

FUTURE RETAIL

FUTURE RETAIL LIMITED

Regd. Off.: Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060
Tel. No.: +91 22 6644 2200; Fax No.: +91 22 6644 2201; CIN: L51909MH2007PLC268269
Website: www.futureretail.co.in; E-mail ID: investorrelations@futureretail.in

POSTAL BALLOT NOTICE

[Notice pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

NOTICE is hereby given to the Members of **Future Retail Limited** (the “**Company**”) that the draft Special Resolution set out in notice shall be passed through Postal Ballot pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 (the “**Act**”) read with Companies (Management and Administration) Rules, 2014 as amended from time to time (the “**Rules**”) (including any statutory modification(s), amendment(s), clarification(s), or re-enactment(s) or substitution(s) thereof for the time being in force).

Accordingly, the draft Special Resolution together with the Statement setting out the material facts in respect of the proposed resolution as required under Section 102 and 110 of the Act is annexed to this Notice along with Postal Ballot Form for consideration of Members and to enable the Members for sending their assent or dissent in writing by Postal Ballot means or through e-voting.

Members are requested to carefully read the instructions, while casting their votes electronically or physically through Postal Ballot Form and return the form duly completed in the enclosed self-addressed postage pre-paid Business Reply Envelope so as to reach the Scrutiniser on or before the close of the business hours (i.e. 05:00 PM) of 1st January, 2020.

In accordance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and that of the applicable rules, the Company has provided e-voting facility to its Members and has engaged National Securities Depository Limited (“**NSDL**”), an agency authorised 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.

The resolution shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed Postal Ballot Forms and e-voting, if approved by the Members with requisite majority.

Special Business:

The Members are requested to consider and, if thought fit, pass the following resolution as a **Special Resolution**:

1. Creation of charge / security on the assets and/or properties of the Company

“**RESOLVED THAT** in supersession to the earlier resolution passed by the Members of the Company at their Extraordinary General Meeting held on 3rd May, 2016 and pursuant to the provisions of Section 180(1)(a) and any other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”) read with relevant rules made thereunder (including any statutory modification(s), amendment(s), clarification(s), or re-enactment(s) or substitution(s) thereof for the time being in force) and subject to the Articles of Association of the Company and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be imposed or prescribed by any of the authorities while granting such approvals, permissions and sanctions as may be agreed to by Board of Directors of the Company (hereinafter referred to as “**the Board**” which term shall include any Committee constituted or to be constituted to exercise the powers including its powers conferred under this resolution), the consent of the Members of the Company be and is hereby accorded to create mortgages, pledge, charges, liens, hypothecations, encumbrances and/or any other security interest (“**Encumbrance**”) in addition to existing Encumbrances created hitherto, on the assets and / or properties of the Company, both in present and for future, whether movable or immovable and including the whole or substantially the whole of the undertaking(s) of the Company or the equity shares or other securities held by the Company in its subsidiaries, in favour of the bank(s), financial institution(s), Central Government or State Government, body corporate, firm and/ or any other lender(s) or creditor(s), fixed deposit trustee, debenture trustee, security trustee or with any other body, concerned entity or authority as may be agreed to by the Board for the purpose of securing the sum or sums of moneys aggregating upto Rs.11,000 crore (Rupees Eleven Thousand crore only) or equivalent amount in full or in part in foreign currency, exclusive of interest and other charges, that may be borrowed by the Company or raised by issuance of debentures or bonds or any other instruments to the public and/or on private placement basis and/or in any other manner in India and/or overseas in accordance with applicable law.

RESOLVED FURTHER THAT Committee of Directors and any Director and/or the Company Secretary of the Company be and are hereby severally authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to sign and execute all applications, deeds, documents and writings that may be required for and on behalf of the Company and generally do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto, settle all matters arising out of and/or incidental thereto or delegate the powers in respect thereof as permissible under the applicable provisions of the Act in force from time to time in order to give effect to the above resolution.”

By Order of Board of Directors
For **Future Retail Limited**

Place: Mumbai
Date: 29th November, 2019

Virendra Samani
Company Secretary

NOTES:

1. The Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (the “Act”) and other applicable provisions, if any, of the Act along with the applicable rules as may be prescribed therein (including any statutory modification(s), amendment(s), clarification(s), or re-enactment(s) or substitution(s) thereof for the time being in force), in relation to resolution as set out in the Notice is annexed hereto.
2. The Notice is being sent by prescribed mode to all the Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories / Registrar and Share Transfer Agent (“RTA”) as on 22nd November, 2019 (“Cut-off Date”).
Voting Rights: The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-off Date, which will only be considered for voting. Members can vote for their entire voting rights as per their discretion.
3. Pursuant to the provisions of Section 108 of the Act and all other applicable provisions, if any, read with related rules thereto, e-voting option is provided to all the Members of the Company. 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 cast through e-voting shall only be taken into consideration and votes cast by Postal Ballot Form shall be treated as invalid.
4. Only a Member who is entitled to vote is entitled to exercise his/her/its vote through Postal Ballot or e-voting. The date of completion of dispatch of the Notice will be announced through Notice in newspapers and any recipient of this Notice who has no voting rights as on the date mentioned in point 2 above should treat the same as intimation only.
5. A Member cannot exercise his vote by proxy on Postal Ballot.
6. The Board has appointed Ms. Bindu Darshan Shah (Membership No. A 20066 / CP No. 7378), Proprietor - M/s. K. Bindu & Associates, Practicing Company Secretaries, as the Scrutiniser to scrutinise 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 Business Reply Envelope, so as to reach the Scrutiniser not later than 5:00 PM on 1st January, 2020; or
 - (ii) casting their votes electronically from 3rd December, 2019 (9:00 AM) till 1st January, 2020 (5:00 PM) by following the procedures as explained in the Notes.

The Scrutiniser will submit her report to the Chairman or any person authorised by him after the completion of scrutiny and the result will be announced by the Chairman or any other person authorised by him on or before 2nd January, 2020. The results of postal ballot along with Scrutiniser Report will be placed on the website of the Company www.futureretail.co.in and on the website of NSDL and shall also be communicated to BSE Limited and National Stock Exchange of India Limited.

7. Members are requested to return the Postal Ballot Form duly completed in the attached self-addressed and postage pre-paid Business Reply Envelope so as to reach the Scrutiniser on or before 1st January, 2020 at the following address failing which, it will be strictly treated as if no reply has been received from the Member:

**Ms. Bindu Darshan Shah, Scrutiniser
Future Retail Limited
Knowledge House, Shyam Nagar,
Off. Jogeshwari - Vikhroli Link Road,
Jogeshwari (East), Mumbai - 400 060.**

8. As per Companies (Management and Administration) Rules, 2014 as amended and applicable provisions of Secretarial Standards issued by Institute of Company Secretaries of India (“ICSI”) as amended, the 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 permitted mode. The Postal Ballot Form for casting vote physically can also be obtained from the Company’s RTA, viz. M/s. Link Intime India Private Limited, C-101, Embassy 247, L.B.S. 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 Investor’s section on the Company’s website www.futureretail.co.in.

8.1. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with the provisions of Section 110 of the Act read with (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standards issued by ICSI, from time to time, 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:

Step 1 : Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-voting website?

- A. Visit the e-voting website of NSDL. Open web browser by typing following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile phone.
- B. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- C. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

D. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is In300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your DP ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

E. Your password details are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password'.
- c) How to retrieve your 'initial password'?
 - i. If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your e-mail ID is not registered, your 'initial password' is communicated to you on your postal address.

F. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

- a) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
- b) Physical 'User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

G. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

H. Now, you will have to click on 'Login' button.

I. After you click on the 'Login' button, Home page of e-voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-voting system?

- i. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.
- iii. Select 'EVEN' of the Company.
- iv. Now you are ready for e-voting as the Voting page opens.
- v. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
- vi. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

- 1) 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. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to kbindushah@gmail.com or with a copy marked to evoting@nSDL.co.in.
- 2) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nSDL.com to reset the password.

- 3) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or contact at National Securities Depository Limited, Trade World, 'A' Wing, Fourth Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. The Members may note that the designated e-mail ID for the grievances connected with the e-voting is evoting@nsdl.co.in or Members may also write to the Company Secretary at the e-mail ID: investorrelations@futureretail.in.
- II. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
- III. 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).
- IV. The e-voting period commences on 3rd December, 2019 (9:00 AM) till 1st January, 2020 (5:00 PM). During this period, the Members of the Company holding shares either in physical form or in dematerialised form, as on the Cut-off Date of 22nd November, 2019 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.

8.2. Members are requested to send all communications relating to shares and this notice to Company's RTA at the following address:

Link Intime India Private Limited

C-101, Embassy 247, L.B.S. Marg,

Vikhroli (West), Mumbai - 400 083

Tel. No.: +91 22 4918 6270; Fax No.: +91 22 2594 6060

E-mail: rnt.helpdesk@linkintime.co.in

9. 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 AM to 1:00 PM) on all working days (except Saturday, Sunday and Public Holidays) upto 1st January, 2020.

Statement Pursuant to Section 102 read with Section 110 of the Act

As required under Section 102 read with 110 of the Act, the following statement sets out the material facts concerning Special Resolution as mentioned in the accompanying Notice dated 29th November, 2019.

ITEM NO. 1

Creation of charge / security on the assets and/or properties of the Company

In pursuance to the provisions of Section 180(1)(a) of the Companies Act, 2013 ("the Act") and vide special resolution passed at the Extraordinary General Meeting held on 3rd May, 2016, the Members of the Company had accorded their consent for creation of mortgages, pledge, charges, liens, hypothecations, encumbrances and/or any other security interest, ("Encumbrance") or disposal of assets of the Company in any other manner by the Company upto the limit not exceeding Rs. 8,500 crore.

The aforesaid limit under Section 180(1)(a) of the Act, had been approved by the shareholders in Extraordinary General Meeting held on 3rd May 2016 based on the business of the Company for FY 2015-16 and usual organic growth of the Company for next few years. However, since then, the Company has been expanding its network of stores and turnover through organic as well as inorganic growth. Further, in view of the increased network of stores and turnover, the Company has to enhance its working capital credit facilities as well. The management had been very cautious in its borrowing exposure for long term as well as short term funding requirements. As the operations have grown, the Company is approaching key distributors and FMCG companies directly for its product inventory requirements and have also planned its working capital requirements in a manner which is more non-fund based by usage of letters of credit, bank guarantee limits, etc. instead of primarily relying on fund-based working capital credit facilities.

The Company had obtained above referred approval for creation of security from the shareholders at same level as the approval for borrowing limit for the long term borrowing and there would not be enough room for creation of security for the credit facilities obtained for the working capital requirements in line with the growing business operations, had the borrowing limits utilised to the fullest extent. However, as per the requirements of the Banks, the Company is also required to ensure the security creation on the working capital borrowings as well, which has been managed within the present security creation limit by planning the various borrowings cautiously and not opting for the enhancement in the working capital limits for past two years. Now in view of the proposed enhancement in working capital credit facilities, consisting also of a major component of non-fund based limits, the Company now foresee a situation requiring the increase in security creation limit, without a concomitant increase in long term borrowings.

In view of the same it is proposed to raise the limits for creation of security on the assets and/or properties of the Company under Section 180(1)(a) of the Companies Act, 2013, from present limit of Rs.8,500 crore to Rs.11,000 crore to enable the Company to ensure technical compliance for creation of security on its working capital credit facilities (including non-fund based limits).

It may be noted that the Company is not proposing to increase its overall borrowings under Section 180(1)(c) of the Act, in any manner beyond the existing approved limit.

The Board of Directors of your Company recommended the Special Resolution as set out in Item No. 1 in the accompanying notice for the approval of the Members of the Company.

None of the Directors, Key Managerial Personnel(s) of the Company and their respective relatives is concerned or interested, financially or otherwise, in the above Resolution except to the extent of their shareholding in the Company, if any.

By Order of Board of Directors
For **Future Retail Limited**

Place: Mumbai
Date: 29th November, 2019

Virendra Samani
Company Secretary