary and the same shall be binding on the Option grantees.

f) The details about who would exercise and how the voting rights in respect of the shares to be purchased under the Plan would be exercised:

As per SEBI SBEB Regulations, the Trustees shall not vote in respect of equity shares held in the Trust. In these circumstances, the voting rights can be exercised by an employee only when the equity shares are transferred to them after due process of exercise of Options.

In term of the provisions of Regulation 3(8) of the SEBI SBEB Regulations read with Rule 16 of the Companies Rules, consent of the Shareholders is being sought by way of a Special Resolution set out at Item No. 5 of this Notice.

Your Directors recommend the Resolution proposed at Item No. 5 of this Notice for your approval.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or in the Trust or the aforesaid Special Resolution, except to the extent of their entitlements, if any, under the Plan.

Item No. 6.

The Company has recently concluded its equity funding of around ₹ 2,000 Crore including preferential issue of Equity share and warrants convertible into Equity and Class B Shares (Series 1) and Rights Issue. Total funds mobilised through this is for ₹ 1910.97 Crore and further ₹ 69.54 is expected on Class B warrant holder exercising subscription option to 1,34,98,300 Class B Shares (Series 1). These Class B warrants are held by a promoter group company. Further, as proposed at the time of mobilisation of these funds, major part of the fund raised above is being utilised for debt reduction, reducing overall debt as well as finance cost of the Company thereby improving its debt equity and debt servicing coverage ratio. This would help the Company to improve its balance sheet and credit profile resulting in improved credit rating and hence capability to obtain credit at better terms and reduced rate of interest. Further, with overall reduction in base lending rate by banking sector, there is further scope to borrow at reduced rate of interest. The present borrowing initiative would also help the Company to replace some of its present high cost near term maturity debts with lower cost and long term maturity debts and further reducing overall cost of funding and improving debt maturity profile of the Company. The Company also propose to borrow for certain general corporate purpose such as (a) brand building and other marketing expenses (b) acquiring assets such as furniture and fixtures vehicles and spend on lease improvements, and (c) meeting any expenses incurred in ordinary course of business of our company including salary, rent, administration expenses, insurance related expenses and payment of taxes and duties and such other expenses as may be approved by the Board. Accordingly, the Company, subject to the approval of Members proposed to issue Non-convertible Debentures to various person(s) on private placement basis, at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalized by the Board and/or Committee of Directors. The amount to be raised by way of issue of Non-convertible Debentures on a private placement basis however shall not exceed ₹ 1,500 crore (Rupees One Thousand Five Hundred Crore) in aggregate. The aforesaid borrowings is within overall borrowing limits authorised by Members. It may be noted that Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 42 of the Companies Act, 2013, allows a company to pass a previous special resolution once in a year for all the offer or invitation for non-convertible debentures to be made during the year through a private placement basis in one or more tranches. Consent of the Members is therefore sought in connection with the aforesaid issue of debentures/bonds from time to time and they are requested to authorize the Board (including any Committee of the Board) to issue Non-convertible Debentures on private placement basis upto ₹ 1,500 crore as stipulated above, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No.6, within the overall borrowing limits of the Company, as approved by the Members from time to time.

Accordingly, the proposed Resolution in Item No.6 of the Notice is placed for your approval by way of a Special Resolution to comply with the provisions of Section 42 & 71 of the Companies Act, 2013 to enable the Company to avail the aforesaid powers as and when required. The Board recommends the Special Resolution set forth in Item No. 6 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

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

Place : Mumbai
Date : 12th February, 2015

Deepak Tanna
Company Secretary

Future Retail Limited

Registered Office: Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400060.
Tel. Nos. 3084 2336 Fax: 3084 2502 Website: www.futureretail.co.in.