

INFORMATION MEMORANDUM

FUTURE RETAIL

FUTURE RETAIL LIMITED
CIN: U51909MH2007PLC268269
(Formerly known as Bharti Retail Limited)

Our Company was originally incorporated as Bharti Retail Private Limited on February 7, 2007 at NCT of Delhi. Further, the name of our Company was changed to Bharti Retail Limited vide the necessary resolution dated April 24, 2009 and a fresh certificate of incorporation was obtained on May 21, 2009. Pursuant to the Composite Scheme of Arrangement, the name was further changed to its present name viz, Future Retail Limited vide special resolution dated November 18, 2015 and fresh certificate of incorporation pursuant to change of name dated May 25, 2016 was obtained from the Registrar of Companies, Maharashtra at Mumbai ("RoC")

Registered Office: "Knowledge House", Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060. For further details on the change in the address of the registered office please see section titled "History of our Company and Certain Corporate Matters" on page 81.

Corporate Office: Future Retail Home Office, 247 Park, "C" Tower, LBS Marg, Vikhroli (West), Mumbai 400 083

Tel: (91 22) 6119 0000; **Fax:** (91 22) 6199 5019; **Website:** www.futureretail.co.in

Contact Person and Compliance Officer: Mr. Virendra Samani

Email: investorrelations@futureretail.in

OUR PROMOTERS

MR. KISHORE BIYANI, FUTURE CORPORATE RESOURCES LIMITED, PIL INDUSTRIES LIMITED, GARGI BUSINESS VENTURES PRIVATE LIMITED, RYKA COMMERCIAL VENTURES PRIVATE LIMITED AND MANZ RETAIL PRIVATE LIMITED

INFORMATION MEMORANDUM FOR LISTING OF 47,13,38,557 EQUITY SHARES OF RS. 2 EACH

NO EQUITY SHARES ARE PROPOSED TO BE SOLD/OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Equity Shares of Future Retail Limited unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Equity Shares of Future Retail Limited. For taking an investment decision, investors must rely on their own examination of our Company including the risks involved.

ABSOLUTE RESPONSIBILITY OF FUTURE RETAIL LIMITED

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to our Company and allotment of Equity Shares, which is material in the context of the allotment and issue of Equity Shares, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole, or any such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares of Future Retail Limited are proposed to be listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). For the purposes of this listing, the Designated Stock Exchange is BSE. Our Company has submitted this Information Memorandum with BSE and NSE and the same has been made available on our website viz. www.futureretail.co.in. Our Company has received in-principle approval from BSE and NSE on September 15, 2015 and September 15, 2015 respectively in connection with allotment and issue of Equity Shares. This Information Memorandum would also be made available on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com)

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime (India) Private Limited

C-13, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup (West),

Mumbai - 400 078.

Tel: (91 22) 2596 6970.

Fax: (91 22) 2594 6969

Contact Person: Ms.Ashwini Nemlekar

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

Webiste: www.linkintime.co.in

SEBI Registration Number: INR000004058



TABLE OF CONTENTS

SECTION I – GENERAL	1
DEFINITIONS AND ABBREVIATIONS	1
FORWARD LOOKING STATEMENTS	6
CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL AND MARKET DATA	7
SECTION II – RISK FACTORS	8
RISK FACTORS	8
SECTION III – INTRODUCTION	28
SUMMARY OF INDUSTRY	28
SUMMARY OF BUSINESS	29
SUMMARY FINANCIAL INFORMATION	32
COMPOSITE SCHEME OF ARRANGEMENT	36
GENERAL INFORMATION	39
CAPITAL STRUCTURE	42
OBJECTS AND RATIONALE OF THE SCHEME	54
STATEMENT OF POSSIBLE TAX BENEFITS	55
SECTION IV - ABOUT US	63
INDUSTRY OVER VIEW	63
OUR BUSINESS	69
REGULATIONS AND POLICIES	76
HISTORY OF OUR COMPANY AND CERTAIN CORPORATE MATTERS	80
OUR MANAGEMENT	85
PROMOTERS AND PROMOTER GROUP	99
GROUP COMPANIES	110
RELATED PARTY TRANSACTIONS	151
DIVIDEND POLICY	152
SECTION V – FINANCIAL INFORMATION	153
FINANCIAL INFORMATION OF OUR COMPANY	153
MANAGEMENT DISCUSSION AND ANALYSIS	190
SECTION VI - LEGAL AND OTHER INFORMATION	205
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	205
GOVERNMENT APPROVALS AND LICENSES	231
SECTION VII – REGULATORY AND STATUTORY DISCLOSURES	234
MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF THE COMPANY	239
SECTION VIII – OTHER INFORMATION	262
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	262
DECLARATION	263

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Information Memorandum and references to any statute or regulations or policies shall include amendments thereto, from time to time:

General Terms

Terms	Description
“our Company”, “the Company”, or “Future Retail” or “FRL” or “Future Retail Limited”	Future Retail Limited (formerly known as Bharti Retail Limited), a public limited company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060.
“We”, “us” or “our”	Unless the content otherwise indicates or implies, refers to our Company
“Future Enterprises” or “FEL”	Future Enterprises Limited (formerly known as Future Retail Limited), a public limited company incorporated under the Companies Act, 1956 and having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060.

Issuer or Company related terms

Terms	Description
Articles/ Articles of Association	The Articles of Association of our Company
Appointed Date	October 31, 2015
Auditors	The statutory auditors of our Company, namely NGS & Co.LLP
Board/ Board of Directors	Board of Directors of our Company
DPID	Depository Participant Identity
Director(s)	The director(s) on the Board of our Company.
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
Effective Date	May 1, 2016
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Equity Share(s)	The ordinary equity share(s) of our Company with a face value of Rs. 2 unless otherwise specified in the context thereof
Implementation Agreement	Implementation Agreement amongst Bharti Enterprise Limited, Cedar Support Services Limited and Bharti Retail Limited (now known as Future Retail Limited), Future Corporate Resources Limited, PIL Industries Limited and Future Retail Limited (now known as Future Enterprises Limited) dated and executed on May 4, 2015 and further Addendum as executed between parties from time to time
Key Managerial Personnel/KMP	The key managerial personnel of our Company in terms of the SEBI ICDR Regulations and the Companies Act disclosed in section “Our Management” on page 92.
Memorandum or Memorandum of Association	Memorandum of Association of our Company
Promoter	Mr. Kishore Biyani, Future Corporate Resources Limited, PIL Industries Limited, Gargi Business Ventures Private Limited, Ryka Commercial Ventures Private Limited and Manz Retail Private Limited
Promoter Group	Promoter group of our Company as determined in terms of Regulation 2(1)(zb) of the SEBI Regulations
Record Date	May 12, 2016
Registered Office	“Knowledge House”, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060
Retail Business Undertaking	“Retail Business Undertaking” means business of FEL comprising of the retail business of FEL operated by it through various retail formats including but not limited to Big Bazaar, FBB, Food Bazaar, Foodhall, Home Town and eZone, on a going concern basis

Terms	Description
	and as defined in the Scheme.
Retail Infrastructure Business Undertaking	“Retail Infrastructure Business Undertaking” means all the undertakings, businesses, activities and operations of FRL pertaining to the Retail Infrastructure Business as defined in the Scheme.
Remaining Business of FEL or Remaining Business Undertaking of FEL	“Remaining Business of FEL” or “Remaining Undertaking of FEL” means all the undertakings, businesses, activities and operations of FEL, other than the Retail Business Undertaking of FEL demerged into FRL, as defined in the Scheme
Remaining Business of FRL or Remaining Business Undertaking of FRL	“Remaining Business of FRL” or “Remaining Undertaking of FRL” means all the undertakings, businesses, activities and operations of FRL relating to the retail operations and warehousing business and excluding activities and assets pertaining to the Retail Infrastructure Business Undertaking as defined in the Scheme
Scheme/ this Scheme/ Composite Scheme / Scheme of Arrangement	Composite Scheme of Arrangement between Future Enterprises Limited (formerly known as Future Retail Limited) and Future Retail Limited (formerly known as Bharti Retail Limited) and their respective shareholders and creditors - under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 as amended and duly sanctioned by the High Court of Judicature at Bombay on March 4, 2016 and made effective from May 1, 2016.

Issue or Allotment Related Terms

Term	Description
Allot / Allotment / Allotted	Allotment of Securities pursuant to the Scheme
Allotment Date	Date on which the Allotment is made
Allottee(s)	Person(s) who are Allotted Securities pursuant to the Allotment
Eligible equity shares of Class B (Series 1) Shareholder(s)	Holder(s) of the equity shares of Class B (Series 1) Shares (“Class B Shares”) of our Company on the Record Date
Eligible Equity Shareholder(s)	Holder(s) of the Equity Shares of our Company on the Record Date
Eligible Shareholders	Eligible equity shares of Class B (Series 1) Shareholder(s) and / or Eligible Equity Shareholder(s), as the case may be
Listing Agreement	Equity listing agreements entered into between our Company and the Stock Exchanges
Registered Foreign Portfolio Investors / Foreign Portfolio Investors / RFPIs / FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
RTA	Registrar and Transfer Agent being Link Intime India Private Limited
Share Certificate	Certificate in respect of the Equity Shares Allotted to a folio
Stock Exchanges	Stock exchanges where the Securities are presently listed, being BSE and NSE
Wilful Defaulter	Company or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such.
Working Days	Any day, other than Saturdays and Sundays, on which commercial banks in Mumbai are open for business.

Technical and Industry Related Terms/Abbreviations

Term	Description
Bn/ bn.	Billion
FMCG	Fast Moving Consumer Goods
Sq. ft.	Square Feet
Sq. metres/ Sq. mtr.	Square Metres
MCA	Ministry of Corporate Affairs, Government of India
Mn / mm	Million
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
PAN	Permanent account number
USD / US\$	United States Dollars
VAT	Value added tax

Conventional and General Terms/Abbreviations

Terms	Description
AGM	Annual General Meeting of the Members of our Company
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 1956 or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 along with the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
Companies Act, 2013	Companies Act, 2013 along with the rules made thereunder, to the extent in force pursuant to the notification of the Notified Sections.
Competition Act	Competition Act, 2002, as amended
CCI	Competition Commission of India
Depository	A body corporate registered under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depositories Act	Depositories Act, 1996 as amended from time to time
Designated Stock Exchanges	BSE
DIN	Director identification number
DP/Depository Participant	A depository participant as defined under the Depositories Act
ESI	Employee State Insurance
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations there under as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time
FII(s)	Foreign Institutional Investors as defined under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995 registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
Financial Year/Fiscal Year/FY	Any period of twelve months ended March 31, of that particular year, unless otherwise stated
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GoI/ Government	Government of India, unless otherwise specified
ICAI	The Institute of Chartered Accountants of India

Terms	Description
IT	Information Technology
Income Tax Act	The Income Tax Act, 1961, as amended from time to time
India	The Republic of India
Ind AS	Indian Accounting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
IPC	The Indian Penal Code, 1860
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
MoU	Memorandum of Understanding
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
NAV	Net Asset Value being the aggregate of the paid up share capital, share premium account and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account divided by total number of weighted average equity share outstanding at the end of the year/ period.
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
Notified Sections	The sections of the Companies Act, 2013 that have been notified as having come into effect prior to the date of this Prospectus
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time.
PAT	Profit After Tax
PBT	Profit Before Tax
RBI	The Reserve Bank of India
RoC	The Registrar of Companies, Maharashtra at Mumbai
₹/Rs./Rupees/INR	Indian Rupees
SEBI	The Securities and Exchange Board of India
SEBI (LODR), 2015	The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements, 2015, as amended from time to time.
SCRR	Securities Contract Regulation (Rules), 1957, as amended from time to time
Securities	Equity Shares of Future Retail Limited (formerly known as Bharti Retail Limited)
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time

Terms	Description
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time.
State Government	The Government of state of India
Stock Exchange(s)	The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
Takeover Code	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended

FORWARD LOOKING STATEMENTS

This Information Memorandum includes statements which contain words or phrases such as “will”, “would”, “aim”, “aimed”, “will likely result”, “is likely”, “are likely”, “believe”, “expect”, “expected to”, “will continue”, “will achieve”, “anticipate”, “estimate”, “estimating”, “intend”, “plan”, “contemplate”, “seek to”, “seeking to”, “trying to”, “target”, “propose to”, “future”, “objective”, “goal”, “project”, “should”, “can”, “could”, “may”, “will pursue”, and similar expressions or variations of such expressions, that are “forward-looking statements”. Similarly, statements that describe our strategies, objectives, plans, prospects or goals are also forward-looking statements. Forward-looking statements reflect the current views of our Company as of the date of this Information Memorandum and are not a guarantee of future performance.

Our forward- looking statements contain information regarding, among other things, our financial condition, future plans and business strategy. We have based these forward-looking statements on our current expectations and projections about future events. Neither our Company, our Directors, nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Moreover, all forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, among other things:

- General political, social and economic conditions in India and other countries;
- Our ability to successfully implement our strategy, our growth and expansion plans and technological changes;
- Strikes or work stoppages by our employees or contractual employees;
- Increasing competition in, and the conditions of, the Indian Retail industry;
- Failure to continue business or undertake projects on commercially favorable terms;
- Changes in government policies, including introduction of or adverse changes in tariff or non-tariff barriers, foreign direct investment policies, affecting the retail industry generally in India;
- Accidents and natural disasters; and
- Other factors beyond our control.

We undertake no obligation to publicly update or revise any forward- looking statements, whether as a result of new information, future events or otherwise. In light of the foregoing, and the risks, uncertainties and assumptions discussed in “Risk Factors” and elsewhere in this Information Memorandum, any forward- looking statement discussed in this Information Memorandum may change or may not occur, and our actual results could differ materially from those anticipated in such forward-looking statements.

In accordance with the SEBI Regulations, our Company will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL AND MARKET DATA

Certain Conventions; Use of Market Data; Currency and Units of Presentation

All references to “India” contained in this Information Memorandum are to the Republic of India. All references to “Rupees” or “Rs.” are to Indian Rupees, the official currency of the Republic of India.

For additional definitions, please see the section titled “Definitions, Abbreviations and Industry Related Terms” of this Information Memorandum.

Unless stated otherwise, industry data used throughout this Information Memorandum has been obtained from the published data and industry publications.

The information included in this Information Memorandum about various other companies is based on their respective Annual Reports and/or information made available by the respective companies.

Financial Data

Unless stated otherwise, the financial information in this Information Memorandum is derived from our audited standalone financial statements as of and for the fiscal year / period ended March 31, 2016, March 31, 2015, March 31, 2014, December 31, 2012 and December 31, 2011 prepared in accordance with Indian GAAP, the Companies Act.

In this Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Information Memorandum.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 months period ended on March 31 of that year.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections entitled “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis” and “Financial Information of the Company” on pages 8, 69, 190 and 153, respectively, and elsewhere in this Information Memorandum have been calculated on the basis of the standalone financial statements of our Company prepared in accordance with Indian GAAP and the Companies Act.

SECTION II – RISK FACTORS

RISK FACTORS

The risks described below and any additional risks and uncertainties not presently known to our Company or that are currently deemed immaterial could adversely affect our Company's business, financial condition or results of operations and the trading price of our Equity Shares could decline. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

Risks relating to our Company's Business

Internal Risks

- 1. We have undertaken various reorganisation and divestment activities during the financial year ended March 31, 2016. As a result, our historical financial information may not be comparable and may not be reliable as an indicator of our historical and future results.***

During the financial year ended March 31, 2016, our Company entered into franchise arrangement with Future Consumer Enterprise Limited to take the business operations of KB's Fairprice, Big Apple and KB's Conveniently Yours. Our Company may enter into such arrangement or acquire interest for other formats in the future also.

As a result of the above mentioned reorganisation activities, we will not be able to derive the economic benefits from these formats going forward, which may adversely affect our business operations, financial position and cash flows.

Further, the duration of our financial period year March 31, 2016 and March 31, 2015 were 12 months period starting from April 1, 2015 and April 1, 2014 respectively which were different from our previous financial year, being 15 months period starting from January 1, 2013 to March 31, 2014.

Additionally, due to the demerger of Retail Infrastructure Business Undertaking from Future Retail Limited and merger of Retail Business Undertaking from Future Enterprises Limited, our financials for the year ended March 31, 2016 and year ended March 31, 2015 is not comparable. Consequently, due to difference in the financial periods as well as the reorganisation and divestment activities, our historical results, on a standalone basis, shall neither be comparable to our financial statements nor be reliable indicators of our future performance and may not provide a meaningful basis for evaluation.

- 2. Our Company and some of its Directors are involved in several criminal and other legal proceedings which are pending at several stages.***

There are several criminal and other legal proceedings, at different levels of adjudication pending against our Company and its Directors which are incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Such proceedings could divert management time and attention, and consume financial resources in their defense. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. Furthermore, if significant claims are determined against us and if we are required to pay all or a portion of the disputed amounts, there could be a material adverse effect on our business and profitability. For details, see "Outstanding Litigation and Material Developments" on page 205.

- 3. Our debt facilities impose certain restrictive covenants including the requirement of obtaining consent from some of our lenders for issuing further securities and conducting corporate re-structuring activities. Such restrictions could restrict our ability to conduct our business and grow our operations, which would adversely affect our financial condition and results of operations.***

We have entered into agreements and arrangements with certain banks and financial institutions for long-term and short-term borrowings and we are subject to certain restrictive covenants. Under the terms of certain of our Company's debt agreements, our Company is required to send intimation to its lenders or obtain prior consent from its lenders for, *inter alia*, amendment of the memorandum of association or articles of association, change in the capital structure of our Company, formulation of any scheme of amalgamation or reconstruction, implementation of any scheme of expansion or acquisition of fixed assets, declaring dividend except out of profits of that year, making any change in ownership, control or management, undertaking any guarantee obligations on behalf of any third party, investments by way of share capital in or lend to any other concern, withdrawal or repayment of investments by the principal shareholders or Directors, change in debt equity ratio, and others. Furthermore, some of our arrangements with the lending banks permit the bank to withdraw or recall their loans or debit the installments or interest payable from any of our accounts maintained with the bank, at the bank's absolute discretion, without any prior notice to us and the bank may impose overdue interest at the specified rates in the event of any default or may

vary the interest rates, without giving prior notice to us. Further, the loan agreements provide that we cannot create any further charges or encumbrances over mortgaged property and that we may not part with hypothecated property or any part thereof without the prior written consent of the lender. Further, any prepayment of our loans may require us to give prior notice to some of our lenders, which may be subject to payment of prepayment or other charges, as applicable. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time.

Further, we may be forced to sell some or all of our assets if we do not have sufficient cash or credit facilities to make repayments. Additionally, if our borrowings are secured against all or a portion of our assets, our lenders may be able to sell those assets. Any inability by our Company to procure adequate amounts and types of financing at terms favorable to us, or at all could have a material adverse effect on our business, prospects, result of operations, cash flows and financial condition.

For the purpose of this Scheme, we have obtained consents from the lenders, as may be necessary, in terms of the financing arrangements executed with the lenders. Any inability to comply with the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such facilities and the enforcement of any security provided. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties in raising, further finance. In addition, other third parties may have concerns over our financial position and it may be difficult to market our financial products. Any of these circumstances or other consequences could adversely affect our business, credit rating, prospects, results of operations and financial condition.

4. *Our inability to manage our growth and scale could disrupt our business.*

We have experienced continuous growth in our retail format business on a year on year basis. As of March 31, 2016, we operated 738 stores across various formats in more than 210 cities, increasing our presence in regions and formats in which we have hitherto had limited experience.

Pursuant to our strategy of increasing our share in the consumer spending space in India, we intend to expand the number of stores across formats operated by us. We expect this growth to place significant demand on us and require us to continuously evolve and improve our operational, financial and internal controls across our organization. In particular, continued expansion increases the challenges involved in:

- integration of new stores;
- preserving a uniform culture, values and work environment;
- developing, improving and implementing our internal administrative infrastructure, operational, communications, internal control and other internal systems;
- recruiting, training and retaining sufficient skilled management, designing, project management, human resources and marketing personnel;
- maintaining high levels of product quality and customer satisfaction; and
- adhering to health, safety, and environmental standards.

Any delay in receiving the possession of the stores may lead to delays in our opening of stores and impact our time schedules and cause cost and time overruns. In addition, our expansion may present distribution and merchandising challenges that differ from those in our current operation. Addressing the challenges arising from our growth entails substantial senior level management time and resources and would put significant demands on our management team and other resources. Any inability to manage our growth may have an adverse effect on our business and results of operations.

There can be no assurance that we will be able to execute our strategy on time and within the stipulated budget or that we will meet the expectations of the customers and achieve our planned growth. Further, large number of stores may increase our fixed operating costs, and there can be no assurance that we will experience a commensurate increase in revenue or derive operational synergies to offset these higher costs. Our inability to manage our growth could have a material adverse effect on our business, results of operations and financial condition.

5. *Our business is subject to seasonal and cyclical volatility and our inability to forecast the trends and consumer preferences or demands in the forthcoming seasons may contribute to fluctuations in our results of operations and financial condition.*

We offer products at our retail formats that our consumers require and our success is dependent on our ability to meet our consumers' requirements. We plan our products based on the forecast of consumer buying patterns as well as on the forecast of fashion and trends in the forthcoming seasons. The retail consumer spending is heavily dependent on the economy and, to a large extent, on various festive occasions. Any mismatch between our forecasts, our planning and the actual purchase by customers can impact us adversely, leading to excess inventory and requiring us to resort to higher markdown and thus lower margins in order to clear such inventory. Consumer preferences are susceptible to change with change in fashion and trends, and their service level expectations too can change from time to time.

Our success depends partly upon our ability to forecast, anticipate and respond to such changing consumer preferences and fashion trends in a timely manner. Any failure by us to identify and respond to such emerging trends in consumer preferences could have a material adverse effect on our business. Our inability to identify and recognize international and domestic fashion trends and the risk of obsolescence could adversely affect our business.

6. *The success of our business is dependent on our procurement systems, supply chain management and efficient logistics, and any disruption in the same may affect our business adversely.*

We strive to keep optimum inventory at our stores and our warehouses to control our costs and working capital requirements. Inefficient supply chain management and information technology systems could adversely affect availability of merchandise at our stores and our results of operations. Ensuring shelf availability for our products warrants quick turnaround time and high level of coordination between the suppliers, our warehouses and our stores. Fruits, vegetables and staple foods sold in certain of our formats like Food Bazaar, Foodhall, easyday, KB's Fair Price and KB's Conveniently Yours require efficient supply chain management and efficient logistics as these items are perishable and have limited shelf life.

Further, we rely on our network of suppliers to supply our products in each region where we operate. Hence, our business is dependent on maintaining good relationships with our suppliers. Furthermore, our growth as a business depends on our ability to attract additional high-quality and cost-efficient suppliers to our network. We cannot assure you that our current suppliers will continue to do business with us or that we can continue to attract additional suppliers to our network. Any inability to maintain the stability of our supply network and to attract such additional suppliers to our network will affect our ability to meet the consumer demands for our products in a timely manner and may have an adverse impact on our business, results of operations and financial condition.

Some of the furniture items, electronics and general merchandise retailed through our stores are imported from countries like Indonesia, China, Malaysia, Thailand and South Korea. Any inability to maintain stable supply network with suppliers in these countries or any adverse political, economic or social condition in these countries, may lead to disruption or delay in supply of goods to us, which may have an adverse impact on our business, results of operations and financial condition. Further, in the event, any anti-dumping or import duty were to be levied on such imports or vendors or imports from such countries or vendors is prohibited or restricted, the import of goods may become unviable for us or may be disrupted, which may adversely impact our operations and financial results.

7. *We depend on our group companies for procurement of certain of our products and services. Any disruption in the availability of this support function may have an adverse effect on our business and results of operations.*

We depend for some sourcing of apparels and other goods as well as services from Future Group Companies comprising of FEL, FCEL, FLFL and their respective subsidiaries, associates, joint ventures. Any disruption in the supply from these entities or due to change in terms of supply for any products/services, we would be required to find an alternative vendor and we may not be able to find, a vendor of a comparable quality at an acceptable price, or at all. This may, ultimately, have an adverse effect on our business and results of operations.

We depend on Future Group company, Future Supply Chain Solutions Limited ("FSCSL") for the warehousing and logistics support to our retail formats across the country. These warehousing and logistics activities include like factory-gate logistics, storage and fulfillment, retail store replenishments, movement (nation-wide and intra city), home deliveries, freight forwarding, custom clearance, reverse logistics and distribution services for our various formats.

Any disruption in the availability of this support function from FSCSL would require us to locate alternative service providers and we may not be able to find a service provider of a comparable quality at an acceptable price, or at all. Further, identifying a suitable alternative service provider is an involved process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices. This may, ultimately, have an adverse effect on our business and results of operations.

We are dependent on Future Group company, nuFuture Digital (India) Limited ("NFDIL") for procuring IT services for our retail business, including but not limited to activities like inventory audit services, infrastructure Management and services, application development and management services. Any disruption in the availability of this support function from NFDIL may have an adverse effect on our business and results of operations, we may require to locate

alternative service provider which is an involved process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices.

We are dependent on our group company, FEL for procuring infrastructure related services like fixed assets, IT assets, retail infrastructure, store fit outs etc for our retail formats. Any disruption in the availability of this support function from FEL may have an adverse effect on our business and results of operations, we may require to locate alternative service provider, which will be a detailed process to review the capabilities of such alternate service provider and become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices or else we may require to mobilise financial and people resources to procure such assets and services directly by us.

8. ***We will have to find locations to open stores and operate our formats. In the event we are unable to find favourable locations at terms acceptable to us, we may not be able to open new stores or the stores may not yield the expected returns, which may adversely affect our business, cash flows and results of operations.***

As the success of any retail business lies largely in identifying the best possible location at a competitive cost, we have dedicated teams to find locations for the purposes of opening our stores. Our Company has to compete with other retailers to lock in locations for our stores on a continuous basis. We cannot assure you that we will be able to expand and grow at the rate at which we may desire to, as we may not be able to obtain lease at such locations that we believe will be necessary for implementing our expansion plans and at prices that are viable for our business. If we are not able to obtain the locations at favourable lease rentals or lease period or at the time and place that we desire, the same may have a material adverse impact on our results of operation.

9. ***Competition may impede our ability to renew leases or licences entered into by us.***

None of the stores from which we operate our formats, distribution and warehouses are owned by us. We face competition from other large retailers who compete for real estate resources. Whilst we typically have long-term license/lease arrangements, the term of some of our license/lease arrangements will complete in the next few years. We may not be able to renew our leases or licenses on terms acceptable to us or at all. In the event that any of our leases or licenses are not renewed, and we will be required to vacate our stores, identify alternative real estate and enter into fresh lease or leave and license agreements, suffer losses in terms of existing furniture and fixtures and the cost of restoring furniture and fixtures at the new location, which could result in loss of business and may adversely affect our operations and profitability.

10. ***Our business, financial condition and results of operations have been dependent on Big Bazaar and easyday, and any failure to operate the same may adversely affect our business, market position and results of operations.***

Our business, financial condition and results of operations have been dependent on Big Bazaar and easyday and have made and will continue to make investments towards the development of these formats. We also continue to evaluate initiatives and strategies to increase our presence in other formats. The success of such expansion in other formats is dependent upon various internal and external factors. We cannot assure you that we will be able to continue to generate a significant portion of our revenue from Big Bazaar and easyday formats going forward and any decline in the contribution from these formats may adversely affect our investments, business, market position and results of operations.

11. ***We are yet to apply for and/or receive consents/ renewals of certain statutory approvals required in the ordinary course of our businesses, and if we are unable to obtain these approvals, our business could be adversely affected.***

Our Company is resultant of demerger of Retail Business Undertaking pursuant to the Scheme. Pursuant to the said scheme, all business approvals are required to be transferred in our Company's name, which is currently under process. Further, our Company requires certain approvals, licences, registrations and permissions to operate our business, some of which may have expired and for which we may have either made, or are in the process of making, an application for obtaining the approval for its renewal.

We are required to comply with provisions of a number of laws and regulations and obtain registrations under the same or the rules made thereunder including food and safety standards license and others. We are governed by various shops and establishments legislations, as applicable, in the states where we have stores and are required to obtain registration under the same. If we do not apply, receive, renew or comply with any conditions thereto or maintain our statutory and regulatory permits and approvals required to operate our business, it may have a material adverse effect on our business and our results of operations.

Some of our approvals have expired and from time to time we may apply for obtaining the renewals. We have not yet applied for or received or renewed all government and other regulatory approvals required for some of our new and existing stores. In case of non-receipt or delayed receipt of approvals for our stores, we may not be able to implement our expansion plans as per schedule, which may lead to cost overrun and this could have an adverse impact on our growth, business, results of operations and financial condition.

- 12. *We have been subject to penalties in the past by various regulatory authorities. We cannot assure you that our Company may not be subject to such penalty or any action against us in the future.***

We have been subject to various penalties in the past by various regulatory authorities. For details, see “Outstanding Litigation and Material Developments” on page 205. We cannot assure you that the regulatory authorities will not impose any penalty or take any action against our Company which may impact our reputation, results of operations and cash flows.

- 13. *Our business needs substantial capital and additional financing in the form of debt and/or equity to meet our requirements, and any failure or delay to obtain the same may affect our business plans adversely.***

Our business is funded through equity, debt and internal accruals. However the actual amount and timing of future capital requirements may differ from estimates including but not limited to unforeseen delays or cost overruns, unanticipated expenses, market developments or new opportunities in the industry. We may also not be able to generate internal cash in our Company as estimated and may have to resort to alternate sources of funds.

Sources of additional financing may include commercial borrowings, vendor financing, or issue of equity or debt instruments. If we decide to raise additional funds through the debt route, the interest obligations would increase and we may be subject to additional covenants, which could limit our ability to access cash flows from the operations. We may not be successful in raising additional funds in a timely manner, on favourable terms or at all. If we do not have access to additional capital, we may be required to delay, scale back or abandon some or all of our store plans or growth strategies or reduce capital expenditure and the size of our operations.

Additionally, if we decide to raise additional funds through the equity route, your shareholding in our Company could get diluted.

- 14. *Risks associated with the suppliers from whom our products are sourced and the safety of those products could adversely affect our financial performance.***

The products sold by us are sourced from a wide variety of domestic and international suppliers. Global sourcing of many of the products we sell is an important factor in our financial performance. All of our suppliers must comply with applicable laws, including labour and environmental laws, and otherwise be certified as meeting our required supplier standards of conduct. Our ability to find qualified suppliers who meet our standards, and to access products in a timely and efficient manner is a significant challenge, especially with respect to suppliers located and goods sourced outside of the respective states in which the stores are located. Political and economic instability in India or political instability in certain states of India in which the suppliers are located, the financial instability of suppliers, suppliers’ failure to meet our supplier standards, labour problems experienced by our suppliers, the availability of raw materials to suppliers, merchandise quality issues, currency exchange rates, transport availability and cost, transport security, inflation, and other factors relating to the suppliers and the countries in which they are located are beyond our control. These and other factors affecting our suppliers and our access to products could adversely affect our financial performance.

Our customers count on us to provide them with safe products. Concerns regarding the safety of food and non-food products that we source from our suppliers and then sell could cause shoppers to avoid purchasing certain products from us, or to seek alternative sources of supply for their food and non-food needs. Any loss of confidence on the part of our customers would be difficult and costly to re-establish. As such, any issue regarding the safety of any food and non-food items we sell, regardless of the cause, could adversely affect our financial performance.

- 15. *We may not in a timely manner identify or effectively respond to trends in consumption patterns of our customers, which could negatively affect our relationship with our customers and the demand for goods retailed through our formats and our market share.***

It is difficult to predict consistently and successfully the consumption patterns of the customers. The success of our business depends in part on our ability to identify and respond to the evolving consumption patterns in various lines of businesses that we operate in. Failure to timely identify the changing patterns or effectively respond to such trends, preferences and spending patterns could negatively affect our relationship with our customers and the demand for our products.

- 16. *We rely extensively on our information technology systems and Future group company NFDIL for procuring IT services to process transactions, summarize results and manage our business. Disruptions in both our primary and secondary (back-up) systems could harm our ability to run our business.***

It is critical that we maintain uninterrupted operation of our business’ critical information technology systems. Our information technology systems, including our back-up systems, are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, security breaches, catastrophic events such as fires, tornadoes and hurricanes, and usage errors by our employees. If our information technology systems and our

back-up systems are damaged or cease to function properly, we may have to make significant investment to fix or replace them, and we may suffer interruptions in our operations in the interim.

Any material interruption in both of our information technology systems and back-up systems may have a material adverse effect on our business or results of operations. Further, if we fail to integrate our information technology systems and processes we may fail to realize the benefits anticipated to be derived from these initiatives. Any delay in implementation, problems in transition to new systems or any disruptions in its functions may adversely impact our business operations.

17. Past store sales may not be comparable to and indicative of future store sales

Various factors affect the sales in our stores including competition, our ability to procure merchandise at appropriate costs, our supply chain and our systems and processes. These factors will have an influence on existing and future stores and thus past figures of sales may not be true indication of future sales.

18. Our Promoter and some of our Directors have interests in entities which are in the same line of business as us.

Our Promoter and some of our Directors, directly or indirectly, hold majority of the shares of, and controls, other companies engaged in retail formats. The entities in which our Promoter and some of the Directors are directly interested in and which are engaged in similar line of business as on March 31, 2016 are as follows:

Sr. No.	Name of the Promoter / Director	Name of the entities	Nature of interest in the entities	Number of shares held	Percentage of the shareholding (%)
1.	Kishore Biyani	Future Lifestyle Fashions Limited	Director and shareholder	333	0.0002
2.	Rakesh Biyani	Indus-League Clothing Limited	Director	-	-
		Celio Future Fashion Private Limited	Director	-	-
		Turtle Limited	Director	-	-
		Future Lifestyle Fashions Limited	Director and shareholder	333	0.0002
3.	FCRL	Future Lifestyle Fashions Limited	Shareholder	3,23,68,066	17.07
4.	PIL	Future Lifestyle Fashions Limited	Shareholder	1,09,64,652	5.78
5.	Ryka	Future Lifestyle Fashions Limited	Shareholder	2,01,63,384	10.63
6.	Gargi	Future Lifestyle Fashions Limited	Shareholder	66,57,511	3.51
7.	Manz	Future Lifestyle Fashions Limited	Shareholder	3,23,918	0.17

Additionally, the above Promoter / Director(s) have indirect interest (through their shareholding in the above entities) in the following entities which are engaged in similar line of business as that of our Company as on March 31, 2016:

Sr. No.	Name of the companies	Aggregate number of shares held	Percentage of the shareholding (%)
Shares held by Future Lifestyle Fashions Limited (by itself and through its nominees)			
1.	Celio Future Fashion Private Limited	1,87,254	3.50
2.	Clarks Future Footwear Private Limited	2,40,00,000	50.00
3.	Eclat Lifestyle Private Limited	3,05,413	30.00
4.	Resources World Exim Private Limited	3,37,161	27.50
5.	KFC Shoemaker Private Limited	6,63,125	33.30
6.	Mineral Fashions Private Limited	27,93,210	49.62
7.	Mineral Fashions Private Limited (CCD)	3,33,333	100.00
8.	Holii Accessories Private Limited	60,00,000	50.00
9.	Rachika Trading Private Limited	2,40,00,000	96.00
10.	Turtle Limited	15,60,000	26.00
11.	SSIPL Retail Limited	6,09,197	6.07
12.	Indus Tree Craft Private Limited	1,29,578	25.79

Sr. No.	Name of the companies	Aggregate number of shares held	Percentage of the shareholding (%)
		(equity shares)	
		2,00,000	
		(preference shares)	
13.	Unico Retail Private Limited	51,136	12.00
14.	Elisir Lifestyle Private Limited	30,00,000	60.00
15.	Indus-League Clothing Limited	3,48,28,227	100.00
16.	Future Style Lab Limited	2,30,900	90.00
Shares held by Indus Tree Crafts Private Limited (by itself and through its nominees)			
17.	Indus Tree Producer Transform Private Limited	6,94,355	100.00
Shares held by Future Enterprises Limited (Formerly known As Future Retail Limited)			
18.	Futurebazaar India Limited	1,91,60,000	100.00
19.	Future Media (India) Limited	2,73,78,746	93.10
20.	Future Supply Chain Solutions Limited	2,74,62,962	70.17
21.	Staples Future Office Products Limited	32,20,133	60.00
22.	Office Shop Private Limited (Subsidiary of Staples Future Office Products Limited)	NIL	100.00

Post March 31, 2016, FEL acquired shares in Bluerock e-Services Private Limited (Bluerock) to the extent of 2,09,43,589 equity shares aggregating to 93.28% of equity capital of Bluerock. Further, FEL will acquire balance 15,08,510 number of shares, such that the total shareholding in Bluerock e-services Private Limited will reach to 100%.

19. *Losses on account of shrinkage can negatively impact our profitability*

The retail industry is vulnerable to the problem of shrinkage. Shrinkage at our stores and/or our distribution centres may occur through a combination of shoplifting by customer, pilferage by employee, damage, obsolescence, expiry and error in documents and transaction that go un-noticed and later adjusted for upon physical verification of stock with book stock. An increase in shrinkage levels at our existing and future stores or our distribution centres may force us to hire additional supply chain management personnel or additional security staff or install additional security and surveillance equipments, which will increase our operational costs and may have an adverse impact on our profitability.

20. *We may, from time to time, look for opportunities to acquire or enter joint venture arrangements. Any failure to manage the integration of the businesses or facilities post such acquisition or joint venture may cause our profitability to suffer.*

We may, from time to time, look for opportunities to acquire or enter into strategic partnerships or alliances. Such acquisitions may not contribute to our profitability, and we may be required to incur or assume debt, or assume contingent liabilities, as part of any acquisition. Further, the acquisitions may give rise to unforeseen contingent risks or latent liabilities relating to these businesses that may only become apparent after the merger or the acquisition is finalised.

We may also face difficulty in assimilating and retaining the personnel, operations and assets of the acquired company. Further, we may not be able to accurately identify or forge an alliance with appropriate companies in line with our growth strategy. In the event that the alliance does not perform as estimated, our operations may be materially adversely affected. Further, an inability on the part of our joint venture partner to meet customer requirements may lead to a failure of such a format and may adversely affect our business.

21. *We face competition from existing and potential domestic and international players that may adversely affect our competitive position and our profitability.*

Significant additional competition in the retail industry may result in reduced prices and thereby negatively affect our revenues and profitability. As the industry is highly fragmented, we face competition from local stores, who may, for a variety of reasons such as easier access and personal relationship with customer, be able to cater to local demands better than us. Further, the introduction of foreign participation in the retail sector will result in the entry of multinational retail companies into the Indian market. We cannot assure you that we will be able to compete with large multinational players.

International competitors may enjoy many of the same advantages that we do and may even have lower cost structures, enabling them to compete vigorously vis-a-vis pricing. As a result of competition, we may have to price

our products at prices that reduce our margin and at the same time increase our advertising and distribution expenditure, which may adversely affect our business costs and profits. Competition from these competitors may adversely impact our revenues. Global companies are significantly larger than us and have significantly stronger international market positions, production capacities and greater financial resources than we do. We also face significant competition from Indian players. These market participants include other small, limited-service providers and a number of full-service global companies. The larger competitors have a much broader portfolio of business, greater resources and more experience than smaller companies.

22. *Any adverse impact on the title or ownership rights or development rights of our landlords from whose premises we operate may impede our effective operations of our stores, offices or distribution centres in the future.*

Most of the premises from which we operate our stores / offices / distribution centres are taken by us on long term lease or sub-lease or leave and license or on conducting basis and/or on the basis of other contractual agreements with third parties. We may continue to enter into such transactions with third parties. Any adverse impact on the title / ownership rights / development rights of our landlords from whose premises we operate our stores may impede our business, our operations and our profitability. The financial impact of such aforesaid risk cannot be quantified.

In the past, we have been subject to lock-in period for some of our lease agreements. In the event, we renew our lease agreements or enter into new lease agreements and such arrangements also prescribe a lock-in period or such other similar restrictions, it will prevent us from moving our stores in the event that there are events or circumstances that impede our profitability. Any such event and such restrictive covenants in our lease agreements affect our ability to move the location of our stores and may adversely affect our business, financial condition and results of operations.

23. *We face the risk of potential liabilities from lawsuits or claims by consumers.*

We may face the risk of legal proceedings and claims being brought against us by our customers / consumers for any defective product sold or any deficiency in our services to them. We could face liabilities should our customers / consumers face any loss or damage due to any unforeseen incident such as fire or accidents in our stores, which could cause financial or other damage to our customers / consumers. Any commencement of lawsuits as envisaged above against us could reduce our sales and cause us financial harm and any decision against us may adversely affect the result of our operations.

24. *Uninsured losses or losses in excess of our insurance coverage could result in a loss of our investment.*

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, etc., occurs in our stores or distribution centres or in regions where the same are located. Although we maintain comprehensive insurance coverage in relation to fire and other perils, there are possible losses from which we are not insured such as claim of infringement of intellectual property right or there may be instances where the insurance cover in relation to the loss may not be adequate. In such situations we may incur loss or lose our investment.

25. *We are a member of the Future group and we utilise the trademark ‘Future’ and ‘Future Group’ and the associated logo. Our inability to use any such trademark or logo could adversely affect our business and results of operations.*

Future Ideas Company Limited (“FICL”), a group company owns the trademarks ‘Future Group – India Tomorrow’ and ‘Future Group’ and the associated logos. Pursuant to the master licence agreement dated October 11, 2010 between FICL and our Company (the “Agreement”), FICL has granted a non-exclusive and non-transferable licence to use the Trademarks in, *inter alia*, marketing and advertisements of our products and services during the term of the Agreement and, with the written consent of FICL, for business activities outside India in consideration of royalty payments. The Agreement also allows the use of Trademarks by our Subsidiaries, if any. For details, see “Our Business – Intellectual Property” on page 74.

We operate in a competitive environment, where generating brand recognition will be a significant part of our business. In the event the Agreement is terminated, we may need to change our logo. Any such change could require us to incur additional costs and may adversely impact our business, financial condition and results of operation.

26. *We have limited ability to protect the intellectual property of our formats and associated logos and may be subject to third party claims and if we are unable to protect such intellectual protection, our business could be adversely affected.*

We have applied for the registration of various trademarks and associated logos for our formats and while we have obtained registration with respect to some, registration of the others is pending. Our efforts to protect our intellectual property rights may not be adequate and any third party claim on any of our unprotected format or private label may lead to erosion of our business value and our operations could be adversely affected.

We may need to litigate in order to protect the intellectual property of our formats or brands or to prevent unauthorized use of the same. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. In addition, we may not be able to detect any unauthorized use or take appropriate and timely steps to protect our intellectual property rights. Our inability to protect the same could adversely affect our business.

27. *Changes in safety and health laws and regulations may adversely affect our results of operations and our financial condition.*

We are subject to a broad range of safety and health laws and regulations in the areas in which we operate such as the Consumer Protection Act, 1986, Sale of Goods Act, 1930 and similar state regulatory enactments like the shop and establishments legislations, as applicable. We have incurred, and expect to continue to incur, operating costs to comply with such laws and regulations. In addition, we have made and expect to continue to make capital expenditures on an ongoing basis to comply with safety and health laws and regulations. While we believe we are in compliance in all material respects with all applicable safety, health and environmental laws and regulations, we may nevertheless be liable to the Central Government or the State Governments or Union Territories with respect to our failures to comply with applicable laws and regulations.

Further, the adoption of new safety and health laws and regulations, new interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures or incur additional operating expenses in order to maintain our current operations or take other actions that could have a material adverse effect on our financial condition, results of operations and cash flow. Safety, health and environmental laws and regulations in India, in particular, have been increasing in stringency and it is possible that they will become significantly more stringent in the future.

Further, the measures we implement in order to comply with these new laws and regulations may not be deemed sufficient by governmental authorities and our compliance costs may significantly exceed current estimates. If we fail to meet safety and health requirements, we may also be subject to administrative, civil and criminal proceedings by governmental authorities, as well as civil proceedings by our consumers / customers and other individuals, which could result in substantial fines and penalties against us as well as orders that could limit our operations.

There can be no assurance that we will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety and health matters in the future, the costs of which could be material. Remediation costs of our stores and outlets and related litigation could adversely affect our cash flow, results of operations and financial condition.

28. *Negative publicity if any, would adversely affect the value of our brand, and our sales.*

Our business is dependent on the trust our customers have in the quality of our merchandise as well as on our ability to protect our trademarks and copyrights and our intellectual property to maintain our brand value. If we fail to adequately protect our intellectual property, competitors may market products similar to ours. Any negative publicity regarding our Company, brands, or products, including those arising from a drop in quality of merchandise from our vendors, disputes concerning the ownership of intellectual property, mishaps at our stores, or any other unforeseen events could adversely affect our reputation our brand value, our operations and our results from operations.

29. *Our business depends on our ability to maintain consistency in customer service and other operations.*

Our ability to maintain consistency in the quality of customer service in our stores is critical to our success. This will depend on our ability to hire the right personnel and also train the new personnel in the implementation of our processes effectively. In addition, the attrition rate of employees is high in the retail industry and in the event we lose employees at a high rate or we cannot recruit fresh talent, it may adversely affect our operations.

30. *We operate through a number of formats and a lower than anticipated customer response to such formats, or our inability to successfully meet customer requirements can adversely impact us.*

We operate different formats like Big Bazaar, Food Bazaar, Foodhall, Home Town, eZone, fBB, KB's Conveniently yours (including KB's fair price), easyday and others and may, from time to time, consider launching new formats. The success of these formats depends upon the consumer response. A lower than anticipated consumer response can impact our business. Our inability to successfully attract and meet with customer requirements may adversely affect our operations and profitability.

31. Some of our Group Companies have incurred losses in the past.

Certain of our Group last three fiscal years is given as set forth below:

(Rs. in crore)

Company Name	FY 2016 (Provisional)	FY 2015	FY 2014
	Profit / (loss) after tax	Profit / (loss) after tax	Profit / (loss) after tax
Future Ideas Company Limited	(11.18)	(0.46)	(5.72)
Future Capital Investment Private Limited	(0.62)	0.13	(0.01)
Future Hospitality Management Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Future Hospitality Private Limited	(1.51)	(3.89)	(0.25)
Future Outdoor Media Solutions Limited	(0.03)	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Future Coupons Limited	(6.52)	(6.50)	(5.72)
Future People Services Limited	(1.40)	(0.80)	(0.64)
Future Market Networks Limited	(15.07)#	(53.30)	(65.83)
Future Consumer Enterprise Limited	(63.55)#	(93.75)	30.41
Galaxy Entertainment Corporation Limited	(2.02)#	0.14	0.30
Weavette Business Ventures Limited	(11.00)	(8.50)	(2.73)
Whole Wealth Limited (Foreign Company)*	(0.01)	0.03	(0.90)
Birthright Games & Entertainment Private Limited	(0.81)	0.03	(0.00) ⁽¹⁾
Future Entertainment Private Limited	(4.99)	(2.44)	(0.00) ⁽¹⁾
Future Sharp Skills Limited	(2.67)	(4.21)	(8.63)
Bansi Mall Management Co. Private Limited	(15.23)	(11.04)	(22.47)
Shree Balaji Umber Properties Private Limited	(0.01)	(1.17)	(0.66)
Shree Balaji Parvat View Properties Private Limited	(0.04)	(0.08)	(0.65)
Shree Balaji Mall Management Service India Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.02)
Archana Ekta Investment Advisors Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Vayuputra Realty Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(1.53)
Suhani Trading And Investment Consultants Private Limited	(0.04)	(0.09)	0.26
Kesari Realty Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Mahabal Realty Private Limited	(0.01)	0.00 ⁽¹⁾	(0.01)
Kuber Mall Management Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Planet Traders Limited	(2.45)	0.04	(0.01)

* Financials in Hongkong Dollars.

FY 2016 figures are Audited.

⁽¹⁾ Negligible in terms of Rs. crore.

32. The success of our business is dependent on our management team including our Managing Director, Mr. Kishore Biyani, and Joint Managing Director Mr. Rakesh Biyani and our inability to retain them or the loss of any member of our senior management team could adversely affect our business if we are unable to find equally skilled replacements.

Our Company is managed by a team of professionals to oversee its operations and growth. Our performance and success depends on our management team including, our Managing Director, Mr. Kishore Biyani and Joint Managing Director, Mr. Rakesh Biyani, to manage our current operations, develop new projects and meet future business challenges. Our ability to sustain our growth depends, in large part, on our ability to attract, train, motivate and retain highly skilled personnel. We believe that there is significant demand for personnel who possess the skills needed to perform the services we offer. There is significant competition for management and other skilled personnel in our industry. Our inability to hire and retain additional qualified personnel will impair our ability to continue to expand our business. The Managing Director of our Company has substantial responsibilities for strategizing our growth. The loss of the services of such personnel or the Managing Director of our Company and our inability to hire and retain additional qualified personnel may have an adverse effect on our business, financial condition and results of operations. An increase in the rate of attrition of our experienced employees, would adversely affect our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a

sufficient number of personnel with the requisite skills or to replace those personnel who leave. Further, we cannot assure you that we will be able to re-deploy and re-train our personnel to keep pace with continuing changes in our business. The loss of the services of such personnel and our inability to hire and retain additional qualified personnel may have an adverse effect on our business, results of operations and financial condition.

33. *Some of the shareholders have entered into an agreement with us and contains certain upside sharing arrangements. This upside sharing is dependent upon certain thresholds to be achieved which may or may not be realized.*

The existing holders of optionally convertible debentures (“OCDs”) of Future Retail Limited aggregating to Rs. 250 crores shall, consequent to the aforesaid demerger, hold OCDs of Rs. 154.20 crore in Future Retail Limited and OCDs of Rs. 95.80 crore in Future Enterprises Limited aggregating to Rs. 250 crores. These OCDs would be convertible into equity shares of the respective companies at the option of the respective companies, at the price prescribed under SEBI Regulations for Preferential Issue of securities on the date of conversion.

The shareholders existing prior to the Scheme becoming effective and OCD holders have agreed to share with the respective companies an upside on the realization out of the shares of the two companies, subject to certain broad terms and conditions as given below:

On sale of the equity shares (including shares arising on conversion of OCDs with interest or the redemption amount) of Future Enterprises Limited and Future Retail Limited by Shareholders and OCD holders of Bharti Group have agreed to an upside sharing arrangement with Future Enterprises Limited and Future Retail Limited as follows:

- a) If the sale proceeds are between Rs. 950 Crores and Rs. 1450 Crores, the amount shall be 50% of the amount above Rs. 950 Crores;
- b) If the sale proceeds are between Rs. 1450 Crores and Rs. 1950 Crores the amount shall be 60% of the amount above Rs. 1450 Crores; and
- c) If the sale proceeds are greater than Rs. 1950 Crores the amount shall be 75% of the amount above Rs. 1950 Crores.

Our Company may not stand to gain the benefit of upside sharing in case the thresholds are not achieved.

34. *We have entered into certain related party transactions in the past.*

We have entered into, and may in the future enter into, certain related party transactions with our Promoter and entities within the Promoter Group, including companies engaged in the same or related lines of business. Whilst we believe that all such transactions have been conducted on an arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Set out below are the details of the net amounts of our related party transactions for the last five financial periods: For details in relation to the related party transactions entered into by our Company, see “Financial Statements – Notes Forming Part of the Financial Statements – Related Party Disclosures” on page 179.

However, pursuant to the Scheme and subsequent allotment of Equity Shares to the eligible shareholders of FEL and change of Board constitution, the related parties as disclosed above, would get changed as given in section Promoters and Promoter Group and Group Companies on page 99 and 110.

35. *Our Promoter, Directors and the KMPs of our Company may have interests in us other than reimbursement of expenses incurred or normal remuneration or benefits.*

Our Promoter is interested in us to the extent of any transactions entered into or their shareholding and dividend entitlement in us. Our Promoter and some of our Directors may also be interested to the extent of any transaction entered into by us with any other company or firm in which they are promoter, directors or partners. Further, our KMPs may also be interested to the extent of any transaction entered into by us with them or their relatives. For details in relation to the related party transactions entered into by our Company, see “Financial Statements – Notes Forming Part of the Financial Statements – Related Party Disclosures” on page 179. This may potentially involve conflict of interest with our shareholders.

36. ***Our Promoter and Promoter Group will control us as long as they own a substantial portion of our Equity Shares and our other shareholders may not be able to affect the outcome of shareholder voting during such time. The pre-scheme shareholding of the promoters was 0% and pursuant to the scheme of arrangement the shareholding of the promoters is 48.82%.***

Our Promoter will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoter may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders. By exercising their control, our Promoter could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

Further, our Articles of Association confer certain rights on our Promoter Mr. Kishore Biyani, wherein Mr. Kishore Biyani shall have the right to nominate up to a maximum of six persons as Directors as long as he and his associates hold not less than 10% of the Equity Share capital of our Company and four of such six directors shall not be liable to retire by rotation. Accordingly, Mr. Kishore Biyani have the ability to exercise significant influence over the functioning of our Board.

37. ***Our contingent liabilities could adversely affect our financial condition.***

We have created provisions for certain contingent liabilities in our financial statements. There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current financial year or in the future and that our existing contingent liabilities will not have material adverse effect on our business, financial condition and results of operations. For further details in relation to our contingent liabilities on standalone as well as consolidated basis:

Contingent Liabilities on a Standalone Basis

(In Rs. crore)

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
A. Claims Against our Company Not Acknowledged as Debts					
i) Value Added Tax Act/Income Tax	14.89	3.76	3.83		
ii) Others	48.90	1.24	1.11	0.39	0.11

Pursuant to the Scheme becoming effective and as agreed with various lenders of FEL, our Company would be required to issue corporate guarantee / other guarantees in favour of the lenders of FEL which would be added to the contingent liabilities in coming fiscal year.

The aforementioned details have also been disclosed in the section “Financial Statements – Notes Forming Part of the Financial Statements – Contingent Liabilities” on page 178.

38. ***After the Scheme, our Company could fail to meet the operational challenges related to our business.***

Although our Company expects that the Scheme will result in certain benefits, it may not realise those benefits because of challenges relating to operating as a stand-alone business. These challenges include completing the arrangement of business between FRL and FEL, retaining key personnel, distraction of our management’s time and resources, difficulty in effectively marketing and communicating the capabilities of our Company to operate as a stand-alone business, demonstration to stakeholders that the Scheme will not result in adverse changes in standards or business and impairment of relationships with employees as a result of the Scheme. Any failure of our Company to operate as a stand-alone business or to realise any of the anticipated benefits of the Scheme could have an adverse impact on our Company’s business, financial condition and results of operations.

39. ***There are outstanding legal proceedings involving our Company, Promoters, Directors and Group Companies.***

There are certain outstanding legal proceedings against our Company, Promoters, Directors and the Group Companies. These proceedings are pending at different levels of adjudication before various courts, enquiry officers, and arbitrators. Brief details of such outstanding litigation are as follows:

Against our Company	No. of Outstanding Cases	Amount Involved (Rs. in Crores)
Criminal Proceedings	47	Not quantifiable
Direct Tax matters	5	0.70
Indirect Tax matters	9	42.26

Against our Company	No. of Outstanding Cases	Amount Involved (Rs. in Crores)
Other matters	2	169.07

Against the Promoter	No. of Outstanding Cases	Amount Involved (Rs. in Crores)
Criminal matters	21	Not quantifiable
Direct Tax matters	23	63.77
Indirect Tax matters	Nil	Nil
Other matters	Nil	Nil

Against the Directors	No. of Outstanding Cases	Amount Involved (Rs. in Crores)
Criminal Proceedings	45	Not quantifiable
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Other matters	Nil	Nil

Against the Group Companies	No. of Outstanding Cases	Amount Involved (Rs. in Crores)
Criminal Proceedings	56	Not quantifiable
Direct Tax matters	41	161.91
Indirect Tax matters	54	33.42
Other matters	3	192.24

An adverse outcome in the aforesaid proceedings could have a material adverse effect on our business, prospects, financial condition and results of operations. We cannot assure you that these matters will be settled in favour of our Company, Promoters, Directors and Group Companies or that no further liability will arise out of these claims. For further details of outstanding litigations, please refer to the section titled “Outstanding Litigations and Material Developments” in this Information Memorandum.

40. *Our Registered Office and/or stores are not owned by us. Inability to execute or renew lease arrangements on favourable terms or at all may materially affect our business and profitability.*

Our registered office is located at “Knowledge House”, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060, which is not owned by our Company. We cannot assure that we will be able to renew the arrangement for using the premises on which our Registered Office is located on commercially acceptable terms, or at all.

Further, our stores are operated from premises which are generally acquired on long-term leasehold or on leave and license basis or on the basis of other contractual agreements with third parties. If we are unable to execute or renew lease arrangements on favourable terms or at all, or enforce our rights with respect to occupation of existing properties, this may lead to time and cost overruns and may have a material adverse effect on our business, financial performance.

41. *There may be potential conflicts of interest with the Promoter and some of our directors, who are on the board of our Group Companies, Future Lifestyle Fashions Limited and Future Consumer Enterprise Limited. Such conflict of interests may have an adverse effect on our business, results of operations and/or the interest of our other shareholders.*

Future Lifestyle Fashions Limited and Future Consumer Enterprise Limited are also engaged into fashion business and FMCG business respectively. Our managing director, Mr. Kishore Biyani is also the managing director and promoter of Future Lifestyle Fashions Limited and Promoter of Future Consumer Enterprise Limited. Further, our director viz. Mr. Rakesh Biyani is also on the board of Future Lifestyle Fashions Limited. There may be conflicts of interest in addressing business opportunities and strategies in circumstances where our interests differ from our Promoter and directors. In case of conflict between us, Future Lifestyle Fashions Limited and Future Consumer Enterprise Limited, our Promoter or Directors may favour Future Lifestyle Fashions Limited and Future Consumer Enterprise Limited over us.

Further, since our managing director Mr. Kishore Biyani, who is also a managing director and promoter of Future Lifestyle Fashions Limited and Promoter of Future Consumer Enterprise Limited, may need to devote time to Future Lifestyle Fashions Limited and Future Consumer Enterprise Limited and may, consequently, not be able to dedicate the time and attention necessary to fulfill his obligations as managing director of our Company. If any such actual, or perceived, conflicts of interests are not resolved suitably, our business, results of operations and/or the interest of our other shareholders may be adversely affected.

42. *The statements contained in this Information Memorandum are based on current management plans and estimates and may be subject to change. In addition, industry statistical and financial data contained in this Information memorandum may be incomplete or unreliable.*

We have not independently verified data from industry publications and other sources contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the fashion industry herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable and should not be unduly relied upon.

43. *Our Group Companies may be subject to penalties imposed by regulatory authorities*

In case of one of our Group companies, viz FEL, SEBI had passed an adjudication order dated October 13, 2011 against FEL in relation to failure to redress investor grievances and file reports within the stipulated period. In accordance with the SEBI Circular no. EFD/ED/Cir-I/2007 dated April 20, 2007, FEL had filed consent application dated March 12, 2012 (the “**Consent Application**”). Pursuant to the Consent Application, and the recommendations of the High Powered Advisory Committee, FEL settled the proceedings through consent mechanism upon payment of Rs. 6.50 lakh in respect of settlement charges and Rs 1 lakh in respect of legal expenses incurred by SEBI. In this regard, a consent order was passed by SEBI on December 5, 2012. We cannot assure you that FEL may not be subject to such penalty or any action against them in the future.

44. *Our Promoter, Group Companies, have unsecured loans which can be recalled by the lenders at any time*

Our Promoter and Group Companies currently have availed unsecured loans which may be recalled by their lenders at any time. In the event that any lender seeks a repayment of any such loan, our Promoter and Group Companies would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. We may not have adequate capital / working capital to undertake new projects or complete the ongoing projects. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations.

45. *Our Company has had negative cash flows in certain recent fiscal periods:*

Our Company generated negative cash flows, in the past period as indicated in the table below:

<i>(Rs. In Crore)</i>			
Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015	Period Ended March 31, 2014
Net cash from operating activities	(2,629.83)	(284.30)	(703.66)
Net cash used in investing activities	(119.50)	(50.27)	(60.94)
Net cash provided by financing activities	870.34	320.41	749.78
On Composite Schemes of Arrangements	1,960.16		
Net (decrease) / increase in cash and cash equivalents	81.16	(14.16)	(14.83)

For details, see “Financial Statements – Notes Forming Part of the Financial Statements - Statement of Cash Flow for the Period January 1, 2011 to March 31, 2016 on page no. 156.

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our business, financial condition and results of operations could be materially and adversely affected.

46. *In the past, our Group company was unable to perform as per the promises*

Our Group company viz, FEL had undertaken an initial public offering in 1992 where it had made certain promises in relation to the objects and financial performance. FEL was not able to perform as per the promises and the details are provided below:

Particulars	Promise	Performance
Opening up of retail stores	To open 7 retail stores	<ul style="list-style-type: none"> 2 retail stores were opened within the time frame promised in the prospectus. Five additional retail stores were opened with a delay of 9 months.

Particulars	Promise	Performance
Estimated Turnover of 1992-1993	Rs. 1,160.00 lakh	Rs. 480.80 lakh
Future prospectus	Expected to generate adequate profits and declare dividends from 1992-1993 onwards	No dividend declared in 1992-1993

Risks Relating to the Equity Shares

1. *There is no prior trading history for the Equity Shares.*

Since the Equity Shares have not been previously traded, their market value is uncertain. Following admission, the market price of the Equity Shares may be volatile. Our Company's operating results and prospects from time to time may be below the expectations of market analysts and investors. At the same time, market conditions may affect the price of our Company's Equity Shares regardless of the operating performance of our Company. Stock market conditions are affected by many factors, such as general economic and political conditions, terrorist activity, movements in or outlook on interest rates and inflation rates, currency fluctuations, commodity prices, changes in investor sentiment towards the retail market and the supply and demand of capital.

2. *Significant trading volumes of the Equity Shares on the Stock Exchanges in the period on listing could impact the price of our Company's Equity Shares.*

Following admission of our Equity Shares for trading on the Stock Exchanges, there may be a period of relatively high volume trading in the Equity Shares. A high volume of sales of our Equity Shares on the Stock Exchanges after admission, or the perception that these sales might occur, could result in volatility in the market price of our Equity Shares.

3. *Our Company may decide to offer additional Equity Shares in the future, diluting the interests of existing Shareholders which could adversely affect the market price of Equity Shares.*

Our Company's ability to execute our business strategy depends on our access to an appropriate blend of debt financing, and equity financing. If our Company decides to offer additional Equity Shares or other securities convertible into Equity Shares in the future, this could dilute the interests of existing Shareholders which could have an adverse impact on the market price of Equity Shares. An additional offering of Equity Shares by our Company, or the public perception that an offering may occur, could have an adverse impact on the market price of the Equity Shares.

4. *There is no guarantee that dividends will be paid.*

There can be no assurances that our Company will pay dividends. Any decline in our Company's operating income could result in distributable profits not being available for payment of dividend which may have an adverse impact on the market price of our Equity Shares.

EXTERNAL RISK FACTORS

1. *Our business is substantially affected by prevailing economic conditions in India.*

Our Company is incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;

- changes in governmental laws and regulations;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries
- prevailing regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India or its retail sector.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Securities.

2. *Enforcement of foreign judgments against our Company or its management may not be possible or may require additional legal proceedings.*

Our Company is a limited liability company incorporated under the laws of India. Majority of the Directors and executive officers of our Company are residents of India. A substantial portion of our assets and the assets of the Directors and executive officers of our Company, who are Indian residents, are located in India. As a result, it may be difficult for the investors to affect service of process upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Civil Code. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against our Company or its officers or Directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to execute such a judgment or to repatriate any amount recovered.

3. *Our operations and investments are concentrated in the Indian retail and consumption-led sectors, which exposes us to the risk of a downturn in this sector.*

Our strategic focus is on the Indian retail and consumption-led sectors. As a result of this focus, during periods of difficult market conditions or slowdowns in these sectors, the decreased revenues, difficulty in obtaining access to financing and increased running costs experienced by us may adversely affect us. Although the Indian retail and consumption-led sectors have been growing rapidly in recent periods, this growth may not be sustainable in the long term and there may be periods of difficult market conditions. Interest rate fluctuations could also adversely impact the growth of the retail and consumption-led sectors. If growth in the Indian retail and consumption-led sectors were to slow or if market conditions were to worsen, we could sustain losses or may be unable to attain target returns, which would adversely impact our financial performance. In addition, demand for our retail services could decline as Indian consumers reduce their spending. Any of the foregoing would have a material adverse effect on our business, results of operations and financial condition.

4. *Any downgrading of India's debt rating by a domestic or international rating agency could negatively impact our business.*

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial results and business prospects, ability to obtain financing for capital expenditures and the price of the Securities.

5. ***Multiplicity of legislations, taxes and levies in addition to changes in legislation, including changes in direct and indirect tax policies, or policies applicable to us could adversely affect our results of operations.***

Various laws and regulations are applicable to the retail industry and our business in general. At every stage, different licenses, approvals and clearances are required, for instance in acquiring store space, opening stores, trade license, etc. This process is tedious and time consuming and there can no assurance that the licenses, approvals and clearances will be granted to us within the expected time frame or at all. Therefore, statutes relating to labour, hours of work, minimum wages, overtime, etc. have an impact on our operational activities and overall costs. Moreover, the complexities of Indian tax structure comprising separate central and local taxes, and levies including sales tax, octroi, etc. has added to our costs and affected flexibility of our operations. Changes in taxes and levies and other regulatory policies and legislations could directly impact the profit margins and activities of our Company.

6. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act, 2002 (the “Competition Act”) could adversely affect our business.***

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Indian central government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and financial condition. Future Retail Limited (formerly known as “**Bharti Retail Limited**”) and Future Enterprises Limited (Formerly known as “**Future Retail limited**”) had filed notice under Section 6(2) of the Competition Act on May 29, 2015 (“**Notice**”) and duly received the necessary approval from CCI under Section 31(1) of the Competition Act on August 18, 2015.

7. ***All public companies whose equity or debt securities are listed or in the process of being listed in India or outside India and having networth less than Rs. 500 crores are required to prepare financial statements under Ind AS for the accounting period beginning on or after April 1, 2017 with comparatives for period ending on March 31, 2017 and compute Income Tax under the Income Computation and Disclosure Standards (the “ICDS”). The transition to Ind AS and ICDS in India is very recent and our transition to the use of the IFRS converged IND AS may adversely affect financial performance and financial position of our Company.***

India has decided to adopt the “Convergence of its existing standards with IFRS” and not IFRS. These “IFRS based/ synchronised Accounting Standards” are referred to in India as Ind AS. On February 16, 2015, the Ministry of Corporate Affairs, has set out the Ind AS and the timelines for their implementation. Accordingly, our Company is required to prepare its financial statements in accordance with Ind AS from April 1, 2017. Additionally, IND AS has fundamental differences with Indian GAAP and as a result, financial statements prepared under IND AS may be substantially different from financial statements prepared under Indian GAAP. As we adopt IND AS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. The adoption of IND AS by us and any failure to successfully adopt IND AS could have an adverse effect

on financial performance, financial position of our Company and may have an adverse effect on the trading price of the Equity Shares and/or may lead to regulatory action and other legal consequences.

In addition, our management is devoting and will continue to devote time and other resources for the successful and timely implementation of Ind AS. Any failure to successful adoption of Ind AS may have an adverse effect on the trading price of the Equity Shares and/or may lead to regulatory action and other legal consequences. Moreover, our transition to Ind AS reporting may be hampered by increasing competition and increased costs for the relatively small number of Ind AS-experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements. Any of these factors relating to the use of Ind AS may adversely affect financial performance and financial position of our Company.

In addition, the Ministry of Finance has issued a notification dated March 31, 2015 notifying ICDS which creates a new framework for the computation of taxable income. ICDS came into effect from April 1, 2015 and are applicable from Financial Year 2015-16 and will have impact on computation of taxable income for Financial Year 2015-16. ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For example, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations have the effect of requiring taxable income to be recognized earlier, increasing overall levels of taxation or both. In addition, ICDS is applicable for the computation of income for tax purposes but is not applicable for the computation of income for MAT. Further, pursuant to ICDS, premium earned on forward contracts becomes taxable on settlement and not at the time of earning. Non-compliance of ICDS will result in best judgment assessment by tax authorities which may lead protracted litigations

8. *Hostilities, wars and other acts of violence or manmade disasters could adversely affect the financial markets and our business.*

Wars, terrorism and other acts of violence or manmade disasters may adversely affect our business and the Indian markets in which the Securities trade are proposed to be listed. For instance, any violence in public places such as retail stores and malls could cause damage to life and property, and also impact consumer sentiment and their willingness to visit public places. Financial impact of the aforesaid risk can not be reasonably quantified. If any such acts of violence were to take place in any of the malls or stores operated by us, it may cause substantial damage to life and property at our malls or stores and also erode our footfalls in our stores significantly.

In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Securities. Further, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business, results of operations and financial condition, and the market price of the Securities.

9. *The occurrence of natural disasters could adversely affect our results of operations and financial condition.*

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires, explosions, pandemic disease could adversely affect our results of business, results of operations and financial condition. The potential impact of a natural disaster such as the H5N1 “avian flu” virus or the H1N1 “swine flu” virus on our results of operations and financial condition is highly speculative, and would depend on numerous factors. For instance, our corporate offices are located in the state of Maharashtra and our stores and warehouses located across India. It is possible that earthquakes, cyclones, floods or other natural disasters in India, particularly those that directly affect the areas in which our facilities and other operations are located, could result in substantial damage to our stores, warehouses and other assets. We cannot assure prospective investors that such events will not occur in the future or that our business, results of operations and financial condition will not be adversely affected.

10. *The retail sector is subject to extensive foreign exchange regulations.*

The retail sector in India is regulated by the GoI, state governments and local authorities. Further, investments made by non-residents into India are governed by the Foreign Exchange Management Act, 1999 and the rules and regulations thereunder and the consolidated foreign direct investment policy issued by the Department of Industrial Policy and Promotion (the “**FDI Policy**”) and various notifications, circulars and press notes. According to recent notifications issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI, foreign direct investment (“**FDI**”) has now been permitted in the Indian multi-brand retail trading industry up to a maximum of 51%, with prior Governmental approval and subject to the satisfaction of certain conditions.

As per the FDI policy, contained in the ‘Consolidated FDI Policy’ (Circular of 2016, effective from June 7, 2016) read with relevant press note, FDI upto 100% under automatic route is permitted in Business to Business (B2B) e-commerce. No FDI is permitted in Business to Consumer (B2C) e-commerce. However, FDI in B2C e-commerce is permitted in certain circumstances as provided therein.

11. *Changing laws, rules and regulations and legal uncertainties may adversely affect our business and financial performance.*

Our business and operations are governed by various laws and regulations. Our business and financial performance could be adversely affected by any change in laws or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business.

There can be no assurance that the relevant governmental authorities will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, results of operations and financial condition.

12. *Conditions in the Indian securities market may affect the price or liquidity of the Securities.*

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced events that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have, from time to time, restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasions between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar events occur in the future, the market price and liquidity of the Securities could be adversely affected.

13. *Economic developments and volatility in securities markets in other countries may cause the price of the Securities to decline.*

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Negative economic developments, such as rising fiscal or trade deficits, or a default on sovereign debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general and may cause the price of the securities to decline.

14. *Any future issuance of the Securities may dilute your future shareholding and sales of the Securities by the Promoter or other major shareholders of our Company may adversely affect the trading price of the Securities.*

Any future equity issuances by our Company may lead to dilution of your future shareholding in our Company. Any future equity issuances by our Company or sales of the Securities by the Promoter or other major shareholders of our Company may adversely affect the trading price of the Securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Securities. Except as otherwise stated in this document, there is no restriction on our Company's ability to issue the Securities or the relevant shareholders' ability to dispose of their Securities, and there can be no assurance that our Company will not issue Securities or that any such shareholder (including Promoter and Promoter Group) will not dispose of, encumber, or pledge its Securities.

15. *You may be subject to Indian taxes arising out of capital gains on the sale of the Securities.*

Capital gains arising from the sale of the Securities are generally taxable in India. Any gain realised on the sale of the Securities on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax has been paid on the transaction. The securities transaction tax will be levied on and collected by an Indian stock exchange on which the Securities are sold. Any gain realised on the sale of the Securities held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no securities transaction tax has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of the Securities held for a period of 12 months or less will be subject to capital gains tax in India.

Prominent Notes

1. Our Company has allotted on May 18, 2016 total 42,78,60,296 Equity Shares of Rs. 2 each to eligible shareholders of FEL pursuant to the Scheme approved by Hon'ble High Court of Bombay on March 4, 2016.
2. After giving effect to the Scheme, our Company's net worth was Rs. 1,478.19 crore as per the Audited Standalone Financial Statements as on March 31, 2016.

3. After giving effect to the Scheme the net asset value per Equity Share was Rs. 67.12 as per the Audited Standalone Financial Statements as on March 31, 2016.
4. Except as stated in the sections entitled “Our Group Companies” and “Related Party Transactions” on pages 110 and 151, respectively, none of the Group Companies have any business or other interest in our Company.
5. For details of related party transactions entered into by our Company with the Group Companies during the last financial year, the nature of transactions and the cumulative value of transactions, please see the section entitled “Related Party Transactions” on page 151.
6. There has been no financing arrangement whereby our Promoter Group, the Directors and their relatives have financed the purchase of Equity Shares by any other person during the period of six months immediately preceding the date of this Information Memorandum.
7. Our Company was incorporated as Bharti Retail Private Limited on February 7, 2007 at NCT Delhi. Further, name of our Company was changed to Bharti Retail Limited through the necessary resolution dated April 24, 2009 and obtained fresh certificate of Incorporation on May 21, 2009. Pursuant, to the provisions of Composite Scheme of Arrangement the name of was further changed to its present name Future Retail Limited vide special resolution dated November 18, 2015 and fresh certificate of incorporation was obtained on May 25, 2016.
8. There has been no change in the object clause of our Memorandum of Association since incorporation.
9. The average cost of acquisition per Equity Share to the Promoters is ` 29.37 per Equity Share.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

You should read the following summary together with risk factors and more detailed information about our company and financial data included elsewhere in this Information Memorandum.

The information in this section is derived from various publicly available sources, government publications IMAGES Fashion yearbook and other industry sources. This information has not been independently verified by us or respective legal or financial advisors, and no representation is made as to the accuracy of this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

INDUSTRY OUTLOOK

India's economy expanded at a faster pace even as several growth engines stalled: agriculture faced a second consecutive drought year, rural households were under stress, private investments flat-lined, and exports plummeted. Despite these drags, the working engines—demand from urban households and public investments—propelled the economy to a higher growth path. GDP growth accelerated to 7.6 percent y/y in FY16 from an average of 6.5 percent during FY13-FY15. Gross value-added (GVA) growth also accelerated, led by a pickup in industrial activities and a reliable contribution from services. (India development update: June 2016, World Bank) In the coming years, India is anticipated to be one of the fastest growing major economy's in the world, driven by growing urbanization, changing consumption pattern and rising disposable income.

India's current retail market is worth \$ 648.90 bn and is 57.6 per cent of PFCE. The market has grown by an average of 16-18 per cent on year on year. The overall retail is expected to grow with lesser rate of around 16 per cent over next three years. It is estimated that by 2017 India's retail market will be \$ 1026.06 bn. In contrast, the organized retail grew by 30% at an average during last 5 years. The current size of the organized retail is worth of US\$ 63.51bn is 9.8% of the total retail market. It is estimated to be US\$ 150.58 bn by 2017 (Source: Images Retail Report, 2015)

KEY DRIVERS OF GROWTH

- Growing spending power
- Increasing urbanization
- Rural Consumer Market
- Favorable demographics:
- Increase in the number of working women
- Changing consumer preferences and shopping habits
- Changing family structures

For further details please refer the Chapter "Industry Overview" on Page 63.

SUMMARY OF BUSINESS

Business Overview

Our Company was originally incorporated as Bharti Retail Private Limited on February 7, 2007 at NCT of Delhi. Further, the name of our Company was changed to Bharti Retail Limited vide the necessary resolution dated April 24, 2009 and a fresh certificate of incorporation was obtained on May 21, 2009. Pursuant to the Composite Scheme of Arrangement, the name was further changed to its present name viz., Future Retail Limited vide special resolution dated November 18, 2015 and a fresh certificate of incorporation pursuant to change of name dated May 25, 2016 was obtained from RoC.

Prior to effectiveness of the Scheme, Our Company was the part of Bharti Enterprises, one of India's leading business groups. Our Company was established in the year 2007 and started its retail operations in 2008, owned and operated neighbourhood supermarket stores called Easyday and compact hypermarket stores called Easyday Market. Easyday stores are one-stop shops that cater to every family's day-to-day needs. They bring together a wide range of relevant goods, high quality products and great in-store experience and service – all under one roof. Our supermarkets offer attractive offers and prices on a wide range of everyday grocery, personal care, household need products including fresh fruits, vegetables, dairy products, meat and poultry. In our Hypermarkets, in addition to everyday food & grocery products we have an exciting range of apparel, electronics, kitchen ware, toys & stationary, etc. making it a complete one stop shop for all your monthly needs. Currently, we operate more than 200 stores under Easyday format across more than 100 cities, with strong presence in key markets like Delhi NCR, Haryana, Himachal Pradesh, Punjab, Rajasthan, Uttarakhand and Uttar Pradesh states.

Pursuant to the Scheme, our Company is now a part of the Future Group, promoted by Mr. Kishore Biyani. Pursuant to the Scheme, the Retail Business Undertaking of Future Enterprises Limited (formerly known as Future Retail Limited) was vested into our Company and Retail Infrastructure Business of our Company was vested into the Future Enterprises Limited (formerly known as Future Retail Limited) accordingly, now our Company is an integrated multi-format retail company with presence across food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics. We focus inter alia on consumption-led businesses in India and operate, through group companies' retail stores in various formats across food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics. We intend to cater to various segments of the consumer spending space in India by providing consumers with options and quality at competitive prices.

Consequently, we have a pan India presence with 738 stores in more than 210 cities in India as of March 31, 2016 and total retail space of approximately 12.97 million sq. ft. Post Scheme, the various formats viz Big Bazaar, Food Bazaar, fbb, Foodhall, easyday, KB's Conveniently Yours (including KB's Fairprice), Home Town and eZone are part our Company and as on March 31, 2016, we have 218 Big Bazaar stores, 10 Food Bazaar stores, 51 fbb stores, 4 Foodhall stores, 43 Home Town stores, 92 eZone stores and 208 easyday and 112 KB's Conveniently Yours (including KB's Fairprice) stores. The early mover advantage has not only helped us develop a wide network of stores across India in various formats but also establish brand equity for our Company as well as for our various formats. Further, our retail format business is supported by various other businesses operated by group companies and through group companies investments in various ventures including branded fashion, food and FMCG, insurance, warehousing and logistics, media, textiles and online retailing.

Our retail formats primarily comprises of, value business and home business. In our value business, our formats include, (i) "Big Bazaar", a hypermarket format that combines the "see – touch – feel" of Indian bazaars with the choice and convenience of modern retail; (ii) "Food Bazaar", a supermarket which offers the convenience of pre-packed vegetables and fruits to the consumers and also retains the Indian's preference of "see – touch – feel" created by displaying the products, FMCG and daily use products; (iii) "fbb", an affordable fashion destination; and (iv) "Foodhall", a premium supermarket. (v) "easyday", "KB's Conveniently Yours" and "KB's Fairprice", a convenient stores which offers the pre-packed vegetables and fruits to the consumers, FMCG and daily use products. In our home business, we operate (i) "Home Town", a one-shop destination for home improvement; and (ii) "eZone", a consumer durable and electronics chain.

In the year 2016, our Company was awarded with IMAGES Most Admired Food & Grocery Retailer of the Year for Effective Technology Application and Increase in store count and retail space. In the year 2015, Big Bazaar was awarded with the title of 'Best Retail Shopping Destination' for the year 2015 at Retail India.

For the financial period ended March, 31 2016, our total revenue, was Rs. 6844.96 crore for the twelve months period ended March 31, 2016. Further, our Profit Before Tax was Rs. 14.55 crore and Profit After Tax was Rs. 14.55 crore on standalone basis, for the financial period ended March 31, 2016.

Our Competitive Strengths

Our key competitive strengths are as follows:

Understanding of the retail sector and evolving needs of the Indian consumer

With about 19 years of experience in the retail business, we have developed an understanding of the retail and consumption-led sectors in India. We believe that our insights into consumer behaviour have contributed to the development of our various

retail formats. This insight has enabled us to strategize, develop and promote new retail formats to cater to the evolving needs of an Indian consumer. Further, our operations in various lines of businesses enable us to cross sell the products across formats. We cater to the requirements of various segments of the consumer spending space in India through our formats like Big Bazaar – a hyper market, Food Bazaar, Foodhall, KB's Conveniently Yours (including KB's Fairprice) stores and easyday – supermarkets, fbb – a fashion destination, Home Town – one-shop destination for home improvement and eZone – a consumer durable and electronics store.

Our early mover advantage

Future Group started retail format business in 1997 in Kolkata and as of March 31, 2016 we operate 738 stores in various formats in more than 210 cities in India. We believe that our early mover advantage has not only helped us develop a wide network of stores across India in various formats but also establish brand equity for our Company as well as for our various formats. It has also enabled us to lock in key locations for our format stores at competitive rentals in various cities in India. Our early mover advantage has enabled us to create efficient processes to cater the Indian consumers.

Identification of strategic locations for the stores

We have dedicated teams which enables us to evaluate the requirement of new stores and identify strategic locations for our stores. Various factors including the demand for a particular product in that region, competition, brands already operating, number of stores of the brand proposed to be established, population, purchasing power, demographics, growth potential, local laws, and others are considered while deciding the requirement of a store and the location. After analysis of these factors, our teams finalise the location, obtain necessary approvals, complete fit out activities and commence operations.

This has allowed us to increase our stores to 738 stores as of March 31, 2016 across various formats in more than 210 cities in India. Through such an expansion, we believe that we have developed our domain knowledge and expertise that enable us to execute our projects in multiple locations at competitive costs and in minimal time.

Nation-wide presence

Our presence in more than 210 cities across India, through 738 stores in various formats including food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics, is geared to cater the Indian consumers. Due to the scale that we have achieved over the past 19 years, we have been able to understand and implement the relevant processes to make our front end and back end functions and execution capabilities efficient. We have been able to increase the scope of our operations at a consistent pace and provide efficient and convenient offerings to our consumers. Further, due to our scale and presence across India, we have been able to develop efficient category management processes that enable us to offer competitive deals to our consumers.

Our brand equity

We have developed well recognized formats like Big Bazaar, Food Bazaar, fbb, Foodhall, KB's Conveniently Yours (including KB's Fairprice), easyday, Home Town and eZone. Due to the recognition and acceptability of these formats, we have been able to develop pan India presence with a loyal consumer base, as of March 31, 2016, of approximately 12.03 million members across formats. As our business is driven by consumer spending, we believe that our presence across India and wide consumer base ensure that we are well positioned to grow our business.

Our entrepreneur led and professionally managed, experienced team

We have an experienced professional management team led by Mr. Kishore Biyani, the Managing Director of our Company. He is one of the leading entrepreneurs in the retail sector in India. Our management team consists of a team of professionals with relevant domain expertise and retail oriented functional specializations from FMCG and service industry background with professional qualification in their respective fields. Further, our management team has been able to complement our expansion with the ability to create adequate systems and processes. Our management team is complemented by a committed work force that enables us to operate, synergies and integrate our front-end and back-end operations efficiently. Our human resources policies aim to create an engaged and motivated work force, which is essential for success in any service oriented industry such as ours. Our human resources and retention policies, that include training programs, aim to create a motivated work force, which is essential for the retail industry.

Our Strategy

We intend to maintain and enhance our position as a leading retail entity through continued focus on the Indian market and investing further in our competitive strengths to grow our business. The key elements of our business strategy include:

Increasing our share in the consumer spend through increase in our consumer base, consumer loyalty and expansion of our operations

We intend to enhance our consumer base through increasing our presence in various cities in India and drive cross spending across various formats. We are specifically focusing to achieve a larger share of consumption spending in our existing

markets. We intend to increase our share in the consumer spending in India by launching new formats or by adding categories to our existing product range to cater to consumers across Indian society in various consumption spaces. Pursuant to the same, we have launched Big Bazaar Direct to reach out to the consumers that are not catered by physical stores and book orders on customized tablets. We are also in the initial phases of developing omni channel retailing which will enable us to sell our products on every platform such as physical stores, online retailing, assisted e-commerce platforms, on television or outdoor medium, or on mobile platforms.

We also leverage our existing consumer base by cross selling products through initiatives like issuing cross format discount vouchers. We have initiated various programs to encourage movement of consumers across our formats and to retain and add more consumers to the existing base such as Big Bazaar Profit Club and Payback Loyalty Program.

To expand our operations, we intend to continue to identify properties that we believe may be viable retail property spaces at strategic locations and enter into arrangements to lock such properties for our formats to be launched in the future. We are at various stages of negotiations to enter into arrangements for locking such retail property for our future requirements to open stores and expand our formats. This will enable us to maintain our position as one of the leading retailer in India.

Expand our product portfolio

Our formats offer wide range of products to various segments of the consumer spending space in India. With our products offerings, our formats have reached a critical mass and are being accepted amongst consumers. Our operations are closely connected with the consumer preferences and changing choices and accordingly, it is imperative for us to forecast and continuously identify the changing demands of our consumers. Towards this end, we have, and intend to continue to identify and evaluate consumer demand across regions and expand our product portfolio in terms of new brands and new products, in both, value business and home business.

Enhance focus on efficiency, cost and return by leveraging our retail space, inventory and network

Over a period of time, we have created retail footprint across various cities in India by identifying strategic locations for our retail formats. As of March 31, 2016, we operate through 738 stores in more than 210 cities in India. We intend to leverage the space occupied by our existing retail formats to generate higher return on investment. In order to improve the retail sales per square feet, we have made various efforts including rationalization and operation of our format stores in optimum space, exiting from the underperforming stores and product categories with lower returns.

We will also focus on increasing the products with higher margin in our product portfolio. This will enable us to improve the stock turn by changing the product mix, changing assortment and increasing average selling price.

We are, and will continue to consolidate our supply chain network to improve the stock turn by improving stock movement, replenishment and fill rates. We will improve our network efficiency by adding more stores in existing markets.

To develop talent and skilled workforce and inculcate good business practices

We believe that the key to our success will be our ability to continue to maintain and grow a team of talented and experienced professionals. We have been successful in building such a team and intend to continue placing special emphasis on managing attrition and attracting, training and retaining our employees. We intend to recruit best available talent across various industries, train them as per our value system and provide them opportunities to learn, experiment and innovate.

We intend to continue to encourage our employees to be enterprising and contribute constructively to our business through effective training and management. Pursuant to our focus on effective training of our employees, we undertake internal training programmes like 'Avatar', 'Stride- Store Karta Identification and Development Program', 'Store Guru', Store Product Training through online platform and 'LEAP'.

Reorganisation of our corporate structure and our asset light strategy

Pursuant to the Scheme and with aim to simplify the corporate structure, achieve greater administrative efficiency, elimination of capital expenditure, consolidation of retail operations into one entity and consolidation of infrastructure operations into other entity, we have created asset light model.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Standalone Financial Statements of our Company, prepared in accordance with Indian GAAP and the Companies Act as of and for the years/ period ended March 31, 2016, March 31, 2015, March 31, 2014, December 31, 2012 and December 31, 2011

The financial statements referred to above are presented under the section "Financial Information of our Company" on page 153. The summary financial information presented below should be read in conjunction with these financial statements, the notes thereto and the sections "Financial Information of our Company" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 153 and 190, respectively.

FUTURE RETAIL LIMITED

(FORMERLY KNOWN AS BHARTI RETAIL LIMITED)

BALANCE SHEET

Particulars (Rs. cr.)	March 31, 2016	March 31, 2015	March 31, 2014	December 31, 2012	December 31, 2011
Shareholders Funds					
Share capital	8.70	1,398.66	1,398.66	532.81	513.13
Share Capital Suspense	85.57				
Reserves and surplus	1,779.92	(1,820.26)	(1,441.05)	(1,522.44)	(984.34)
Shareholders Funds	1,874.19	(421.60)	(42.39)	(989.63)	(471.21)
Share application money pending allotment		133.00			19.68
Optionally Convertible Debentures	154.20	-	-	-	-
Non-current liabilities					
Long-term borrowings	-	54.00	-	326.25	349.00
Trade payables	-	-	-	17.51	7.08
Other long term liabilities	134.20	111.73	140.07	110.36	59.30
Long-term provisions	31.94	8.42	4.40	4.17	3.56
Total - Non current liabilities	166.14	174.15	144.47	458.29	418.94
Current liabilities					
Short-term borrowings	968.20	336.40	183.00	300.79	25.00
Trade payables	2,208.72	166.09	158.52	665.93	375.15
Other current liabilities	207.54	42.50	33.15	47.74	43.01
Short-term provisions	6.68	27.76	40.45	12.59	12.49
Total - Current liabilities	3,391.14	572.74	415.13	1,027.05	455.64
TOTAL LIABILITIES	5,585.67	458.29	517.21	495.71	423.05
Assets					
Fixed assets					
Tangible assets	-	108.56	140.63	183.94	152.09
Intangible Assets	260.93	25.98	2.85		-
Capital WIP	-	43.40	46.71	38.99	30.81
Long-term loans and advances	255.43	29.14	36.48	43.02	44.02
Other Non Current Assets	-	1.53	1.49	1.41	1.05
Total - Non current assets	516.36	208.61	228.17	267.37	227.96
Current Assets					
Inventories	3,297.24	216.15	223.52	156.41	153.13
Trade receivables	127.48	0.44	0.58	0.54	0.62
Cash and Bank balances	91.36	8.33	22.49	37.32	18.34
Short-term loans and advances	1,548.21	24.72	42.36	34.06	22.99
Other current assets	5.02	0.04	0.09	0.00	
Total - Current assets	5,069.31	249.68	289.04	228.33	195.09
TOTALASSETS	5,585.67	458.29	517.21	495.71	423.05

FUTURE RETAIL LIMITED

(FORMERLY KNOWN AS BHARTI RETAIL LIMITED)

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD

Particulars (Rs. cr.)	12 Months	12 Months	15 Months	12 Months	12 Months
	March 31, 2016	March 31, 2015	March 31, 2014	December 31, 2012	December 31, 2011
Revenue from Operations	6,844.96	1,779.42	2,343.12	1,578.30	1,019.59
Other Income	15.51	70.03	9.49	3.06	1.80
Exceptional Items			395.84		
Total income from Operations	6,860.47	1,849.45	2748.45	1581.35	1,021.39
Purchase of stock-in-trade	5,254.86	1,562.80	2,289.15	1,531.14	1,068.88
Changes in inventories	(189.74)	8.09	(66.95)	(2.88)	(82.69)
Employee benefits expense	329.28	161.53	172.63	121.17	105.62
Finance Costs	49.75	20.23	70.68	18.25	0.03
Depreciation and amortization	36.76	44.10	60.71	36.56	23.90
Other Expenditures	1,365.01	431.91	536.85	415.22	299.98
Total Operating Expenses	6,845.92	2,228.67	3063.06	2,119.45	1,415.72
Profit/(Loss) before Tax	14.55	(379.21)	(314.61)	(538.10)	(394.32)
Tax Expenses	-	-			
Profit/(Loss) after Tax	14.55	(379.21)	(314.61)	(538.10)	(394.32)
EPS per equity share Basic and Diluted	0.66	(2.71)	(5.42)	(10.18)	(10.33)

FUTURE RETAIL LIMITED

(FORMERLY KNOWN AS BHARTI RETAIL LIMITED)

CASH FLOW STATEMENT FOR THE YEAR

	Year Ended March 31, 2016	Year Ended March 31, 2015	Period Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
A CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit /(Loss) Before Tax	14.55	(379.21)	(314.61)	(538.10)	(394.32)
Adjusted for:					
Depreciation and Amortization Expense	36.76	44.10	60.71	36.56	23.90
Finance Costs	49.75	19.93	68.43	17.98	0.03
Profit on Sale of Investments	-	(0.05)	(1.13)	(0.81)	-
Expense on Employee Stock Option Scheme	-	-			
Loss on Disposal/Discard of Fixed Assets (Net)	0.01	16.50	16.88	3.52	1.39
Dividend Income	-	-			
Excess provisions written back	-	(7.28)	-		
Reversal of Lease equalisation reserve	-	(49.14)	(2.35)		
Interest Income	(0.28)	(0.12)	(0.77)	(0.87)	(1.59)
Unrealised loss /(gain) on exchange fluctuation			0.00	(0.11)	0.12
Excess provision for probable store closure / dropped sites expenses written back		(7.43)	(1.91)	(0.89)	2.73
Provision for probable store closure / dropped sites expenses		1.21	18.63		
Loss by fire			(4.36)	4.04	0.98
Advances / deposits Written off		2.93	0.31	0.14	-
Advance Fringe benefit tax Written off		0.03	-		
Provision for doubtful debts and advances		0.38	1.81	0.06	0.34
Provision for doubtful capital advance and capital work in progress		0.91	2.00	1.63	0.07
Liabilities written back		(0.31)	(395.84)		
Operating Profit/(Loss) Before Working Capital Changes	100.79	(357.55)	(552.18)	(476.85)	(366.35)
Adjusted for:					
Trade Receivable	(127.03)	(0.00)	(0.10)	0.16	(0.24)
Loans and Advances and Other Assets	(1,750.46)	23.52	0.19	(12.47)	(41.76)
Inventories	(3,081.09)	7.37	(64.14)	(5.87)	(83.60)
Trade Payables, Other Liabilities and Provisions	2,232.58	43.81	(86.57)	359.39	380.87
Cash Generated From Operations	(2,625.21)	(282.85)	(702.80)	(135.64)	(111.08)
Taxes Paid (Net)	(4.62)	(1.45)	(0.86)	(0.40)	(0.40)
Net Cash From Operating Activities	(2,629.83)	(284.30)	(703.66)	(136.05)	(111.48)
B CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets	(217.79)	(51.37)	(63.86)	(83.75)	(86.05)
Sale of Fixed Assets	98.01	0.91	1.19	1.80	0.65

		Year Ended March 31, 2016	Year Ended March 31, 2015	Period Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
	Purchase of non trade current investment mutual funds	-	(19.25)	(263.00)	(98.00)	-
	Proceed from sale of non trade current investment in mutual funds	-	19.30	264.13	98.81	-
	Deposits (with maturity more than three months)	-	(0.09)	(0.10)	(0.29)	(0.37)
	Interest Received	0.28	0.22	0.70	0.80	1.56
	Net Cash Used In Investing Activities	(119.50)	(50.27)	(60.94)	(80.63)	(84.22)
C	CASH FLOW FROM FINANCING ACTIVITIES					
	Proceeds from Issue of Shares	188.09	-	-	-	-
	Proceeds from Share Application Money	-	133.00	-	-	19.68
	Proceeds from Optionally Convertible debentures	154.20	-	-	-	-
	Proceeds from Borrowings	577.80	207.40	817.81	253.04	181.25
	Interest Paid	(49.75)	(19.99)	(68.04)	(17.38)	(0.01)
	Net Cash Provided By Financing Activities	870.34	320.41	749.78	235.65	200.92
	On Composite Schemes of Arrangements	1,960.16	-	-	-	-
	Net (Decrease)/Increase In Cash and Cash Equivalents	81.16	(14.16)	(14.83)	18.98	5.22
	Net (Decrease)/Increase In Cash and Cash Equivalents	81.16	(14.16)	(14.83)	18.98	5.22
	Cash and Cash Equivalents (Opening Balance)	8.33	22.49	37.32	18.34	13.12
	Cash and Cash Equivalents (Closing Balance)	89.49	8.33	22.49	37.32	18.34

Auditor Qualifications and Observations in the Annexure to the Auditor's Report

There are no qualifications or observation in the Auditor's Report for the last five financial years.

COMPOSITE SCHEME OF ARRANGEMENT

For the purpose of keeping the scheme in the original form, in this section, Future Retail Limited (formerly know as Bharti Retail Limited) should be read as Bharti Retail Limited ("BRL") and Future Enterprises Limited (formerly known as Future Retail Limited) should be read as Future Retail Limited ("FRL").

Composite Scheme of Arrangement between FRL and BRL and their respective shareholders and creditors (Under Sections 391 to 394 read with sections 100-104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013, as amended)

PREAMBLE:

This Composite Scheme of Arrangement is presented under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956/ Companies Act, 2013 for:

- (i) Re-organisation of paid up equity share capital of BRL pursuant to the relevant provisions of the Companies Act, 1956/ Companies Act, 2013, as may be applicable;
- (ii) Demerger of the Retail Business Undertaking (*defined hereinafter*) of Future Retail Limited ("FRL") into Bharti Retail Limited ("BRL") pursuant to the relevant provisions of the Companies Act, 1956/ Companies Act, 2013, as may be applicable; and
- (iii) Demerger of the Retail Infrastructure Business Undertaking (*defined hereinafter*) of BRL into FRL pursuant to the relevant provisions of the Companies Act, 1956/Companies Act, 2013, as may be applicable.

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

1. SALIENT FEATURES OF THE SCHEME ARE AS UNDER:

A. PARTS OF THE SCHEME

This Scheme is divided into the following parts:

- (i) PART I deals with the definitions and share capital;
- (ii) PART II deals with the re-organisation of paid-up equity share capital of BRL;
- (iii) PART III deals with the transfer and vesting of Retail Business Undertaking of FRL into BRL;
- (iv) PART IV deals with the transfer and vesting of Retail Infrastructure Business Undertaking of BRL into FRL; and
- (v) PART V deals with general terms and conditions applicable to the Scheme.

B. APPOINTED DATE

The Appointed Date for demerger of Retail Business Undertaking of the Applicant Company into BRL and demerger of Retail Infrastructure Business Undertaking of BRL into the Applicant Company is October 31, 2015.

C. REDUCTION OF SHARE CAPITAL OF BRL

- (i) Before giving effect to demerger Retail Business Undertaking of FRL into BRL and demerger of Retail Infrastructure Undertaking of BRL into FRL and as a part of reorganization of share capital of BRL, the issued, subscribed and paid-up share capital of BRL shall be reduced and reorganized as a part of the Scheme. Accordingly, as an integral part of the Scheme, and, upon the coming into effect of the Scheme, the issued, subscribed and paid-up equity share capital of BRL shall be reduced appropriately by reducing the face value of equity shares to Rs. 8,69,56,522 divided into 4,34,78,261 equity shares of Rs. 2 each, fully paid-up.
- (ii) The above reorganization of capital would be carried out by first reducing the face value of equity shares to Rs. 0.05 each and thereafter consolidating the said shares into 4,34,78,261 equity shares of 2 each fully paid-up, without any further act or deed.
- (iii) The surplus, if any, arising on reduction and re-organisation of issued, subscribed and paid up share capital of BRL as above shall be adjusted against balance lying in its Profit and Loss Account.

D. CONSIDERATION FOR DEMERGER

- (i) Upon coming into effect of the Scheme and in consideration for the transfer and vesting of the Retail Business Undertaking of FRL into BRL, BRL shall, without any further application or deed, issue and allot shares, credited as fully paid up, to all the FRL Equity Shareholders / FRL DVR Shareholders or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, whose names appear in the Register of Members as on the Record Date to be fixed in that behalf by the Board of Directors of FRL for the purpose of reckoning name of the FRL Equity Shareholders / FRL DVR Shareholders in the following ratio:

“1 (One) Equity share of BRL of Rs. 2/- (Rupees Two only) each, fully paid up to be issued for every 1 (One) Equity share of Rs. 2/- (Rupees Two only) each held by FRL Equity Shareholders / FRL DVR Shareholders”

- (ii) Upon coming into effect of the Scheme and in consideration for the transfer and vesting of the Retail Infrastructure Business Undertaking of BRL into FRL, FRL shall, without any further application or deed issue and allot equity shares, credited as fully paid up, to all the shareholders of BRL or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, whose names appear in the register of members as on the Record Date under:

“1 (One) Equity share of FRL of Rs. 2/- (Rupees Two only) each, fully paid up to be issued for every 1 (One) Equity share of Rs. 2/- (Rupees Two only) each held by the equity shareholders of BRL”

E. CHANGE OF NAME

- (i) Upon the Scheme becoming effective, with effect from the Appointed Date, the name of ‘Bharti Retail Limited’ shall be changed to ‘Future Retail Limited’ or such other name as may be approved by the Ministry of Corporate Affairs, subject to BRL filing all necessary forms and applications with the Ministry of Corporate Affairs in this regard.
- (ii) Upon the Scheme becoming effective, with effect from the Appointed Date, the name of ‘Future Retail Limited’ may be changed to ‘Future Enterprises Limited’ or such other name as may be approved by the Ministry of Corporate Affairs, subject to FRL filing all necessary forms and applications with the Ministry of Corporate Affairs in this regard.

F. LISTING OF SHARES OF BRL

Equity shares to be issued by BRL to the members of FRL pursuant to the Scheme will be listed and / or admitted to trading on the BSE and NSE, where the shares of FRL are listed and / or admitted to trading. BRL shall enter into such arrangements and give such confirmations and / or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges.

G. TERMS OF OCDs

As part of the Scheme, (i) terms of BRL OCDs, whether continuing with BRL or transferred as transfer of liabilities to FRL pursuant to transfer of Retail Infrastructure Undertaking to FRL, shall be amended to comply with applicable SEBI pricing guidelines prescribed under SEBI Regulations, (ii) FRL OCDs shall be issued by FRL to existing OCD holders of BRL, and (iii) upon the Effective Date, the terms of BRL OCDs and FRL OCDs shall be as per the terms and conditions as agreed between FRL and BRL.

H. CONDITIONALITY OF THE SCHEME

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

- (i) The requisite consent, approval or permission of the Central Government including Stock Exchange, Competition Commission of India and Securities and Exchange Board of India or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme;
- (ii) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of FRL and BRL as may be directed by the Hon’ble High Court of Judicature at Bombay or any other competent authority, as may be applicable;
- (iii) The Scheme being sanctioned by the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 of the Act read with Section 100 to 104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013;

- (iv) Certified copy of the Order of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the RoC by FRL and BRL.

The material provisions set out above being only the salient features of the Scheme, the shareholders are requested to read the entire text of the Scheme forming part of Annexures to get fully acquainted with the provisions thereof and the rationale and objectives of the Scheme.

GENERAL INFORMATION

Our Company was originally incorporated as Bharti Retail Private Limited on February 7, 2007 at NCT of Delhi. Further, the name of our Company was changed to Bharti Retail Limited vide the necessary resolution dated April 24, 2009 and a fresh certificate of incorporation was obtained on May 21, 2009. Pursuant to the Composite Scheme of Arrangement the name was further changed to its present name viz. Future Retail Limited vide special resolution dated November 18, 2015 and fresh certificate of incorporation pursuant to change of name dated May 25, 2016 was obtained from RoC. For further details please see section titled “History of our Company and Certain Corporate Matters” on page 80.

Registered Office:

Knowledge House
Shyam Nagar
Off Jogeshwari Vikhroli Link Road
Jogeshwari (East)
Mumbai 400 060
Tel: (91 22) 6644 2200
Fax: (91 22) 6644 2201

For further details change in registered office, please see section titled “History of our Company and Certain Corporate Matters” on page 80

Corporate Identity Number	U51909MH2007PLC268269
Registration Number	268269

Corporate Office:

Future Retail Home Office
247 Park, “C” Tower
LBS Marg, Vikhroli (West)
Mumbai 400 083
Tel: (91 22) 6119 0000
Fax: (91 22) 6199 5019

Board of Directors:

The composition of the Board of Directors is as follows:

Sl. No.	Name of the Director	Designation	DIN	Address
1	Mr. Kishore Biyani	Chairman and Managing Director	00005740	406, Jeevan Vihar, Manav Mandir Road, Malabar Hill, Mumbai-400 006
2	Mr. Rakesh Biyani	Joint Managing Director	00005806	Flat No.1903, 19th Floor, B Wing, Vivarea, Sane Guruji Marg, Jacob Circle, Mumbai – 400 011
3	Mr. Rajan Mittal	Director	00028016	E-9/17, Vasant Vihar, Vasant Marg, New Delhi -110057
4	Mr. Ravindra Dhariwal	Independent Non Executive Director	00003922	Aashray Farm, Opp. N.V.Farm, Sub P.O., Sp School, Bhatti Mines, Asola Village, New Delhi, Delhi-110030
5	Mr. Shailendra Bhandari	Independent Non Executive Director	00317334	E-27, Dhanraj Mahal, Chhatrapati Shivaji Maharaj Marg, Apollo Bundar, Mumbai 400 001
6	Ms. Gagan Singh	Independent Non Executive Director	01097014	L-4/4, Dlf Qutab, Enclave, Phase-Ii Gurgaon-122002, Haryana, India

For further details of the Board of Directors of our Company, please see the section titled “Our Management”.

Chief Financial Officer

Mr. C.P. Toshniwal

Future Retail Home Office
247 Park, “C” Tower
LBS Marg, Vikhroli (West)
Mumbai 400 083
Tel: (91 22) 6119 0000
Fax: (91 22) 6199 5019

Authority for Listing

The Hon'ble High Court of Judicature at Bombay, through an order dated March 4, 2016 has approved the Composite Scheme of Arrangement for transfer of Retail Business Undertaking of Future Enterprises Limited into our Company. For more details relating to the Composite Scheme please refer to the Section titled "Object and Rationale of the Scheme". In accordance with the Composite Scheme, Retail Business Undertaking of Future Enterprises Limited was transferred to and vested with our Company with effect from the Appointed Date viz. October 31, 2015 pursuant to Section 391 to 394 of the Companies Act, 1956 read with Sections 100 to 104 of the Companies Act, 1956 and Section 52 of Companies Act 2013 and the applicable provisions of the Companies Act, 1956 and/or Companies Act, 2013, as may be applicable between Future Enterprises Limited and Future Retail Limited and their respective shareholders and creditors. In accordance with the said Scheme, the Equity Shares of our Company to be issued pursuant to the Composite Scheme shall be listed and admitted to trading on BSE and NSE. Such listing and admission for trading is not automatic and will be subject to fulfillment of listing criteria by our Company as permitted by BSE and NSE for such issues and also subject to such other terms and conditions as may be prescribed by BSE and NSE at the time of the application for listing by our Company. In-principle approvals from BSE and NSE in relation to the Composite Scheme was granted vide their letters dated September 15, 2015 and September 15, 2015 and respectively.

Eligibility Criteria

There being no initial public offering or rights issue of securities, the eligibility criteria in terms of Chapter III and other provisions of SEBI Regulations as amended are not applicable. SEBI has vide its circular SEBI/CFD/SCRR/01/2009/03/09 dated September 3, 2009 and circular SEBI/CIR/CFD/DIL/5/2013 dated February 4, 2013, and circular SEBI/CIR/CFD/DIL/8/2013 dated May 21, 2013 (the "**SEBI Circular**") has subject to certain conditions permitted unlisted issuer companies to make an application for relaxing from the strict enforcement of Rule 19 (2) (b) of SCRR.

Our Company has submitted this Information Memorandum, containing information to BSE and NSE and making disclosure of such information available in line with disclosure requirement to public through their websites viz. www.bseindia.com and www.nseindia.com. Our Company has made the said Information Memorandum available on its website viz www.futureretail.co.in. Our Company will publish an advertisement in the newspapers containing details in accordance with applicable SEBI Circular. The advertisement shall contain specific reference to the availability of this Information Memorandum on our Company's website.

Prohibition by SEBI

Our Company, its Promoters, its Directors, Promoter Group entities and other companies promoted by Promoters or Group Companies and natural persons behind our corporate Promoters and companies with which the directors of our Company are associated, as directors or promoters, have not been prohibited from accessing the capital market under any order or directions passed by SEBI.

General Disclaimer from our Company

Our Company accepts no responsibility for statement made otherwise than in this Information Memorandum or in the advertisements to be published in terms of SEBI Circular SEBI/CFD/SCRR/01/2009/03/09 dated September 3, 2009 and circular SEBI/CIR/CFD/DIL/5/2013 dated February 4, 2013, and circular SEBI/CIR/CFD/DIL/8/2013 dated May 21, 2013, or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

Designated stock exchange

The designated stock exchange is BSE Limited

Companies under the same management

There are no companies under the same management within the meaning of Section 370(1B) of the erstwhile Companies Act, 1956 other than the ones disclosed elsewhere in the Information Memorandum.

Previous rights and public issues

Other than by way of allotment of equity shares by way of rights issues as mentioned in capital structure, our Company has never made any public issue, rights issue of equity shares since incorporation.

Experts

Except for the report of our Auditors on the financial statements and the statement of possible tax benefits included in this Information Memorandum on pages 153 and 55, respectively, our Company has not obtained any expert opinion.

Bankers to our Company

Bank Name	Bank of India
Address of the Bank	Mumbai Large Corporate Branch, Bank of India building, 4 th Floor, 70-80, M.G.Road, Fort, Mumbai 400001
Telephone number	022-22684473/61870403
Fax details	022-22684475
Email id	Mumbai.lcbb@bankofindia.co.in
Website	www.bankofindia.co.in

Statutory Auditors

NGS & Co.LLP
B-46, 3rd Floor, Pravasi Estate, V N Road
Goregaon (E)
Mumbai 400 063
Tel: (91 22) 4217 3337
Fax: (91 22) 2927 7244
Email: info@ngsco.in
Firm Registration No: 119850W

Registrar & Share Transfer Agent:

Link Intime (India) Private Limited
C-13, Pannalal Silk Mills Compound
L. B. S. Marg, Bhandup (West)
Mumbai 400 078
Tel: (91 22) 2596 6970.
Fax: (91 22) 2594 6969
Contact Person: Ms.Ashwini Nemlekar
Email: rnt.helpdesk@linkintime.co.in
Webiste: www.linkintime.co.in
SEBI Registration Number: INR000004058

CAPITAL STRUCTURE

Pre and Post issue and allotment of equity shares pursuant to the Composite Scheme, the share capital of our Company as at the date of this Information Memorandum is set forth below:

Pre-Composite Scheme

Particulars	Aggregate Value at Face Value (in Rs.)
Authorised Share Capital 2,50,00,00,000 Equity Shares of Rs. 10 each	25,00,00,00,000
Issued, Subscribed and Paid-up Share Capital 1,71,97,50,000 Equity Shares of Rs. 10 each	17,19,75,00,000

Post-Composite Scheme

	Aggregate Value at Face Value (in Rs.)
Authorised Share Capital 12,50,00,00,000 Equity Shares of Rs. 2 each	25,00,00,00,000
Number of Equity Shares post reduction of Paid-up Share Capital, pursuant to the Composite Scheme of Arrangement upon the Scheme 4,34,78,261 Equity Shares of Rs.2 each	8,69,56,522
Number of Equity Shares issued as per the Composite Scheme of Arrangement upon the Scheme becoming the effective and as approved by the High Court of Judicature at Bombay 42,78,60,296 Equity Shares of Rs.2 each	885,57,20,592
Issued, Share Capital - post implementation of the Composite Scheme 47,14,42,928 Equity Shares of Rs.2 each	94,28,85,856
Subscribed and Paid-up Share Capital – post implementation of the Composite Scheme 47,13,38,557 Equity Shares of Rs.2 each	94,26,77,114
Securities Premium Account	
Before the Composite Scheme	Nil
After the Composite Scheme	Nil

NOTES FORMING PART OF CAPITAL STRUCTURE

Details of changes in the Authorised Share Capital of our Company

- The Authorized Share Capital of our Company at the time of Incorporation was Rs. 1,00,000 divided into 10,000 Equity Shares of Rs.10 each. Subsequently, the Authorized Share Capital of our Company was increased (as stated in the below mentioned tabular format) to Rs. 25,00,00,00,000 divided into 2,50,00,00,000 Equity Shares of Rs.10 each

Authorised Equity Share Capital (in Rs.)	Increase in Authorized Equity Share Capital (in Rs.)	Face Value / share (in Rs)	Total Authorised Equity Share Capital (in Rs.)	No. of Equity Shares	Date of Special Resolution	Resolution passed at
1,00,000	NIL	10	1,00,000	10,000	At the time of Incorporation	At the time of Incorporation
1,00,000	4,00,000	10	5,00,000	50,000	March 20, 2008	EGM
5,00,000	49,95,00,000	10	50,00,00,000	5,00,00,000	November 26, 2008	EGM
50,00,00,000	50,00,00,000	10	1,00,00,00,000	10,00,00,000	July 23, 2009	EGM
1,00,00,00,000	5,00,000	10	1,00,05,00,000	10,00,50,000	(##)	(##)
1,00,05,00,000	1,00,00,00,000	10	2,00,05,00,000	20,00,50,000	September 30, 2010	EGM
2,00,05,00,000	5,99,95,00,000	10	8,00,00,00,000	80,00,00,000	May 16, 2011	AGM
8,00,00,00,000	6,00,00,00,000	10	14,00,00,00,000	1,40,00,00,000	March 5, 2014	EGM

Authorised Equity Share Capital (in Rs.)	Increase in Authorized Equity Share Capital (in Rs.)	Face Value / share (in Rs)	Total Authorised Equity Share Capital (in Rs.)	No. of Equity Shares	Date of Special Resolution	Resolution passed at
14,00,00,00,000	11,00,00,00,000	10	25,00,00,00,000	2,50,00,00,000	March 23, 2015	EGM
25,00,00,00,000	---	2	25,00,00,00,000	12,50,00,00,000	May 1, 2016 (Effective Date)	Pursuant to the Scheme

(^{##}) Pursuant to the amalgamation of Bharti Retail Resources Private Limited with our Company.

- Pursuant to the Scheme, total 2,50,00,00,000 Equity Shares of Rs. 10 each was further reduced and then consolidated into 12,50,00,00,000 Equity Shares of Rs.2 each

Details of Share Capital built up of our Company since inception as follows:

- Equity Share Capital History

Date of Allotment	Face Value / Share (in Rs.)	No. of Shares Allotted	Cumulative No. of Shares	Issue Price (in Rs.)	Cumulative Paid up Share Capital (in Rs.)	Reasons for Allotment	Mode of Consideration
February 7, 2007	10	10,000	10,000	10	1,00,000	Initial Paid up Capital	Cash
March 20, 2008	10	40,000	50,000	10	5,00,000	Conversion of Loan into Equity	Cash
November 27, 2008	10	1,99,50,000	2,00,00,000	10	20,00,00,000	Right Issue	Cash
December, 24, 2008	10	80,00,000	2,80,00,000	10	28,00,00,000	Right Issue	Cash
March 20, 2009	10	38,66,000	3,18,66,000	10	31,86,60,000	Right Issue	Cash
July 23, 2009	10	1,69,00,000	4,87,66,000	10	48,76,60,000	Right Issue	Cash
November 6, 2009	10	61,80,000	5,49,46,000	10	54,94,60,000	Right Issue	Cash
January 12, 2010	10	93,60,000	6,43,06,000	10	64,30,60,000	Right Issue	Cash
June 1, 2010	10	1,27,00,000	7,70,06,000	10	77,00,60,000	Right Issue	Cash
October 18, 2010	10	9,86,46,000	17,56,52,000	10	1,75,65,20,000	Right Issue	Cash
May 23, 2011	10	33,74,74,000	51,31,26,000	10	5,13,12,60,000	Right Issue (Conversion of Loan into Equity)	Cash
March 21, 2012	10	1,96,80,000	53,28,06,000	10	5,32,80,60,000	Right Issue	Cash
March 7, 2014	10	86,58,54,000	1,39,86,60,000	10	13,98,66,00,000	Right Issue (Conversion of Loan into Equity)	Cash
April 27, 2015	10	13,30,00,000	1,53,16,60,000	10	15,31,66,00,000	Right Issue	Cash
May 25, 2015	10	18,80,90,000	1,71,97,50,000	10	17,19,75,00,000	Right Issue	Cash
Reduction of capital and consolidation in nominal value of shares from Rs. 10 each to Rs. 2 each							
May 1, 2016 (Effective Date)	2	4,34,78,261	4,34,78,261	Not Applicable	8,69,56,522	Reduction of paid up share capital as provided in the Scheme	Non-Cash
May 18, 2016	2	42,78,60,296	47,13,38,557	Not Applicable	94,26,77,114	Pursuant to the Scheme	Non-Cash

- All the Equity Shares issued prior to the Scheme were issued at par;
- The details of the Scheme and share entitlement ratio are given under the heading “Composite Scheme of Arrangement”.

- *As per Clause 6.1 of Part III of the Scheme, our Committee of the Board of Directors passed necessary resolution on May 18, 2016 to allot 42,78,60,296 Equity Shares of Rs.2 each to the eligible members of Future Enterprises Limited who were holding equity shares / Class B (Series I) shares held on May 12, 2016 (“Record Date”);*
- *Except as disclosed above and including shares arising upon conversion of OCDs issued by the Company to Cedar,, our Company has not issued any shares for consideration other than cash except for 42,78,60,296 Equity Shares issued pursuant to the Scheme.*
- *As per provisions of Clause 6.3 of the Composite Scheme of Arrangement, total 1,04,371 Equity Shares of Rs. 2/- each of the Company are kept in abeyance against 95,878 equity shares of Rs. 2 each and 8,493 Class – B (Series I) equity shares Rs. 2 each kept in abeyance in Future Enterprises Limited.*
- *Except to the extent of any Employee Stock Options Scheme that may be introduced or implemented by our Company for employee stock options and subsequent issue of stock options to be granted in connection therewith, our Company presently does not intend or propose to alter the capital structure for a period of six months from the date of this Information Memorandum, by way of split or consolidation of the denomination of Equity Shares or issue of Equity Shares (including any issue of fresh securities convertible into or exchangeable, directly or indirectly, for Equity Shares) on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, we may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisition or participation in such joint ventures. Further pursuant to the Scheme our Company may be required to make grants to employees being part of acquired Retail Business undertaking who were having Employee Stock Options in FEL and further allotment of shares to such employees on exercise of options granted.*

Equity Share capital build-up of Promoters in our Company

As on the date of this Information Memorandum, our Promoters hold 22,94,97,067 Equity Shares, constituting 48.69% of the issued, subscribed and paid-up Equity Share capital of our Company.

Name of Promoter	Nature of Issue / Allotment	Date of Allotment	No. of Shares	Face Value / Share (in Rs.)	Consideration	Issue Price	Date when shares were fully paid up	Percent age of pre-scheme capital	Percent age of post scheme paid up equity capital	Lock In details No of Shares	No. & % of shares pledged of paid up equity capital
Mr. Kishore Biyani	Pursuant to the Scheme	May 18, 2016	2,121	2	Other than cash	N.A.	N.A.	-	0.0004	Nil	Nil
Future Corporate Resources Limited	Pursuant to the Scheme	May 18, 2016	17,75,45,090	2	Other than cash	N.A.	N.A.	-	37.6683	21190607	14,69,74,923 & (31.18%)
PIL Industries Limited	Pursuant to the Scheme	May 18, 2016	4,41,36,090	2	Other than cash	N.A.	N.A.	-	9.3640	Nil	2,56,95,922 & (5.45%)
Gargi Business Ventures Pvt. Ltd.	Pursuant to the Scheme	May 18, 2016	45,50,000	2	Other than cash	N.A.	N.A.	-	0.9653	Nil	13,00,000 & (0.28%)
Ryka Commercial Ventures Private Limited	Pursuant to the Scheme	May 18, 2016	16,84,663	2	Other than cash	N.A.	N.A.	-	0.3574	Nil	Nil
Manz Retail Private Limited	Pursuant to the Scheme	May 18, 2016	15,79,103	2	Other than cash	N.A.	N.A.	-	0.3350	Nil	2,00,000 & (0.04%)

Note : Pre approval of the Composite Scheme, Promoters were not holding any shares in our Company.

Details of Lock-in

- There is a lock-in of M/s Cedar Support Services Limited's ("Cedar") shareholding in our Company for a period of three years from the Effective Date including any shares to be issued upon conversion of the OCDs (if converted). Two years following the expiry of three years lock-in period, Cedar shall not transfer by way of sale any of the Future Retail Limited Securities without the prior written consent of the Future Retail Limited Promoters. The consideration on the sale of FRL shares owned by Cedar, will be shared as provided in the Implementation Agreement.
- Details of equity shares pledged and/or under lock in held by Promoters:

Name of Promoter	Total Equity Shares held in the Company	No. of Equity Shares pledged / Lock in	% of paid up Capital pledged / locked in	Pledge / Lock in details
Future Corporate Resources Limited	17,75,45,090	14,69,74,923	31.18%	Pledge against borrowing

Name of Promoter	Total Equity Shares held in the Company	No. of Equity Shares pledged / Lock in	% of paid up Capital pledged / locked in	Pledge / Lock in details
		76,92,307	1.63%	Lock-in till October 30, 2017
		1,34,98,300	2.86%	Lock-in till November 8, 2018
PIL Industries Limited	4,41,36,090	2,56,95,922	5.45%	Pledge against borrowing
Gargi Business Ventures Private Limited	45,50,000	13,00,000	0.28%	Pledge against borrowing
Ryka Commercial Ventures Private Limited	16,84,663	0	0.00%	-
Manz Retail Private Limited	15,79,103	2,00,000	0.04%	Pledge against borrowing

In terms of SEBI circular SEBI/CFD/DIL/5/2013 dated February 4, 2013, equity shares held by the promoters of the unlisted issuer that shall be listed pursuant to the scheme of arrangement, shall be locked-in to the extent 20% of the post merger paid-up capital of the unlisted issuer, for a period of three years from the date of listing of the shares of the unlisted issuer. Further, the balance of the entire pre-merger capital of the unlisted issuer shall also be locked-in for a period of three years from the date of listing of the shares of the unlisted issuer. We shall comply with the abovementioned lock-in requirements on or prior to the date of listing of our Equity Shares.

Details of shareholding of Promoters and Promoter Group after allotment of Equity Shares pursuant to the Scheme is as under:

Sl. No.	Name of the Shareholder	Pre-Scheme		Post-Scheme	
		No. of Shares	% Shareholding	No. of Shares	% Shareholding
	Promoter				
1	Mr. Kishore Biyani	-	-	2,121	0.0004
2	Future Corporate Resources Limited			17,75,45,090	37.6683
3	PIL Industries Limited	-	-	4,41,36,090	9.3640
4	Gargi Business Ventures Private Limited	-	-	45,50,000	0.9653
5	Ryka Commercial Ventures Private Limited	-	-	16,84,663	0.3574
6	Manz Retail Private Limited	-	-	15,79,103	0.3350
	Sub Total			22,94,97,067	48.69
	Promoter Group				
(A)	Individuals				
1	Ms. Ashni Biyani Didvaniya	-	-	71,147	0.0151
2	Mr. Anil Biyani	-	-	2,121	0.0004
3	Mr. Gopikishan Biyani	-	-	2,121	0.0004
4	Mr. Laxminarayan Biyani	-	-	2,121	0.0004
5	Mr. Rakesh Biyani	-	-	2,121	0.0004
6	Mr. Sunil Biyani	-	-	2,121	0.0004
7	Mr. Vijay Biyani	-	-	2,121	0.0004
8	Mr. Vivek Biyani	-	-	2,121	0.0004
	Sub-total	-	-	85,994	0.0182
(B)	Bodies Corporate				
1	Future Capital Investment Private Limited	-	-	531,375	0.1127
2	Akar Estate And Finance Private Limited	-	-	1,000	0.0002
	Sub-total	-	-	5,32,375	0.1129

Sl. No.	Name of the Shareholder	Pre-Scheme		Post-Scheme	
		No. of Shares	% Shareholding	No. of Shares	% Shareholding
	Total Promoter / Promoter Group	-	-	23,01,15,436	48.8217

Details of shareholding of Directors of our Promoters as on the date of this Information Memorandum is as under:

Future Corporate Resources Limited

Sl. No.	Name of the Directors	No. of Shares held in the Company
1	Mr. Kishore Biyani	2,121
2	Mr. Vijay Biyani	2,121
3	Mr. Anil Biyani	2,121
4	Ms. Sangita Kishore Biyani	Nil
5	Mr. Vivek Biyani	2,121
6	Mr. Hemant Kumar Bhotica	665
7	Mr. Anil Kumar Bagri	Nil
8	Mr. Ajay Nemchand Dedhia	Nil

PIL Industries Limited

Sl. No.	Name of the Directors	No. of Shares held in the Company
1	Mr. Vijay Biyani	2121
2	Mr. Anil Biyani	2121
3	Mr. Sunil Biyani	2121
4	Ms. Avni Biyani	Nil
5	Mr. Ajay Dedhia	Nil
6	Mr. Abhishek Taparia	Nil

Ryka Commercial Ventures Private Limited

Sl. No.	Name of the Directors	No. of Shares held in the Company
1	Mr. Anil Biyani	2,121
2	Mr. Gopikishan Bansilal Biyani	2,121
3	Ms. Hiral Jayprakash Mehta	Nil
4	Mr. Deepak Mahansaria	Nil
5	Ms. Nishita Anil Biyani	Nil

Gargi Business Ventures Pvt. Ltd

Sl. No.	Name of the Directors	No. of Shares held in the Company
1	Mr. Anil Biyani	2,121
2	Mr. Nikunj Biyani	Nil
3	Ms. Hiral Mehta	Nil
4	Mr. Ajay Dedhia	Nil

Manz Retail Private Limited

Sl. No.	Name of the Directors	No. of Shares held in the Company
1	Mr. Sanjay Rathi	1832
2	Mr. Vishal Doshi	Nil

- *Our Promoters, Directors of our corporate Promoters, Promoter Group, our directors and their immediate relatives have not purchased or sold or financed, directly or indirectly, purchase of Equity Shares of our Company within six months immediately preceding the date of this Information Memorandum.*
- *Our Promoters, Directors of our corporate Promoters, Promoter Group and our Directors have not entered into buy-back, standby or similar arrangements to purchase equity shares of our Company from any person.*

The existing holders of Optionally Convertible Debentures (“OCDs”) of Future Retail Limited aggregating to Rs. 250 crores shall, consequent to the aforesaid demerger, hold OCDs of Rs. 154.20 crore in Future Retail Limited and OCDs of Rs. 95.80 crore in Future Enterprises Limited aggregating to Rs. 250 crores. These OCDs would be convertible into

equity shares of the respective companies at the option of our Company, at the price prescribed under SEBI Regulations for Preferential Issue of securities on the date of conversion.

The shareholders existing prior to the Scheme becoming effective and OCD holders have agreed to share with the respective companies an upside on the realization out of the shares of the two companies, subject to certain broad terms and conditions as given below:

On sale of the equity shares (including shares arising on conversion of OCDs with interest or the redemption amount) of Future Enterprises Limited (Formerly known as Future Retail Limited) and Future Retail Limited (Formerly known as Bharti Retail Limited) by Shareholders and OCD holders of Bharti Group have agreed to an upside sharing arrangement with Future Enterprises Limited (Formerly known as Future Retail Limited) and Future Retail Limited (Formerly known as Bharti Retail Limited) as follows:

- a) If the sale proceeds are between Rs. 950 Crores and Rs. 1450 Crores, the amount shall be 50% of the amount above Rs. 950 Crores;*
 - b) If the sale proceeds are between Rs. 1450 Crores and Rs. 1950 Crores the amount shall be 60% of the amount above Rs. 1450 Crores; and*
 - c) If the sale proceeds are greater than Rs. 1950 Crores the amount shall be 75% of the amount above Rs. 1950 Crores.*
- *Equity Shares being issued in the Scheme are fully paid up at the time of allotment.*
 - *Shareholding Pattern of our Company before and after the Scheme (as on date of this Information Memorandum):*

Pre – Scheme – before reduction and allotment of Equity Shares

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Deposit Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII)As a % of (A+B+C 2)	(IX)				(X)	(XI)=(VII)+(X) As a % of (A+B+C 2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group (##)	7	1,719,750,000	0	0	1,719,750,000	100.0000	1,719,750,000	0	1719,750,000	100.0000	0	100.0000	0	0.0000	0	0.0000	1719749994
(B)	Public	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C)	Non Promoter - Non Public				0				0			0			0.0000	0	0.0000	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C2)	Shares Held By	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			N o. (a)	As a % of total Shares held (b)	N o. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII)As a % of (A+B+C 2)	(IX)				(X)	(XI)=(VII)+(X) As a % of (A+B+C 2)	(XII)		(XIII)		(XIV)
	Employee Trust																	
	Total	7	1719750000	0	0	1719750000	100.0000	1719750000	0	1719750000	100.0000	0	100.0000	0	0.0000	0	0.0000	1719749994

(##) **NOTE : Pre-Scheme, Cedar Support Services Limited was promoter/holding company of our Company and giving effect to the Scheme, now our Company is part of Future Group and shareholding of Cedar is reflecting in public category in post shareholding pattern.**

NOTE : Pursuant to the provisions of Scheme the issued, subscribed and paid-up equity share capital of the Company was reduced from Rs. 1719,75,00,000 comprising of 171,97,50,000 equity shares of Rs 10 each, fully paid up to Rs. 8,69,56,522 divided into 4,34,78,261 equity shares of Rs. 2 each.

Post – Scheme – after reduction and allotment of Equity Shares

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity	No. of shares underlying Depository	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible	Shareholding, as a % assuming full conversion of convertible	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised
								No of Voting Rights	Total as a			No. (a)	As a %	No. (a)	As a %	

				shares held	Receipts		per SCRR, 1957)	Class eg: X	Class eg: y	Total	% of (A+B+C)	securities (including Warrants)	securities (as a percentage of diluted share capital)		of total Shares held(b)		of total Shares held(b)	form
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	26	230115436	0	0	230115436	48.8217	230115436	0	230115436	48.8217	0	48.8217	21190607	9.2087	181191291	78.7393	230115436
(B)	Public	45495	241223121	0	0	241223121	51.1783	241223121	0	241223121	51.1783	0	51.1783	0	0.0000	0	NA	24011990
(C)	Non Promoter - Non Public																	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA	0
	Total	45521	471338557	0	0	471338557	100.0000	471338557	0	471338557	100.0000	0	100.0000	21190607	4.4958	181191291	38.4419	470227426

- Top 10 shareholders of our Company as on the date of this Information Memorandum

Sr. No	Name of the shareholder	No. of Shares	% of Equity Capital
1	Future Corporate Resources Limited	177,545,090	37.6683
2	PIL Industries Limited	44,136,090	9.3640
3	Cedar Support Services Limited	43,478,261	9.2244
4	Arisaig Partners (Asia) Pte Ltd. A/C Arisaig India Fund Limited	31,637,118	6.7122
5	Brand Equity Treaties Limited	24,999,999	5.3040
6	Bennett, Coleman And Company Limited	20,391,700	4.3263
7	Wgi Emerging Markets Smaller Companies Fund, Llc	10,755,879	2.2820
8	Verlinvest Sa	10,730,712	2.2766
9	Government Pension Fund Global	8,852,942	1.8783
10	Counseled Mercantile Private Limited	8,327,361	1.7667
	Total	380,855,152	80.8028

- Top 10 shareholders as on 10 days prior to the date of the Information Memorandum:

Sr. No	Name of the shareholder	No. of Shares	% of Equity Capital
1	Future Corporate Resources Limited	1,77,545,090	37.6683
2	PIL Industries Limited	44,136,090	9.3640
3	Cedar Support Services Limited	43,478,261	9.2244
4	Arisaig Partners (Asia) Pte Ltd. A/C Arisaig India Fund Limited	31,637,118	6.7122
5	Brand Equity Treaties Limited	24,999,999	5.3040
6	Bennett, Coleman And Company Limited	20,391,700	4.3263
7	Wgi Emerging Markets Smaller Companies Fund, Llc	10,755,879	2.2820
8	Verlinvest Sa	10,730,712	2.2766
9	Government Pension Fund Global	8,852,942	1.8783
10	Counseled Mercantile Private Limited	8,327,361	1.7667
	Total	380,855,152	80.8028

- Top 10 shareholders for two years prior to the date of filing of this Information Memorandum

- As on June 24, 2014

Sl. No.	Name of the shareholder	No. of Shares	% Shareholding
1	Cedar Support Services Limited	1,39,86,60,000	100.00
	Total	1,39,86,60,000	100.00

- Top Ten shareholders of our Company as on the date of incorporation were as under:

Sl. No.	Name of the shareholder	No. of Shares	% Shareholding
1	Mr. Sunil Bharti Mittal	5,000	50.00%
2	Mr. Rajan Bharti Mittal	5,000	50.00%
	Total	10,000	100.00%

- As on the date of this Information Memorandum, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into equity shares of our Company except as provided below.

Cedar Support Services Limited holds Optionally Convertible Debentures (“OCDs”) aggregating to Rs. 154.20 crores in our Company consequent to the aforesaid effect of the Scheme. These OCDs is convertible into Equity Shares of our Company at the option of our Company, at the price prescribed under SEBI Regulations for Preferential Issue of securities on the date of conversion.

- There shall be only one denomination for the Equity Shares of our Company, subject to applicable regulations and our Company shall comply with such disclosure and accounting norms specified by SEBI, from time to time.
- At least 25% of the post-Scheme paid up share capital of our Company comprises of Equity Shares allotted to the public shareholders of our Company.
- Our Company has not issued any Equity Shares out of revaluation reserves.

- Subject to the approval of members in the general meeting, our Company is required to introduce Employees Stock Option Scheme, 2016. The Scheme is being introduced to ensure compliance with the provisions contained in the Composite Scheme of Arrangement, wherein it has been provided, that employees of Future Enterprises Limited, who had been granted stock options and transferred pursuant to the Scheme, would be granted option in our Company, ensuring protection of the option value as well as the period of exercise of various granted options. Details of employees and options granted to them in their respective companies are given hereunder:

Stock Option Scheme of companies from where business demerged and vested with the Company	No. of Employees to whom Options were granted	Date of grant of Options	No. of Option granted	Exercise price of granted options	Vesting Schedule
ESOS -12	6	November 12, 2014	7115	10	November 12, 2015
ESOS 12	21	November 12, 2014	120405	10	May 12, 2016
ESOS 12	10	November 12, 2014	15989	10	November 12, 2016
ESOS 12	47	August 31, 2015	262952	10	August 31, 2016
ESOS 12	36	August 31, 2015	239804	10	February 28, 2017
ESOS 12	11	August 31, 2015	23148	10	August 31, 2017

Note: As on date, no options have been granted by the Company to the concerned employees.

- Our Company has 45,521 members as on the date of this Information Memorandum.
- Our Company has not issued any Equity Shares out of revaluation reserves since incorporation.

OBJECTS AND RATIONALE OF THE SCHEME

For the purpose of keeping the scheme in the original form, in this section, Future Retail Limited (formerly know as Bharti Retail Limited) should be read as Bharti Retail Limited (“BRL”) and Future Enterprises Limited (formerly known as Future Retail Limited) should be read as Future Retail Limited (“FRL”).

The Composite Scheme was for inter alia, Demerger of the Retail Business Undertaking of Future Retail Limited (‘FRL’) into Bharti Retail Limited (‘BRL’) and Demerger of the Retail Infrastructure Business Undertaking of BRL into FRL pursuant to the relevant provisions of the Companies Act, 1956 / Companies Act, 2013, thereby unlocking the shareholders value and at the same time to enable growth of these companies as separate businesses.

Rationale of the Scheme

1. FRL currently operates multiple retail formats in the Indian consumer market under different brand names including: Big Bazaar; FBB; Food Bazaar; Foodhall; Home Town and eZone. The retail business of FRL inter-alia includes retail operations and retail infrastructure operations.
2. Currently, BRL operates retail business formats under the brand name ‘easyday’. The retail business of BRL inter-alia includes the retail operations and the retail infrastructure operations.
3. FRL and BRL are desirous of consolidating their retail businesses by consolidating the retail operations and retail infrastructure operations of both companies under separate entities.
4. Demerger of the Retail Business Undertaking from FRL into BRL and demerger of the Retail Infrastructure Business Undertaking from BRL into FRL would help in achieving the desired operating structure and shall have the following benefits:
 - a) consolidation of the retail operations of FRL and BRL;
 - b) consolidation of the retail infrastructure operations of FRL and BRL;
 - c) streamlining the operating structure;
 - d) unlocking of value;
 - e) emergence of a retail company focusing on retail operations having pan India retail footprint;
 - f) emergence of a retail infrastructure company focusing on providing infrastructure support to retail businesses;
 - g) attribution of appropriate risk and valuation to the Retail Business Undertaking and the Retail Infrastructure Business Undertaking based on respective risk-return profile and cash flows;
 - h) more focused leadership and dedicated management;
 - i) greater visibility on the performance of respective businesses;
 - j) synergies expected to bring in cost savings in the marketing, selling and distribution expenses; and
 - k) leveraging on the combined capabilities of both entities for further expansion

STATEMENT OF POSSIBLE TAX BENEFITS

May 31, 2016

The Board of Directors,
Future Retail Limited (Formerly known as Bharti Retail Limited)
Mumbai – 400 060

Sub.: Tax benefits

We refer to the proposed listing of the equity shares of Future Retail Limited (formerly known as Bharti Retail Limited), (“the Company”). We enclose herewith the statement showing the current position of tax benefits available to the Company and to its shareholders as per the provisions of the Income-tax Act, 1961 for inclusion in the Information Memorandum for the proposed listing of shares of the Company.

The current position of tax benefits available to the Company and to its shareholders is provided for general information purposes only. In view of the individual nature of tax benefits, each investor is advised to consult his own tax consultant with respect to the specific tax implications.

Unless otherwise specified, sections referred to below are sections of the Income-tax Act, 1961 (“the Act”). All the provisions set out below are subject to conditions specified in the respective sections. The tax benefits mentioned below are restricted to the provisions of the Income Tax Act, 1961 presently in force.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the Information Memorandum for the proposed listing of equity shares which the company intends to submit to the Stock Exchanges.

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. The views are exclusively for the use of Future Retail Limited (formerly known as Bharti Retail Limited) and shall not, without our prior written consent, be disclosed to any other person.

Yours faithfully,

For NGS & Co. LLP
[Firm Registration No. 119850W]

Ashok A. Trivedi
Partner
Membership No.042472

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO FUTURE RETAIL LIMITED (FORMALLY KNOWN AS BHARTI RETAIL LIMITED) AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India.

1 Under the Income- tax Act,1961 (“the Act / IT Act”)

I. Special tax benefits available to the Company

There are no special tax benefits available under the Act to the Company.

II. General tax benefits available to the Company

1. As per section 10(34) of the Act, any income by way of dividends referred to in section 115O received on the shares of any Indian company is exempt from tax. Such dividend is to be excluded while computing Minimum Alternate Tax (“MAT”) liability.
2. As per section 10(35) of the Act, the following income will be exempt in the hands of the Company:
 - a) Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or
 - b) Income received in respect of units from the Administrator of the specified undertaking; or
 - c) Income received in respect of units from the specified company:

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified Company or of a mutual fund, as the case may be.

3. Capital assets may be categorized into short term capital assets or long term capital assets based on the period of holding. Capital assets being shares or any other security listed in a recognised Stock Exchange in India or unit of Unit Trust of India or unit of a Mutual Fund (Equity Oriented) specified under section 10(23D) or a zero coupon bond held by the assessee for a period of more than 12 months are considered as long term capital assets. Consequently, capital gains arising on sale of these assets held for more than 12 months are considered as long term capital gains (“LTCG”). Capital gains arising on sale of these assets held for 12 months or less are considered as short term capital gain (“STCG”).

In respect of any other capital assets, the holding period should exceed 36 months to be considered as long term capital assets except in case of share of a company (not being share listed in recognized stock exchange in India) wherein the holding period should exceed 24 months to be considered as long term capital asset.

4. As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration
5. As per section 10(38) of the Act, LTCG arising to the Company from the transfer of long term capital asset being an equity share in a company or a unit of an equity oriented fund or unit of a business trust where such transaction has been entered into on a recognised stock exchange of India and is chargeable to securities transaction tax (“STT”) will be exempt in the hands of the company. However, income by way of LTCG shall not be reduced in computing the book profits for the purposes of computation of minimum alternate tax (“MAT”) under section 115JB of the Act.
6. In accordance with section 112 of the Act, LTCG to the extent not exempt under Section 10(38) of the Act would be subject to tax at the rate of 20% (plus applicable surcharge and education cess) with indexation benefits. However, as per the proviso to Section 112 of the Act, if the tax on LTCG is resulting from transfer of listed securities (other than unit) or zero coupon bonds, then LTCG will be chargeable to tax at the rate lower of the following: -
 - a. 20% (plus applicable surcharge and education cess) of the capital gains as computed after indexation of the cost; or
 - b. 10% (plus applicable surcharge and education cess) of the capital gains as computed without indexation
7. Under section 54EC of the Act and subject to the conditions and to the extent specified therein, LTCG (in case not covered under section 10(38) of the Act) arising on the transfer of a Long Term Capital Asset would be exempt from tax if such capital gain is invested within 6 months from the date of such transfer in a “long term specified assets”.

A “long term specified assets” means any bond, redeemable after three years and issued on or after 1st day of April 2007 by the:

- a. National Highways Authority of India constituted under section 3 of The National Highways Authority of India Act, 1988; or
- b. Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

The total deduction with respect to investment in the long term specified assets is restricted to Rs.50 lakhs whether invested during the financial year in which the asset is transferred or subsequent year.

Where the “long term specified assets are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

8. As per section 111A of the Act, STCG arising to the Company from the sale of equity share or a unit of an equity oriented fund or a unit of business trust, where such transaction is chargeable to STT will be taxable at the rate of 15% (plus applicable surcharge and education cess). Further, STCG as computed above that are not liable to STT would be subject to tax as calculated under the normal provisions of the IT Act.
9. As per section 70 read with section 74 of the IT Act, Short Term Capital Loss (“STCL”) computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years’ STCG as well as LTCG.

However the long term capital loss (“LTCL”) computed for given year is allowed to be set off only against the LTCG. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years’ LTCG.

10. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years.
11. Unabsorbed depreciation, if any, for an assessment year can be carried forward indefinitely and set off against any sources of income in the same year or any subsequent assessment years as per section 32(2) of the Act subject to the provisions of section 72(2) and section 73(3) of the Act.
12. As per section 115JAA of the Act, credit is allowed in respect of any MAT paid under section 115JB of the Act for any assessment year commencing on or after 1st day of April 2006. Tax credit to be allowed shall be the difference between MAT paid and the tax computed as per the normal provisions of the Act for that assessment year. The MAT credit is allowed to be set-off in the subsequent years to the extent of difference between MAT payable and the tax payable as per the normal provisions of the Act for that assessment year. The MAT credit shall not be allowed to be carried forward beyond tenth assessment year immediately succeeding the assessment year in which tax credit becomes allowable.
13. Under Section 36 (1) (xv) of the Act, the amount of STT paid by an assessee in respect of taxable securities transactions offered to tax as "Profits and gains of Business or profession" shall be allowable as a deduction against such Business Income.
14. The tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income of a domestic company exceeds Rs 10,00,00,000. Surcharge shall be payable at the rate of 12% where the taxable income of a domestic company exceeds Rs.10,00,00,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.

III. General tax benefits available to Resident Shareholders

1. As per section 10(34) of the Act, any income by way of dividends referred to in section 115O received on the shares of any Indian company is exempt from tax. As per the Finance Act 2016, income by way of dividend in excess of Rs. 10 lakh shall be chargeable to tax in the case of an individual, Hindu undivided family (HUF) or a firm who is resident in India, at the rate of 10% plus applicable surcharge and cess.
2. As per provisions of section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
3. As per section 10(38) of the Act, LTCG arising from the transfer of a long term capital asset being an equity share of the company, where such transaction has been entered into on a recognized stock exchange of India and is chargeable to STT, will be exempt in the hands of the shareholder.
4. In accordance with section 112 of the Act, LTCG to the extent not exempt under section 10(38) of the Act would be subject to tax at the rate of 20% (plus applicable surcharge and education cess) with indexation benefits. However, as

per the proviso to section 112 of the Act, if the tax on LTCG is resulting from transfer of listed securities (other than unit) or zero coupon bonds, then LTCG will be chargeable to tax at the rate lower of the following: -

- a. 20% (plus applicable surcharge and education cess) of the capital gains as computed after indexation of the cost; or
 - b. 10% (plus applicable surcharge and education cess) of the capital gains as computed without indexation
5. Under section 54EC of the Act and subject to the conditions and to the extent specified therein, LTCG (in case not covered under section 10(38) of the Act) arising on the transfer of a Long Term Capital Asset would be exempt from tax if such capital gain is invested within 6 months from the date of such transfer in a “long term specified assets”.

A “long term specified assets” means any bond, redeemable after three years and issued on or after 1st day of April 2007 by the:

- a. National Highways Authority of India constituted under section 3 of The National Highways Authority of India Act, 1988; or
- b. Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

The total deduction with respect to investment in the long term specified assets is restricted to Rs.50 lakhs whether invested during the financial year in which the asset is transferred or subsequent year.

Where the “long term specified assets are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

6. As per section 54F of the Act, LTCG [in cases not covered under section 10(38)] arising on the transfer of the shares of the company held by an Individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilized to purchase or construct one residential house in India. The residential house is required to be purchased within a period of one year before or two years after the date of transfer or to be constructed within three years after the date of transfer.
7. As per section 111A of the Act, STCG arising from the sale of equity shares of the company, where such transaction is chargeable to STT, will be taxable at the rate of 15% (plus applicable surcharge and education cess). Further, STCG as computed above that are not liable to STT would be subject to tax as calculated under the normal provisions of the IT Act.

As per section 70 read with section 74 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years' STCG as well as LTCG.

However, the long term capital loss computed for a given year is allowed to be set off only against the LTCG. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' LTCG.

8. Under section 36 (1) (xv) of the Act, the amount of STT paid by an assessee in respect of taxable securities transactions offered to tax as "Profits and gains of Business or profession" shall be allowable as a deduction against such Business Income.
9. No income tax is deductible at source from income by way of capital gains under the present provisions of the Act in case of residents.
10. In the case of Individual or Hindu Undivided Family, the tax rates mentioned above stand increased by surcharge, payable at the rate of 15% where the taxable income exceeds Rs 1,00,00,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable.
11. In case of domestic company, the tax rates mentioned above stand increased by surcharge, payable at the rate of 7% where the taxable income exceeds Rs 1,00,00,000 and at the rate of 12% where the taxable income exceeds Rs.10,00,00,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable.

IV. General tax benefits available to Non-Resident Shareholders (Other than Foreign Institutional Investors (“FII’s”)/ Foreign Portfolio Investors (“FPI’s”))

1. As per section 10(34) of the Act, any income by way of dividends referred to in section 115-O received on the shares of any Indian company is exempt from tax.
2. As per first proviso to section 48 of the Act, in case of a non-resident shareholder, the capital gain/loss arising from transfer of shares of the company, acquired in convertible foreign exchange, is to be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer, into the same foreign currency which was initially utilized in the purchase of shares. Cost Indexation benefit will not be available in such a case.
3. As per section 10(38) of the Act, LTCG arising from the transfer of long term capital asset being an equity share of the company, where such transaction has been entered into on a recognized stock exchange of India and is chargeable to STT, will be exempt in the hands of the shareholder.
4. As per section 112 of the Act, LTCG to the extent not exempt under section 10(38) of the Act, would be subject to tax at the rate of 20% (plus applicable surcharge and education cess) after giving effect to the first proviso to section 48 of the Act. If the tax payable on transfer of listed securities exceeds 10% of the LTCG, the excess tax shall be ignored for the purpose of computing tax payable by the assessee.
5. Under section 54EC of the Act and subject to the conditions and to the extent specified therein, LTCG (in case not covered under section 10(38) of the Act) arising on the transfer of a Long Term Capital Asset would be exempt from tax if such capital gain is invested within 6 months from the date of such transfer in a “long term specified asset”.

A “long term specified assets” means any bond, redeemable after three years and issued on or after 1st day of April 2007 by the:

- (a) National Highways Authority of India constituted under section 3 of The National Highways Authority of India Act, 1988; or
- (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The total deduction with respect to investment in the long term specified assets is restricted to Rs.50 lakhs whether invested during the financial year in which the asset is transferred or subsequent year.

Where the “long term specified assets are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

6. As per section 54F of the Act, LTCG (in cases not covered under section 10(38) arising on the transfer of the shares of the Company held by an Individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilized to purchase or construct one residential house in India. The residential house is required to be purchased within a period of one year before or two years after the date of transfer or to be constructed within three years after the date of transfer.
7. As per section 111A of the Act, STCG arising from the sale of equity shares of the Company, where such transaction is chargeable to STT, will be taxable at the rate of 15% (plus applicable surcharge and education cess). Further, STCG as computed above that are not liable to STT would be subject to tax as calculated under the normal provisions of the IT Act.
8. As per section 70 read with section 74 of the IT Act, STCL computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off against subsequent years’ STCG as well as LTCG.

However, the LTCL computed for a given year is allowed to be set off only against the LTCG for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years’ LTCG.

9. Under section 36 (1) (xv) of the Act, the amount of STT paid by an assessee in respect of taxable securities transactions offered to tax as “Profits and gains of Business or profession” shall be allowable as a deduction against such Business Income.
10. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident is considered resident in terms of such Tax Treaty. As per the provisions of section 90(2) of the Act, the provisions of

the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

As per section 90(4) of the Act, an assessee being a non-resident, shall not be entitled to claim relief under section 90(2) of the Act, unless a certificate of his resident in any country outside India, is obtained by him from the government of that country or any specified territory. As per section 90(5) of the Act, the non-resident shall be required to provide such other information, as has been notified.

11. As per clause (fb) and (iid) of Explanation 1 to section 115JB of the Act, the income from transactions in securities (other than STCG arising on transactions on which STT is not chargeable), interest, royalty, or fees for technical services arising to a foreign company, shall be excluded from the computation of book profit liable to MAT and the book profit shall be increased by the amount of expenditure corresponding to such income.
12. The tax rates mentioned above stands increased by surcharge, payable at the rate of 2% where the taxable income of a foreign company exceeds Rs 1,00,00,000. Levy of surcharge as follows:

In case of a foreign company whose income exceeds Rs 10,00,00,000, the rate of surcharge shall be payable at 5%

In case of other non-residents, whose income exceeds Rs 1,00,00,000 surcharge shall be payable at 15%.

Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.

V. Special tax benefits available to Non-Resident Indians

1. As per section 115C(e) of the Act, the term “non-resident Indians” means an individual, being a citizen of India or a person of Indian or a person of Indian origin who is not a “resident”. A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.
2. As per section 115E of the Act, in the case of a shareholder being a non-resident Indian, and subscribing to the shares of the Company in convertible foreign exchange, in accordance with and subject to the prescribed conditions, LTCG on transfer of the shares of the Company (in cases not covered under section 10(38) of the Act) will be subject to tax at the rate of 10% (plus applicable surcharge and education cess), without any indexation **benefit**.
3. As per section 115F of the Act and subject to the conditions specified therein, in the case of a shareholder being a non-resident Indian, gains arising on transfer of a long term capital asset being shares of the Company which were acquired, or purchased with or subscribed to in, convertible foreign exchange, will not be chargeable to tax if the **entire** net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act then this exemption would be allowable on a proportionate basis. Further, if the specified asset or saving certificates in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred.
4. As per section 115G of the Act, non-resident Indians are not obliged to file a return of income under section 139(1) of **the** Act, if their only source of income is income from specified investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.
5. As per section 115H of the Act, where non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the **Act** to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to investment income derived from the investment in equity shares of the Company as mentioned in section 115C(f)(i) of the Act for that year and subsequent assessment years until assets are converted into money.
6. As per section 115I of the Act, a Non-Resident Indian may elect not to be governed by the provisions of “Chapter XII-A-Special Provision Relating to Certain Income of Non Residents” for any assessment year by furnishing a declaration along with his return of income for that assessment year under section 139 of the Act, that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.
7. In a situation where the shareholder transfers the shares of the company, which are held as ‘long-term capital assets’ and such transaction is not covered by the provision of section 10(38) of the Act as referred earlier, the shareholder can **consider** availing the benefit as provided in section 54F of the Act. Shareholders being individuals can consider

the conditions so stated in section 54F of the Act and examine the availability of the benefit based on their individual tax position.

8. In respect of non-resident Indian, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident is considered resident in terms of such Tax Treaty. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

As per section 90(4) of the Act, an assessee being a non-resident Indian, shall not be entitled to claim relief under section 90(2) of the Act, unless a certificate of his resident in any country outside India, is obtained by him from the government of that country or any specified territory. As per section 90(5) of the Act, the non-resident Indian shall be required to provide such other information, as has been notified.

VI. Benefits available to FIIs / FPIs Special tax benefits

1. Under section 115AD(1)(ii) of the IT Act, income by way of STCG arising to the FII on transfer of shares shall be chargeable at a rate of 30%, where such transactions are not subjected to STT, and at the rate of 15% if such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. The above rates are to be increased by applicable surcharge and education cess.

Under Section 115AD(1)(iii) of the IT Act income by way of LTCG arising from the transfer of shares (in cases not covered under Section 10(38) of the IT Act) held in the company will be taxable at the rate of 10% (plus applicable surcharge and education cess). The benefits of indexation of cost and of foreign currency fluctuations are not available to FIIs. Further, for the purposes of section 115AD, FPIs would get similar treatment as available to FIIs.

2. As per section 196D(2) of the Act, no deduction of tax at source will be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD.
3. As per clause (fb) and (iud) of Explanation 1 to section 115JB of the Act, the income from transactions in securities (other than STCG arising on transactions on which STT is not chargeable), interest, royalty, or fees for technical services arising to a FII, shall be excluded from the computation of book profit liable to MAT and the book profit shall be increased by the amount of expenditure corresponding to such income.
4. As per section 2(14) of the Act, any securities held by a FII / FPI which has invested in such securities in accordance with the regulations made under Securities & Exchange Board of India Act, 1992 would be treated as a capital asset only so that any income arising from transfer of such security by a FII / FPI would be treated in the nature of capital gains.
5. For corporate FIIs, the tax rates mentioned above stands increased by surcharge, payable at the rate of 2% where the taxable income of a taxpayer other than a domestic company exceeds Rs 1,00,00,000. The tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income of a other than a domestic company exceeds Rs 10,00,00,000.

Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable.

VII. Special tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

VIII. The Wealth Tax Act, 1957

Wealth Tax Act, 1957 has been abolished with effect from Assessment Year 2016-17.

IX. Benefits available under the Gift Tax Act, 1958

Gift tax is not leviable in respect of any gift made on or after 1 October 1998. Therefore any gift of share of a company will not attract gift tax.

Note:

Above are the possible tax benefits available to the shareholders under the current tax laws in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence,

the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions. The benefits discussed above are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

SECTION IV - ABOUT US

INDUSTRY OVERVIEW

The information in this section is derived from various publicly available sources, government publications IMAGES Retail yearbook and other industry sources. This information has not been independently verified by us or respective legal or financial advisors, and no representation is made as to the accuracy of this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

OVERVIEW OF THE INDIAN ECONOMY

According to the CIA Factbook, India, with a population of over 1.25 billion people, had a gross domestic product (“**GDP**”) on purchasing power parity (“**PPP**”) basis of approximately US\$ 8.027 trillion in 2015. This made India the fourth largest economy in the world after the United States, the European Union and China on a PPP basis. (Source: CIA Factbook)

The following table extracted from the International Monetary Fund’s World Economic Outlook of October 2015 presents a comparison of India’s real GDP growth rate with the real GDP growth rate of certain other countries (in percentages; figures for 2015, 2016 and 2020 are estimates):

(In %)										
Country	2008	2009	2010	2011	2012	2013	2014	2015P	2016P	2020P
Australia	2.7	1.6	2.3	2.7	3.6	2.1	2.7	2.4	2.9	2.8
Brazil	5	-0.2	7.6	3.9	1.8	2.7	0.1	-3	-1	2.5
China	9.6	9.2	10.6	9.5	7.7	7.7	7.3	6.8	6.3	6.3
India	3.9	8.5	10.3	6.6	5.1	6.9	7.3	7.3	7.5	7.7
Japan	-1	-5.5	4.7	-0.5	1.7	1.6	-0.1	0.6	1	0.7
Malaysia	4.8	-1.5	7.5	5.3	5.5	4.7	6	4.7	4.5	5
Russian Fed.	5.2	-7.8	4.5	4.3	3.4	1.3	0.6	-3.8	-0.6	1.5
Korea, Rep.	2.8	0.7	6.5	3.7	2.3	2.9	3.3	2.7	3.2	3.6
Thailand	1.7	-0.7	7.5	0.8	7.3	2.8	0.9	2.5	3.2	3.2
UK	-0.3	-4.3	1.9	1.6	0.7	1.7	3	2.5	2.2	2.1
USA	-0.3	-2.8	2.5	1.6	2.2	1.5	2.4	2.6	2.8	2

Source: IMF World Economic Outlook October 2015.

The following table presents a comparison by Fiscal year of GDP growth at factor cost at constant price in India:

(In %)								
Country	2008	2009	2010	2011	2012NS	2013E	2014E	2015P
India	9.3	6.7	8.6	8.9	6.7	4.9	6.6	7.2

Note: Data for Fiscal 2013-14 are provisional, 2011-12 are New Series Estimate, and for Fiscal 2015 is projected.

(Sources: RBI, Handbook of Statistics of the Indian Economy dated September 15, 2015).

INDUSTRY OUTLOOK

India’s economy expanded at a faster pace even as several growth engines stalled: agriculture faced a second consecutive drought year, rural households were under stress, private investments flat-lined, and exports plummeted. Despite these drags, the working engines—demand from urban households and public investments—propelled the economy to a higher growth path. GDP growth accelerated to 7.6 percent y/y in FY16 from an average of 6.5 percent during FY13-FY15. Gross value-added (GVA) growth also accelerated, led by a pickup in industrial activities and a reliable contribution from services. (India development update: June 2016, World Bank) In the coming years, India is anticipated to be one of the fastest growing major economy’s in the world, driven by growing urbanization, changing consumption pattern and rising disposable income.

India’s current retail market is worth \$ 648.90 bn and is 57.6 per cent of PFCE. The market has grown by an average of 16-18 per cent on year on year. The overall retail is expected to grow with lesser rate of around 16 per cent over next three years. It is estimated that by 2017 India’s retail market will be \$ 1026.06 bn. In contrast, the organized retail grew by 30% at an average during last 5 years. The current size of the organized retail is worth of US\$ 63.51bn is 9.8% of the total retail market. It is estimated to be US\$ 150.58 bn by 2017 (Source: Images Retail Report, 2015)

KEY DRIVERS OF GROWTH

Growing spending power

One of the key factors driving the growth of the Retail market in India is the rising annual disposable income. The growing purchasing power and rising influence of the social media have enabled Indian consumers to splurge on good things. The rising income levels, in conjunction with the population increase, will result in an overall spurt in consumer spending.

Increasing urbanization

In the last fifty years, while the population of India has grown two and half times, the urban Indian population has grown by nearly five times. (Source: Census 2011 Data)

India's urban population has grown at a CAGR of 2.8 percent over 2001-2011, resulting in an increase in the urbanization rate from 27.8 percent to 31.2 percent. Out of India's 1.21 billion population, 377 million people are urban dwellers as per the census 2011 report. This higher urbanisation will drive discretionary spending by consumers. While the spending class in the metros and mini metros continues to boom, the growth witnessed in the tier I and tier II cities will lead to an increase in the number of units purchased. (Source: Census 2011 Data)

Rural Consumer Market

Currently, about 69 percent of Indians reside in rural areas. This is also a segment where incomes have been rising fast due to economic growth and welfare measures. Many retailers and fast-moving consumer goods (FMCG) companies have been quick to identify the potential of rural India. They have innovated with products and delivery, while at the same time devising strategies to cater to the relatively affluent among India's villages.

Favorable demographics

- **Youth:** As per the census of 2011, India also has about 500 million Indians under the age of 25. Young Indians are driving purchases in categories such as mobile phones, fashion, accessories, food and beverages etc. and are willing to experiment and change habits. Young Indians have access to more money than before, driving independence, aspirations and demand for products.
- **Middle income house holds:** The growing middle class and the increased in the disposable income of middle-class Indian consumers significantly, which will leads to a substantial change in their spending habits.

Increase in the number of working women

The number of women working and seeking work grew by 14.4% annually between 1991 and 2011, even though the population of urban women grew at only 4.5% during the same time period, according to Census 2011. (Source: Census 2011 Data)

Women employment growth will result in an increase in the demand for different kinds of occasion based apparel such as women's formal western wear. Also, due to their financial independence, more women will indulge in higher levels of discretionary spending. This can impact multiple categories, in terms of purchasing both for the woman herself and her family, viz. clothing, personal care and grooming, accessories, travel, etc.

Changing consumer preferences and shopping habits

One consequence of the evolution in consumer lifestyles is the surge in both the opportunity for and the incidence of socialising, via various activities and events. There is thus a greater demand for multifunctional clothing, e.g. smart casuals, which enable straddling various occasions. Further, more people are travelling abroad much more frequently and thus, get exposed to western fashion trends and brands, and aspire to own such items. This trend is further fuelling the demand for branded apparel in the Indian market. Consumers will continue to drive the growth in the organised retail by expanding the market and compelling retailers to widen their offerings in terms of brands and in terms of variety.

The spending on essential commodities has been steadily falling over the years, whereas the consumption of discretionary products has been growing at a healthy pace. Changes in lifestyle have brought about a paradigm shift in consumption, which will undoubtedly continue to drive retail growth in segments like beauty, healthcare, telecom, and entertainment. Moreover, the rising reach of media coverage is increasing consumer awareness about products, their prices and services, which is likely to further encourage growth in the organised retail segment.

Changing family structures

The average household size has decreased from 5.3 to 4.8 in fiscal 2011. With the increase in the number of nuclear families and a simultaneous rise in double-income families, higher spending power will remain the privilege of smaller families. (Source: Census 2011 Data)

SEGMENTS IN THE RETAIL INDUSTRY

Department stores

Apparel and footwear have been the frontrunner in the evolution story of Indian Organized Retail. The growing demand for branded apparel and increasing operational scale resulted in a strong sales growth of 30% -40% for organized apparel retailers and drove the penetration in organized apparel retail to 43% in FY14., according to data from Images Retail Report, 2015. (Source: *Images Retail Report, 2015*)

Led by the strong domestic demand for branded apparel, department stores have been the fastest growing retail format of the past decade. According to Images, department stores' retail area as a percentage of total retail space of modern formats increased to 20% in 2011, from 7% in 2006. The flag-bearers of this expansion were the Key players like Shoppers Stop, Lifestyle, Pantaloon and Westside. (Source: *Images Retail Report, 2015*)

Grocery retail

Even though the grocery retail market accounts for 60% of the overall retail market, the segment is still growing at a rapid pace of 15-16% the grocery retail market in India is growing at 15-16% despite accounting for 60% of the overall retail market. The market is primarily led by traditional retailers and they command 98% of the grocery market, According to data from Images Retail Report, 2015. They have created a unique selling proposition by offering value-added services like home delivery, credit for purchase/convenience, selling small units (loose or packed) and even a differentiated product mix to suit 'regional' tastes of residential catchments. The Indian consumer behavior of buying small quantities is supporting steady growth at traditional retail business. This behavior of buying in small quantities is a result of importance given to freshness and, importantly, availability of income (as a large part of the population works in the unorganized sector as daily wage earners). A constrained number of SKUs, a cramped environment and unhygienic shopping conditions are a few shortfalls of traditional food retail players. We believe that this gap creates a big opportunity for the organized grocery retailers to bridge and, despite challenges, organized grocery retail expected to grow at 20-25%, according to data from Images Retail Report, 2015.(Source: *Images Retail Report, 2015*)

Globally, supermarkets and hypermarkets are established organized grocery retailers that have stood the test of time. In India, supermarkets/hypermarkets were late to enter the growth story and set up after organized retail developed in categories like apparel, footwear, watches, jewellery, books, etc. There is a huge domestic opportunity in grocery retailing, as groceries comprise 60% of the total retail market with an organized share of just 1.6%. We think, that in the long run, the traditional family-owned retail format is unsustainable, as the opportunity cost of real estate increases and the next generation moves to better employment alternatives. (Source: *Images Retail Report, 2015*)

Electronics retailers

Riding the wave of strong macro-economic conditions, India's electronics & appliances retail market is growing at 19-21%. The category generally sees the customers weighing many options before making a high-ticket purchase decision and is thereby called a 'planned purchase' category. As it requires customer guidance and education electronics has seen a rapid increase in the penetration of organized retailers – to 23%, according to data from Images Retail Report, 2015. (Source: *Images Retail Report, 2015*)

The strong growth, increasing demand and increasing penetration of organized retail in this category have led to many players entering the market and resulting in price competition. Players like Future Group (Ezone), Tata (Croma), Reliance (Reliance Digital) are relatively new entrants. At the same time, there are well established regional chains such as Girias, Viveks and Vasanth in southern India; Vijay Sales and Kohinoor in western India; and Sargam in northern India. Also, pulling a serious departure from their practices in other developed countries, most manufacturers like Samsung, Sony, Nokia, LG have their own exclusive store networks. Since brands sold by most retailers are the same, differentiation is limited and price competition is therefore high. (Source: *Images Retail Report, 2015*)

Furthermore, the emergence of online retailers like Flipkart, Snapdeal and Amazon is adding all the more pressure on profitability and sustainability as they offer significant deep discounts as compared to store-based retailers. This has led to increased upsetting trend in India, whereby the customer take the look and feel from the physical retailers and place their order through the online retailers. (Source: *Images Retail Report, 2015*)

It has become increasingly crucial for electronics retailers to differentiate from each other. Taking cues from their global counterparts' experience, we believe electronics retailers that will survive and thrive in the long run will need to (1) guarantee superior customer service by assisting consumers in the purchase decision, providing detailed product demos and after-sales service, (2) invest in training employees on electronics products, (3) design and implement an omni-channel framework, (4) create a differentiation through exclusive tie-ups with premium brands and (5) establish a differentiated private label in certain categories and accessories. Among existing players, we believe Croma, the Tata group's retail chain, is actively trying to differentiate itself on the above parameters. Future Group, through its electronics arm Ezone, has come up very strongly in his space with its focus on the long-term strategy. (Source: *Images Retail Report, 2015*)

Furnishing

Furniture & Furnishings market size is worth of INR 102 bn(US\$ 17.13 bn) has growing at 12-13% annually. It is expected to be worth of US\$ 24.05 bn by 2017. Organized retail market is estimated at 19% of the total organized retail market and it is expected to grow at 24-27% in terms of number of retail outlets and retail space with the same store revenue growth being at 15%, according to data from Images Retail Report, 2015. The category is broadly divided three segments – furnishings, furniture and décor. Key players are Home shop, Home Centre, Home Town, At Home and Bombay Dyeing; and online retailers like Fabfurnish, Pepperfry and Urbanladder. (Source: *Images Retail Report, 2015*)

Footwear

Footwear, like apparel, was one of the early categories leading the evolution of organized retail in India. While the overall footwear market (INR 336bn in size) has grown at a steady pace of 17-18% annually, organised footwear retail is expected to grow at a pace of 21-23% per annum. The sustained high growth of organized footwear retailers has led to organized retail penetration in footwear increasing to 42% compared to organized retail share of only 9-10% for the overall retail market. Retail expansion grew at an average of 16-18% in terms of number of outlets with same store sales growth of around 25%, according to data from Images Retail Report, 2015. Rising disposable incomes will continue to lead gradual improvement in per-capita consumption, in our view. (Source: *Images Retail Report, 2015*)

INDUSTRY CHALLENGES

Highly Fragmented with unorganised players:

The Indian retail market is dominated by unorganised retailers (mom-and-pop or kirana stores). However, the large domestic players have achieved supply-side economies through their large volume and extensive market presence. Organised retailers continue to face stiff competition from the unorganised sector. The latter have a low cost structure, are mostly owner-operated, with negligible real estate and labour costs and pay little or no taxes. Consumer familiarity that runs from generation to generation and easy access are big advantages for the traditional retailing sector. Most modern retailers find it hard to replicate this level of intimacy. Traditional retailers have also risen to the competition from organised retailers. The adoption of IT systems, surveillance systems, tracking the customer database, loyalty management, SMS marketing, credit purchase, and free home delivery have helped unorganised players retain customers. (Source: *PWC Retail-Report: The Indian Kaleidoscope, September 2012*)

Infrastructure, supply chain and logistics network

Availability of the right merchandise at the right place, in the right condition, within the right timeframe and at a minimum cost is the primary objective of retail supply chain management. Goods in store but not on shelves could mean loss of sales and an undesirable customer experience. It is also important to vary the assortment and merchandise form one store to another, even in a single state, to cater to market sensitivities. Investments in specialised supply chain management (SCM) IT solutions help retailers manage the store as well as warehouse replenishment and lower inventory holding cost. An economy of scale for the procurement of goods is also another challenge faced by retailers. Few large retailers have been able to consolidate requirements and enjoy economies of scale. Poor infrastructure and the availability of only a few organised supply chain and logistics players further increases the problem for retailers leading to a delayed availability of stock and huge costs. With the government investing heavily in infrastructure, and with global logistics giants investing in India, we shall soon witness the consolidation in the supply chain and logistics sector. This will help retailers and consumers significantly. (Source: *PWC Retail-Report: The Indian Kaleidoscope, September 2012*)

High cost of real estate

Lack of readily available quality real estate as well as high rentals in India are major challenges for the retailers. Property rentals in the country are among the highest in the world and add considerably to operational cost. The Indian real estate cost accounts for 5 to 9% of the net revenue of the retailer as compared to 3 to 4% of global retailers. At the same time, real estate sector is undermined with high stamp duty cost on transfer of property. Availability of quality retail space at the right price has been holding the expansion plans of retailers. In recent times, retailers have moved out from prominent malls of Tier I cities and even renegotiated the rental agreements with landlords to reduce costs. Retailers have also started expanding their presence in the Tier II and Tier III cities. (Source: *PWC Retail-Report: The Indian Kaleidoscope, September 2012*)

Slower inventory turns

Retailers need to maintain high levels of inventory in order to meet the demand of the consumers. Due to the lengthy manufacturing and transportation time, goods cannot be replenished quickly leading to high stock-out costs. On the other hand, carrying inventory can be expensive in several ways. Retailers must pay capital costs in terms of money tied up in inventory, storage costs and overstock costs. Hence, retailers need to accurately forecast demand, frequency of orders, lead time and cost of replenishment. (Source: *PWC Retail-Report: The Indian Kaleidoscope, September 2012*)

Retail frauds

Retail frauds have been a concern for the Indian sector. According to the Global Retail Theft Barometer (GRTB) 2011 covering 45 nations, the shrinkage in India stood at 2.38%, the highest in the world. The average global shrinkage was estimated at 1.45%. The good news is that as per the GRTB, the retail shrinkage loss for India in 2011 is less than 2010. As per the GRTB, the key reasons for the retail shrinkage or pilferage in India include the following:

- Shoplifting (accounting for more than 50% of total shrinkage value)
- Internal administrative errors
- Employee theft
- Vendor frauds

Retailers have started investing in loss prevention and security measures such as CCTV, surveillance cameras, RFID, etc. This will help them in scaling down the shrinkages but the investment in these areas is still at a nascent stage.

(Source: PWC Retail-Report: The Indian Kaleidoscope, September 2012)

Diverse customer needs

India is characterised by varying consumer tastes, preferences and buying habits. Customer needs, tastes and preferences differ in every state, town and village. This puts a lot of pressure on the retailer in planning the assortments of stores to cater to the diverse customer profile. Easily available information via the Internet or mobile, global lifestyle of consumers, increasing income, aspiration for global brands, overseas travel, etc. are making Indian customers more knowledgeable than before. They are demanding premium products in health, food and beverage, dietary supplements, skincare, etc. The changing customer needs and desires require retailers to continuously innovate with the product mix as well as offers and promotions. Customer loyalty programmes play an important role in helping retailers understand the customer behaviour and plan the right product mix. *(Source: PWC Retail-Report: The Indian Kaleidoscope, September 2012)*

Long gestation period

Margins for the retailers are very thin and it takes a few years for a store to break even after it starts operating in the Indian subcontinent. Retailers believe that patience, deep pockets, continuous innovation and localisation of products and services for the consumers is the key to long-term success. *(Source: PWC Retail-Report: The Indian Kaleidoscope, September 2012)*

Skilled workforce

Availability of trained manpower both at the store and managerial level has been a major concern for the Indian retail sector. The problem is escalating with the rise in organised retail and large global players entering the country. The attrition rate in the industry stands at 25 to 35%. While the paucity of skilled manpower is a challenge, it is important to ensure continuous learning for the existing staff. Large retailers have setup dedicated teams to conduct training workshops and coach the retail workforce both fresh as well as experienced on topics such as product information, customer service, customer complaint management, etc. Some of the large corporates have partnered with premium management institutes and designed retail-specific courses. *(Source: PWC Retail-Report: The Indian Kaleidoscope, September 2012)*

Looking beyond price

Economic factors such as the increasing choice in products and shopping formats and unparalleled access to information are fuelling today's empowered shoppers, who expect more from their retail experience. Today's customers are flooded with diverse options for products and services. Today, the price of a commodity is not the only differentiator for the retailers. The discerning consumers are expecting more from retailers in terms of products that deliver its brand promise, quality, services and store ambiance, etc. Retailers in mature markets have used customer service as a tool to generate footfall and create a positive brand image. *(Source: PWC Retail-Report: The Indian Kaleidoscope, September 2012)*

Complicated indirect tax regime

In India, VAT is a state levy. Companies operating across the country find it difficult to configure different state tax rates for the same products. In addition, due to different tax rates and imposition of local levies, such as Octroi, in some states, companies either have varying margins or different pricing for each state. Further, compliance requirements under the state VAT legislation are not uniform, which adds to the cost of doing business in India. Also, companies that are not engaged in the manufacture of excisable goods or providing taxable services are not eligible to offset any input service tax. This input tax is usually a significant cost for retail companies.

Regulatory framework

Foreign direct investment (FDI) in retail trading business is currently not permitted, except in single-brand retail trading, which now allows up to 100% FDI subject to conditions. In addition, several FIIs and NRIs have invested in several large Indian retail companies under the portfolio investment route. In September 2012, the government had announced a policy permitting up to 51% FDI in multi-brand retail trading. Foreign direct investment has now permitted upto 100% under automatic route is permitted in Business to Business (B2B) e-commerce in 2015. No FDI is permitted in Business to Consumer (B2C) e-commerce.

COMPETITIVE LANDSCAPE

The Retail industry can be broadly segmented as department stores, supermarkets, hypermarkets; and the specialty retail sectors of grocery, electronics, furnishings and furniture, food services and footwear. The Indian retail market is dominated by unorganized retailers (mom-and-pop or kirana stores). While the Retail Market is highly fragmented with the share of organised retail significantly lower. Organised retailers continue to face stiff competition from the unorganised sector. The unorganised retailers have a low cost structure, are mostly owner-operated, with negligible real estate and labour costs and pay little or no taxes. However, the large domestic players have achieved supply-side economics through their large volume and extensive market presence. Healthy economic growth, changing demographic profile, increasing disposable incomes, changing consumer tastes and preferences are driving growth in the organised retail market in India. The emergence of online retailers has further intensified competition in a category already operating on razor-thin margins.

The Retail industry in India has players focused of specific categories with a high margin and by developing private label brands, increasing the presence in high growth rural market, providing more assortments for private label brands, strong distribution network, gaining benefit of scale through focus ing on efficiency and productivity.

OUR BUSINESS

Business Overview

Our Company was originally incorporated as Bharti Retail Private Limited on February 7, 2007. Further, the name of our Company was changed to Bharti Retail Limited vide the necessary resolution dated April 24, 2009 and obtained fresh certificate of incorporation on May 21, 2009. Pursuant to the provisions of Composite Scheme of Arrangement the name was further changed to its present name Future Retail Limited vide its special resolution dated November 18, 2015 under the Companies Act, 2013 and obtained fresh certificate of incorporation pursuant to change of name dated May 25, 2016 from RoC.

Prior to effectiveness of the Scheme, our Company was the part of Bharti Enterprises, one of India's leading business groups. Our Company was established in the year 2007 and started its retail operations in 2008, owned and operated neighbourhood supermarket stores called easyday and compact hypermarket stores called eMarket. easyday stores are one-stop shops that cater to every family's day-to-day needs. They bring together a wide range of relevant goods, high quality products and great in-store experience and service – all under one roof. Our supermarkets offer attractive offers and prices on a wide range of everyday grocery, personal care, household need products including fresh fruits, vegetables, dairy products, meat and poultry. In our Hypermarkets, in addition to everyday food & grocery products we have an exciting range of apparel, electronics, kitchen ware, toys and stationary, etc. making it a complete one stop shop for all your monthly needs. Currently, we operate more than 200 stores under easyday format across more than 100 cities, with strong presence in key markets like Delhi NCR, Haryana, Himachal Pradesh, Punjab, Rajasthan, Uttarakhand and Uttar Pradesh states.

Pursuant to the Scheme, our Company is now a part of the Future Group, promoted by Mr. Kishore Biyani. Pursuant to the Scheme, the Retail Business Undertaking of Future Enterprises Limited was vested into our Company and Retail Infrastructure Business of our Company was vested into the Future Enterprises Limited accordingly, now our Company is an integrated multi-format retail company with presence across food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics. We focus inter alia on consumption-led businesses in India and operate, through group companies' retail stores in various formats across food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics. We intend to cater to various segments of the consumer spending space in India by providing consumers with options and quality at competitive prices.

Consequently, we have a pan India presence with 738 stores in more than 210 cities in India as of March 31, 2016 and total retail space of approximately 12.97 million sq. ft. Post Scheme, the various formats viz Big Bazaar, Food Bazaar, fbb, Foodhall, easday, KB's Conveniently Yours (including KB's Fairprice), Home Town and eZone are part our Company and as on March 31, 2016, we have 218 Big Bazaar stores, 10 Food Bazaar stores, 51 fbb stores, 4 Foodhall stores, 43 Home Town stores, 92 eZone stores and 208 easyday and 112 KB's Conveniently Yours (including KB's Fairprice) stores. The early mover advantage has not only helped us develop a wide network of stores across India in various formats but also establish brand equity for our Company as well as for our various formats. Further, our retail format business is supported by various other businesses operated by group companies and through group companies investments in various ventures including branded fashion, food and FMCG, insurance, warehousing and logistics, media, textiles and online retailing.

Our retail formats primarily comprises of, value business and home business. In our value business, our formats include, (i) "Big Bazaar", a hypermarket format that combines the "see – touch – feel" of Indian bazaars with the choice and convenience of modern retail; (ii) "Food Bazaar", a supermarket which offers the convenience of pre-packed vegetables and fruits to the consumers and also retains the Indian's preference of "see – touch – feel" created by displaying the products, FMCG and daily use products; (iii) "fbb", an affordable fashion destination; and (iv) "Foodhall", a premium supermarket. (v) "easyday", "KB's Conveniently Yours" and "KB's Fairprice", convenient stores which offers the pre-packed vegetables and fruits to the consumers, FMCG and daily use products. In our home business, we operate (i) "Home Town", a one-shop destination for home improvement; and (ii) "eZone", a consumer durable and electronics chain

For the financial period ended March, 31 2016, our total revenue, was Rs. 6844.96 crore for the twelve months period ended March 31, 2016. Further, our Profit Before Tax was Rs. 14.55 crore and Profit After Tax was Rs. 14.55 crore on standalone basis, for the financial period ended March 31, 2016

Our Company also undertook the present reorganisations activities pursuant to the Scheme to realign its corporate structure and consolidate its operations. For details, see "History of our Company and certain corporate matters" on page 80.

- In the year 2016, Our Company was awarded with Most Admired Food & Grocery Retailer of the Year from National Supermarket – Private Label Development (Coca Cola Golden Spoon Awards).
- In the year 2016, Big Bazaar won the 'Images Most Admired Food & Grocery Retailer of the Year in Food & Grocery category.
- In the year 2016, our Company was awarded with IMAGES Most Admired Food & Grocery Retailer of the Year for Effective Technology Application and Increase in store count and retail space.

- In the year 2015, Big Bazaar was awarded with the title of 'Best Retail Shopping Destination' for the year 2015 at Retail India.
- In the year 2015, Our Company was awarded with India's Best Companies to Work For.Retail Sector-2015 (Great Place to Work): 6th Rank and Most Admired Food & Grocery Retailer of the Year. National Supermarket – Private Label Development (Coca Cola Golden Spoon Awards).
- Foodhall was awarded with the ‘Most Admired Food & Grocery Retailer’ at the 7th Coca Cola Golden Spoon Awards 2014.
- In the year 2011, Our Company was awarded, Limca Book of Records (National Record 2011) for creating largest T-shirt at Mahagun Mall-Ghaziabad

Award Given to Bharti Walmart:

IFCA (formerly known as PFFCA) Star-2011 Award. Bharti Walmart’s Private Brand ‘Great Value’ Navratan Mixture has won the IFCA Star-2011 Award in the category ‘Structural and Graphic Design for Improved Aesthetics’.

Our Competitive Strengths

Our key competitive strengths are as follows:

Understanding of the retail sector and evolving needs of the Indian consumer

With about 19 years of experience in the retail business, we have developed an understanding of the retail and consumption-led sectors in India. We believe that our insights into consumer behaviour have contributed to the development of our various retail formats. This insight has enabled us to strategize, develop and promote new retail formats to cater to the evolving needs of an Indian consumer. Further, our operations in various lines of businesses enable us to cross sell the products across formats. We cater to the requirements of various segments of the consumer spending space in India through our formats like Big Bazaar – a hyper market, Food Bazaar, Foodhall, KB’s Conveniently Yours (including KB’s Fairprice) stores and easyday – supermarkets, fbb – a fashion destination, Home Town – one-shop destination for home improvement and eZone – a consumer durable and electronics store.

Our early mover advantage

Future Group started retail format business in 1997 in Kolkata and as of March 31, 2016 we operate 738 stores in various formats in more than 210 cities in India. We believe that our early mover advantage has not only helped us develop a wide network of stores across India in various formats but also establish brand equity for our Company as well as for our various formats. It has also enabled us to lock in key locations for our format stores at competitive rentals in various cities in India. Our early mover advantage has enabled us to create efficient processes to cater the Indian consumers.

Identification of strategic locations for the stores

We have dedicated teams which enables us to evaluate the requirement of new stores and identify strategic locations for our stores. Various factors including the demand for a particular product in that region, competition, brands already operating, number of stores of the brand proposed to be established, population, purchasing power, demographics, growth potential, local laws, and others are considered while deciding the requirement of a store and the location. After analysis of these factors, our teams finalise the location, obtain necessary approvals, complete fit out activities and commence operations.

This has allowed us to increase our stores to 738 stores as of March 31, 2016 across various formats in more than 210 cities in India. Through such an expansion, we believe that we have developed our domain knowledge and expertise that enable us to execute our projects in multiple locations at competitive costs and in minimal time.

Nation-wide presence

Our presence in more than 210 cities across India, through 738 stores in various formats including food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics, is geared to cater the Indian consumers. Due to the scale that we have achieved over the past 19 years, we have been able to understand and implement the relevant processes to make our front end and back end functions and execution capabilities efficient. We have been able to increase the scope of our operations at a consistent pace and provide efficient and convenient offerings to our consumers. Further, due to our scale and presence across India, we have been able to develop efficient category management processes that enable us to offer competitive deals to our consumers.

Our brand equity

We have developed well recognized formats like Big Bazaar, Food Bazaar, fbb, Foodhall, KB’s Conveniently Yours (including KB’s Fairprice), easyday, Home Town and,eZone. Due to the recognition and acceptability of these formats, we

have been able to develop pan India presence with a loyal consumer base, as of March 31, 2016, of approximately 12.03 million members across formats. As our business is driven by consumer spending, we believe that our presence across India and wide consumer base ensure that we are well positioned to grow our business.

Our entrepreneur led and professionally managed, experienced team

We have an experienced professional management team led by Mr. Kishore Biyani, the Managing Director of our Company. He is one of the leading entrepreneurs in the retail sector in India. Our management team consists of a team of professionals with relevant domain expertise and retail oriented functional specializations from FMCG and service industry background with professional qualification in their respective fields. Further, our management team has been able to complement our expansion with the ability to create adequate systems and processes. Our management team is complemented by a committed work force that enables us to operate, synergise and integrate our front-end and back-end operations efficiently. Our human resources policies aim to create an engaged and motivated work force, which is essential for success in any service oriented industry such as ours. Our human resources and retention policies, that include training programs, aim to create a motivated work force, which is essential for the retail industry.

Our Strategy

We intend to maintain and enhance our position as a leading retail entity through continued focus on the Indian market and investing further in our competitive strengths to grow our business. The key elements of our business strategy include:

Increasing our share in the consumer spend through increase in our consumer base, consumer loyalty and expansion of our operations

We intend to enhance our consumer base through increasing our presence in various cities in India and drive cross spending across various formats. We are specifically focusing to achieve a larger share of consumption spending in our existing markets. We intend to increase our share in the consumer spending in India by launching new formats or by adding categories to our existing product range to cater to consumers across Indian society in various consumption spaces. Pursuant to the same, we have launched Big Bazaar Direct to reach out to the consumers that are not catered by physical stores and book orders on customized tablets. We are also in the initial phases of developing omni channel retailing which will enable us to sell our products on every platform such as physical stores, online retailing, assisted e-commerce platforms, on television or outdoor medium, or on mobile platforms.

We also leverage our existing consumer base by cross selling products through initiatives like issuing cross format discount vouchers. We have initiated various programs to encourage movement of consumers across our formats and to retain and add more consumers to the existing base such as Big Bazaar Profit Club and Payback Loyalty Program.

To expand our operations, we intend to continue to identify properties that we believe may be viable retail property spaces at strategic locations and enter into arrangements to lock such properties for our formats to be launched in the future. We are at various stages of negotiations to enter into arrangements for locking such retail property for our future requirements to open stores and expand our formats. This will enable us to maintain our position as one of the leading retailer in India.

Expand our product portfolio

Our formats offer wide range of products to various segments of the consumer spending space in India. With our products offerings, our formats have reached a critical mass and are being accepted amongst consumers. Our operations are closely connected with the consumer preferences and changing choices and accordingly, it is imperative for us to forecast and continuously identify the changing demands of our consumers. Towards this end, we have, and intend to continue to identify and evaluate consumer demand across regions and expand our product portfolio in terms of new brands and new products, in both, value business and home business.

Enhance focus on efficiency, cost and return by leveraging our retail space, inventory and network

Over a period of time, we have created retail footprint across various cities in India by identifying strategic locations for our retail formats. As of March 31, 2016, we operate through 738 stores in more than 210 cities in India. We intend to leverage the space occupied by our existing retail formats to generate higher return on investment. In order to improve the retail sales per square feet, we have made various efforts including rationalization and operation of our format stores in optimum space, exiting from the underperforming stores and product categories with lower returns.

We will also focus on increasing the products with higher margin in our product portfolio. This will enable us to improve the stock turn by changing the product mix, changing assortment and increasing average selling price.

We are, and will continue to consolidate our supply chain network to improve the stock turn by improving stock movement, replenishment and fill rates. We will improve our network efficiency by adding more stores in existing markets.

To develop talent and skilled workforce and inculcate good business practices

We believe that the key to our success will be our ability to continue to maintain and grow a team of talented and experienced professionals. We have been successful in building such a team and intend to continue placing special emphasis on managing attrition and attracting, training and retaining our employees. We intend to recruit best available talent across various industries, train them as per our value system and provide them opportunities to learn, experiment and innovate.

We intend to continue to encourage our employees to be enterprising and contribute constructively to our business through effective training and management. Pursuant to our focus on effective training of our employees, we undertake internal training programmes like 'Avatar', 'Stride- Store Karta Identification and Development Program', 'Store Guru', Store Product Training through online platform and 'LEAP'.

Reorganisation of our corporate structure and our asset light strategy

Pursuant to the Scheme and with aim to simplify the corporate structure, achieve greater administrative efficiency, elimination of capital expenditure, consolidation of retail operations into one entity and consolidation of infrastructure operations into other entity, we have created asset light model.

Divestments

Our Company has not made any divestment in last three financial years.

Proposed Investments

Currently there are no investments to be made by Our Company; nonetheless Our Company may evaluate investment opportunities in the Retail Sector.

Our Business

We undertake our business through retail formats which are geared to cater 'consumption spending' in various lines of businesses. Our retail format business is also supported by other businesses operated by our group companies including branded fashion, food and FMCG, insurance, warehousing and logistics, media textiles and online retailing.

Retail Formats

In retail format business, we undertake our operations as (i) value retail business; and (ii) home retail business. Each of these businesses comprises of the following formats:

Value retail business

Big Bazaar

Big Bazaar operates as a hypermarket and is designed as an agglomeration of bazaars, providing a hospitable ambience to cater to urban Indian consumer. The first Big Bazaar store was launched in October 2001 in Kolkata. It offers products across categories like food, fashion apparels, accessories and footwear, general merchandise and home improvement, consumer durables and electronics. At Big Bazaar stores, we believe in offering quality products at affordable prices to the consumers. At Big Bazaar, we continue to offer several promotional offers to our consumers. Big Bazaar was awarded with the title of 'Best Retail Shopping Destination' for the year 2015. As of March 31, 2016, we operated 218 stores in Big Bazaar formats across the Country.

We have also introduced 'Big Bazaar Direct' as a platform wherein the franchisee owners can reach out to the consumers who are not catered by physical stores and book orders and collect money on customized tablets. As of March 31, 2016, it was present in more than 100 cities and some of such cities do not have a physical Big Bazaar store.

Food Bazaar

We operate formats such as 'Food Bazaar' that caters to the consumption spending space in the food and FMCG category.

We forayed into food retailing with Food Bazaar in July 2002. We operate it as part of Big Bazaar as well as a standalone outlet. The first standalone Food Bazaar outlet was launched in financial year 2004. Food Bazaar provides a wide product range including fruits, vegetables and staples, ready-to-cook products, processed and non-processed food, FMCG products, health and specialty foods. Food Bazaar offers its products at competitive prices and provides the Indian consumers the convenience of pre-packed commodities while retaining the Indian's preference of "see - touch - feel" by displaying its products.

As of March 31, 2016, we operated 10 standalone Food Bazaar stores.

fbf

Amongst the lines of business that we operate in, fashion has been our core focus. This format is as an initiative to offer fashion clothing, accessories and footwear at an affordable price range for all age groups. We pooled in our resources in fashion design, merchandizing, operations, visual merchandizing and communication to recreate the entire category, the stores and create the new format of 'fbf'. The merchandise includes apparels, accessories and footwear for women, men and kids. fbf is also title sponsor of Femina Miss India.

As at March 31, 2016, we operated 51 standalone fbf stores as well as a section within 218 Big Bazaar stores across the country.

Foodhall

We launched Foodhall in Mumbai in May 2011 as a premium food supermarket which is a one – stop shop offering wide range of products, Indian and international, including assortment of fresh and packaged foods, staple food, breads, snacks, desserts and savories and premium kitchen accessories. We also offer 'live bakery' and 'live kitchen' facilities at Foodhall. Foodhall was awarded with the 'Most Admired Food & Grocery Retailer' at the 7th Coca Cola Golden Spoon Awards 2014.

As of March 31, 2016, there are four Foodhall stores, one each in Mumbai, Bengaluru and two in NCR.

easyday

easyday operates as a supermarket store which is one-stop shops that cater to every family's day-to-day needs. We launched our first easyday supermarket store in Ludhiana in 2008. It brings together a wide range of relevant goods, high quality products and great in-store experience and service – all under one roof.

Our easyday supermarket format offer a wide range of everyday grocery, personal care, household need products including fresh fruits, vegetables, dairy products, meat and poultry at attractive offers and prices.

easyday was recognized as one of the top ten employers to work for, in retail industry, by the Great Place to Work Institute in February 2015. easyday was awarded for its 'Private label brands' at the Coca Cola Golden Spoon Awards 2015.

As at March 31, 2016 we operated 208 supermarket easyday stores across more than 100 cities, with strong presence in key markets like Delhi NCR, Haryana, Himachal Pradesh, Punjab, Rajasthan, Uttarakhand and Uttar Pradesh states.

KB's Conveniently Yours stores (including KB's Fairprice)

KB Conveniently Yours format are engaged in business of retailing of groceries and food products through general convenience stores under the brand name of KB's Fairprice, Big Apple, KB's Conveniently Yours (. These stores are mainly, running as franchisee stores.

The store aims to be well-stocked with products that sell the most in the locality and offers a mix of 'Good-Better-Best' range of products within each category driven by localization and the area level potential.

The stores offer a wide range of products including fresh fruits and vegetables, staples and grocery item, processed foods, home care, personal care and general merchandise.

We are focusing on increasing their penetration in NCR and Mumbai.

As at March 31, 2016 we operated 112 KB's Conveniently Yours (including KB's Fairprice) stores in 2 cities.

Home retail business

Home Town

Home Town is a large format store providing hard and soft furnishing. We opened our first Home Town in Noida in 2007. Home Town is a one-stop destination for home-making solutions offering an array of home-making products including furniture, modular kitchens, lighting, furnishings, mattresses and crockery at affordable prices.

As at March 31, 2016 we operated 43 Home Town stores (including Home Town Express) in 28 cities.

eZone

eZone operates as standalone stores as well as within other stores such as Home Town and Big Bazaar. The first eZone store was launched in Indore in April 2006 and each eZone store provides dedicated zones to enable similar type of electronics offering. This format offers various personal products, entertainment products and home appliances. To make such electronics

affordable to a greater audience we have introduced yearly sale such as 'BlindFold Sale' and 'Zero Margin Sale'. This wide range caters to the requirements of our consumers and at the same time provides a variety of products to choose.

As at March 31, 2016, we operated 92 eZone stores in 30 cities.

Other operations

Our retail format business is supported by various other businesses operated by our group companies including branded fashion, food and FMCG, insurance, warehousing and logistics, textiles and online retailing.

Intellectual Property

As we leverage our brand equity for our growth and development of various formats, we have undertaken registrations of trademarks and associated logos for our formats. Future Ideas Company Limited ("FICL"), a Future Group company, owns the trademark in the brand and logo of 'Future' and 'Future Group' (the "**Trademarks**"). Pursuant to the Mater License Agreement dated October 11, 2010 (the "**Agreement**") with FICL and subsequent amendments and assignment., FICL has granted a non-exclusive and non-transferable licence to use the Trademarks in, *inter alia*, marketing and advertisements of our products and services during the term of the Agreement and, with the written consent of FICL, for business activities outside India. The Agreement requires us to make payment of royalty to FICL on a quarterly basis. The Agreement also allows the use of Trademarks by our Subsidiaries. The Agreement is valid with effect from April 1, 2010 unless terminated earlier by the parties in accordance with the Agreement.

Competition

We face competition from various other retailers that operate stores in formats similar to ours as well as those retailers who sell retail products similar to the ones sold by us through small retail stores. These include standalone stores in the organized and unorganized sector, as well as other chains of stores including department stores. We face significant competition from the online retailers across retail categories which led to a fragmented and highly competitive ecommerce market in India. However, we believe that our position as one of the leading retailers in India with a nation-wide network of stores in various format provides us a competitive edge.

Information Technology

Information Technology and its management is one of the key elements of our corporate functions as the same has an impact on the scalability, connectivity, security and realtime availability of information for our formats.

We have a fully integrated transaction processing system which accumulates real time data with respect to key functions such as merchandise management, procurement, warehousing, logistics, inventory management, store operations and financial management.

We have migrated our core enterprise resource planning platform from SAP ECC 5 to SAP ECC 6. The new platform allows higher functionality, more optimized resource planning and higher levels of business support. Our Company consolidated the entire in-store server room technology infrastructure into a single box – Micro Data Center. This initiative has enabled us in optimization of the back-end store space which can now be used for retail business needs. It also reduces time-to-market of new stores and unifies remote monitoring and maintenance with report and dashboards for performance management. With the aim of improving consumer experience and faster checkout, we have also introduced new age scanners within stores. These high speed scanning devices improve scanning efficiency thereby resulting in faster checkouts and reduced queuing. As these scanners are hands free, the cashier can be more attentive to the consumers.

Human Resources

Human Resource is one of the critical support functions and forms another key element of the corporate backbone. As of March 31, 2016, we employ approximately 32000 employees located at head office, zonal offices, retail stores across the Country.

Our Company has a dedicated human resource team which takes care of acquisition, development and retention of skills and talent in a way that supports the accomplishment of our Company's goals and objectives. Our Company believes in creating a culture and environment that allows it people resources to utilize their skills, knowledge and leadership abilities and collectively in serving the consumers.

Insurance

We have insured all our stores, distribution centres, warehouses, offices and other assets against fire and allied risks. We have also insured our stocks against housebreaking, burglary and theft risks. We review the adequacy of the insurance cover at periodic intervals. Further, we also have an adequate coverage for loss of money while in transit, or loss from safe or cash counter caused by robbery, theft or other fortuitous event.

We are insured for the directors and officers' liability covering the loss suffered for any wrongful act done by a director or officer of our Company in such capacity. We are also covered by fidelity policy, which protects us against internal employee frauds. We are also covered by commercial general liability policy, which covers our customers for accidents arising in our premises and group personal accident policy for death or bodily injury suffered by the customers. Apart from workmen's compensation policy, we also cover our employees with group mediclaim policy, which also includes hospitalisation benefits and group life insurance policy to all our employees. Also, see "Risk Factors – Uninsured losses or losses in excess of our insurance coverage could result in a loss of our investment." on page 15.

Properties

Our Company has taken on license basis premises of its registered office and occupies its corporate office on a lease and license basis for a period of four years with effect from January 01, 2016

As of March 31, 2016, we operate our business through 738 stores across various formats spanning in more than 210 cities. We do not own any of the property from which we operate our stores and the same is taken on lease through various arrangements that include lease, lease and license, business conducting agreements. Also see, "Risk Factors – Competition may impede our ability to renew leases or licences entered into by us." on page 11.

Infrastructure and Sourcing of apparels for operating the Retail Business

Future Enterprises Limited builds the infrastructure required for operating our Retail formats and incurs the necessary capital expenditure before the Retail store goes into commercial operation.

Our Company has taken the infrastructure for operating our retail business on a long term operating lease from Future Enterprises Limited. The lease has been made effective with effect from Appointed Date. The Agreement would be for a period of nine years with lock in of five year period. As per the arrangement, the Company would continue to avail the infrastructure for new stores to be opened by the Company in future.

REGULATIONS AND POLICIES

Key Industry Regulations and Policies

The following description is a summary of the relevant laws, regulations and policies as prescribed by the Government of India that are applicable to our business. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to investors and are neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

For details of government approvals obtained by our Company, see the chapter titled “Government Approvals and Licenses” on page 231

Laws regulating retailing and Selling of Food Products and other Goods

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (the “**Metrology Act**”), was brought into force vide notification, dated December 31, 2010, issued by the Ministry of Consumer Affairs, Food and Public Distribution, Government of India, replacing the Standard of Weights and Measures Act, 1976, with effect from March 1, 2011. The Metrology Act was enacted with the purpose to establish and enforce standards of weights and measures and regulate trade and commerce in weights, measures and other goods, which are sold or distributed by weight, measure or number.

The Food Safety and Standards Act, 2006

The Food Safety and Standards Act, 2006 (the “**FSSA**”) has replaced the Prevention of Food Adulteration Act, 1954 (the “**PFA Act**”), vide notification dated August 4, 2011, issued by the Ministry of Health and Family Welfare (the “**Ministry of Health**”). The FSSA was enacted with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto.

The Ministry of Health, vide notification dated August 1, 2011, introduced the Food Safety and Standards (Licensing and Registration of Food Businesses), Regulations 2011 (the “**FSS (Licensing) Regulations**”), which contains the provisions regarding the requirements and procedure of licensing and registration of persons engaged in the food business. Any person engaged in the food business, holding a license under the PFA Act, will be required to convert the existing license to a license under the FSS (Licensing) Regulations, after complying with the requirements of the FSS (Licensing) Regulations, within one year from the date of the notification dated August 1, 2011.

Laws Regulating Labour and Workmen

The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952

The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 (the “**EPF Act**”) was introduced with the object to establish provident funds, pension funds and deposit-linked insurance funds for the benefit of employees in factories and other establishments. The EPF Act is applicable to all establishments which employ more than 20 persons, and to factories specified in Schedule I of the EPF Act which employ more than 20 persons. The funds constituted under the EPF Act consist of contributions from both the employer and the employees, in the manner specified in the EPF Act. The central or state government, as the case may be, may by a notification in the official gazette grant exemption to establishments or factories from the application of all or any of the provision of the EPF Act, if it is of the opinion that the employees in such establishments or factories receive benefits which are not less favourable than the benefits provided under the EPF Act.

The Employees’ State Insurance Act, 1948

The Employees’ State Insurance Act, 1948 (the “**ESI Act**”) was enacted with the object to setup the employees’ state insurance fund, funds of which shall be used to provide benefits to employees in case of sickness, maternity and employment injury. Both the employer and the employees are required to make contributions to the employees’ state insurance fund, in the manner provided under the ESI Act. The ESI Act applies to all establishments and factories including governmental factories (other than seasonal factories), which employ 10 or more employees and carry on a manufacturing process.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 (the “**Minimum Wages Act**”), has been enacted to secure the welfare of the workers in a competitive market by providing for a minimum limit of wages in certain employments. The central or state government(s) are authorised to fix minimum wages for employments mentioned in the schedule of the Minimum Wages Act. An employer

is under an obligation to pay the minimum wages as fixed by the appropriate authorities and under no circumstance can an employer be exempted from its obligation to pay minimum wages as fixed under the Minimum Wages Act.

Payment of Wages Act, 1936

The Payment of Wages Act, 1936 (the “**Payment of Wages Act**”) has been enacted to regulate the period and payment of wages, overtime wages and deductions from wages and also to regulate the working hours, overtime, weekly holidays of certain classes of employed persons. The Payment of Wages Act contains provisions as to the minimum wages that are to be fixed by the appropriate governments for the employees, entitlement of bonus of the employees, fixing the payment of wages to workers and ensuring that such payments are disbursed by the employers within the stipulated time frame and without any unauthorized deductions.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 (the “**Payment of Gratuity Act**”), provides for a scheme for the payment of gratuity to employees engaged in factories, mines, oilfields, plantations, ports, railway companies, and shops and other establishments wherein 10 or more persons are employed, or were employed in the preceding 12 months. The Payment of Gratuity Act enforces the payment of gratuity, being a reward for long service, as a statutory benefit on the termination of employment of any employee who has rendered continuous service for not less than five years. The central or state government may exempt any employer from the application of the provisions of the Payment of Gratuity Act, if the gratuity or pensionary benefits paid or payable by such employer are more favourable than the benefits provided under the Payment of Gratuity Act. The Payment of Gratuity Act was amended in 2010 through the Payment of Gratuity (Amendment) Act, 2010, to increase the amount of maximum gratuity payable from Rs. 0.35 million to Rs. 1 million.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 (the “**Payment of Bonus Act**”), provides for the payment of bonus (linked with profits or productivity) to the employees of certain establishments. The Payment of Bonus Act applies to every factory, every other establishment employing 20 or more persons (including part time employees) on any day during an accounting year and any establishment specified by the Central Government, which employs less than 20 persons but more than 10 persons. The Payment of Bonus Act covers all employees doing any skilled or unskilled manual, supervisory, managerial, administrative, technical and clerical work for hire or reward and whose salary does not exceed Rs. 10,000 per month. The minimum bonus to be paid to each employee is either 8.33% of the salary or wage or Rs. 100, whichever is higher, and must be paid irrespective of the existence of any allocable surplus or profits.

The Employees’ Compensation Act, 1923

The Employee’s Compensation Act, 1923 (the “**Employees’ Compensation Act**”), was framed with a view to provide compensation to workmen (or their dependants as the case may be), including those employed by a contractor, due to such workmen, for disablement, either partially or fully, or death, caused by an injury from an accident arising out of and in the course of employment. However, no compensation shall be payable if the injury does not result in the disablement of the workman for a period of more than three days or if such workman was, at the time of such injury, under the influence of drugs or alcohol, or if such workman willfully disobeyed and disregarded the safety rules prescribed by the employer.

The Maternity Benefit Act, 1961

The Maternity Benefit Act, 1951 (the “**Maternity Benefit Act**”), was enacted to regulate the employment of women in certain establishments for certain periods before and after child birth and to provide for maternity benefit and certain other benefits. The Maternity Benefit Act is applicable to every factory, mine or plantation, and to every shop and establishment wherein 10 or more workers are employed. Any woman who has worked for at least 80 days in the 12 months immediately preceding her expected date of delivery is entitled to receive maternity benefits under the Maternity Benefit Act. The maximum period for which a woman shall be entitled to maternity benefit is 12 weeks, of which not more than 6 weeks shall precede the date of her expected delivery. For this period of absence, a woman must be paid maternity benefit at the rate of the average daily wage.

State specific Shops and Commercial Establishments Legislations

Under various state laws dealing with shops and establishments, any shop or commercial establishment has to obtain a certificate of registration under the applicable shops and commercial establishments legislation and has to comply with the rules laid down therein. These statutes and rules and regulations framed thereunder regulate the opening and closing hours of shops and commercial establishments, daily and weekly work hours, closing dates and holidays, health and safety of persons working in shops and commercial establishments, payment of wages, maintenance of records and registers by the employers, among others. The following state shops and commercial establishments are applicable to our Company:

- Gujarat Shops and Establishments Act, 1948;
- Delhi Shops and Establishments Act, 1954;
- Madhya Pradesh Shops and Establishments Act, 1958;
- Punjab Shops and Commercial Establishments Act, 1958;
- Rajasthan Shops and Commercial Establishments Act, 1958;
- Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962;
- Bihar Shops and Establishments Act, 1953; and
- Jammu and Kashmir Shops and Establishments Act, 1966.

Laws Regulating Transfer of Property

The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (“**TP Act**”), establishes the general principles relating to the transfer of property including, amongst other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

The TP Act deals with the various methods in which transfer of property takes place, including transfer of immovable property or any interest in relation to that property. The transfer of property, as provided under the TP Act, can be through various modes such as sale, gift etc., while an interest in the property can be transferred by way of a lease or mortgage.

The Registration Act, 1908

The Registration Act, 1908 (the “**Registration Act**”) has been enacted with the object of providing a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property. The Registration Act also mentions the documents that require compulsory registration which includes, amongst other things, any non-testamentary instrument which purports or operates to create, assign, limit or extinguish, any right, title or interest in an immovable property of the value of Rs. 100 or more, and a lease of immovable property from year to year or reserving a yearly rent.

An unregistered document, which as per the provisions of the Registration Act requires compulsory registration, will not affect the property comprised in it, nor will it be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered.

The Indian Stamp Act, 1899

Stamp duty in relation to certain specified categories of instruments, as specified under Entry 91 of the Union list, are governed by the provisions of the Indian Stamp Act, 1899 (the “**Stamp Act**”) which is enacted by the Government of India. Certain states in India have enacted their own legislation in relation to stamp duty, while the other states have amended the Stamp Act, as per the rates applicable in the state.

The stamp duty in relation to the lease or conveyancing of any immovable property is prescribed by the respective states in which the land is situated and it varies from state to state. Instruments, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. Further, the state government also has the power to impound insufficiently stamped documents.

Tax Related Legislations

The Central Sales Tax Act, 1956

The Central Sales Tax Act, 1956 (the “**CST Act**”) provides for levy on inter-state sales. Sale is inter-state when either the sale occasions movement of goods from one state to another or when such sale is affected by transfer of documents during their movement from one state to another. The CST Act in each state is administered by the local sales tax authorities of each state, and the tax collected by the states under the CST Act is retained by them. Every dealer liable to pay tax under the CST Act is mandatorily required to register itself under this act.

However, a dealer registered under the applicable state sales tax law may voluntarily apply for registration under CST Act even if such dealer is not liable to pay central sales tax.

State Sales Tax/Value Added Tax Legislations

Intra-state sales, i.e. sale of goods within the jurisdiction of a state are levied with a value added tax (“**VAT**”) under the VAT legislation of that state. The state government has the authority to notify the rate of VAT applicable to sale of goods. Registration of a dealer, under the applicable state VAT legislation, can be either mandatory or voluntary. Registration is mandatory when the total sales turnover of the dealer exceeds the threshold limit provided in the applicable state VAT legislation. However, where the prescribed threshold limit is not breached, the dealer may, at his own option, register himself under the applicable state VAT legislation.

The following state VAT legislations are applicable to our Company:

- Gujarat Value Added Tax Act, 2003;
- Delhi Value Added Tax Act, 2004;
- Madhya Pradesh VAT Act, 2002;
- Punjab Value Added Tax Act, 2005;
- Haryana Value Added Tax Act, 2003 ;
- Rajasthan Value Added Tax Act, 2003;
- Uttar Pradesh Value Added Tax Act, 2008;
- Bihar Value Added Tax Act, 2005; and
- Jammu and Kashmir Value Added Tax Act, 2005.

Professional Tax Legislations

The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The following state professional tax legislations are applicable to our Company:

- The Gujarat Panchayats, Municipalities, Municipal Corporations and State Tax on Professions, Traders, Callings and Employments Act, 1976; and
- Madhya Pradesh Professional Tax Act, 1995, (collectively referred to as the “**Professional Tax Legislations**”)

Under the Professional Tax Legislations, every person who exercises any profession or calling or is engaged in any trade or holds any appointment, public or private, or is employed in any manner in state is liable to pay the professions tax at the specified rate. The tax payable under the Professional Tax Legislations by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him. Under the Professional Tax Legislations, the employer, who is responsible for payments of salary or wages and deduction of the professional tax thereon, has to obtain a certificate of registration from the assessing authority in the prescribed manner.

Laws Regulating Intellectual Property

The Trade Marks Act, 1999

The Trade Marks Act, 1999 (the “**Trademarks Act**”), was enacted to provide for better protection of trademarks for goods and services and for the prevention of the use of fraudulent marks. The Trademarks Act provides statutory protection to the trademarks registered in India. In India, trademarks enjoy protection under both statutory and common law. The registrar of trademarks, as appointed under the Trademarks Act, is the authority responsible for registration of the trademarks, settling opposition proceedings and rectification of the register of trademarks.

An application for registration of trademarks is made to the registrar of trademarks in the class as per the classification of goods and services mentioned in the Trade Marks Rules, 2002. Such application for registration can be made either on the basis of current use or intention to use the trademark in the future. Once a trademark is registered, such registration is valid for a period of 10 years, unless cancelled earlier. The Trademarks Act confers upon the proprietor of the trademark an exclusive right to use of the trademark in relation to the goods or services in respect of which the trademark is obtained.

HISTORY OF OUR COMPANY AND CERTAIN CORPORATE MATTERS

Incorporation

Our Company was originally incorporated as Bharti Retail Private Limited on February 7, 2007 at NCT of Delhi. Further, the name of our Company was changed to Bharti Retail Limited vide the necessary resolution dated April 24, 2009 and a fresh certificate of incorporation was obtained on May 21, 2009. Pursuant to the Composite Scheme of Arrangement, the name was further changed to its present name viz. Future Retail Limited vide special resolution dated November 18, 2015 and a fresh certificate of incorporation pursuant to change of name dated May 25, 2016 was obtained from RoC.

The certificate of incorporation bears the corporate identity number as U51909MH2007PLC268269.

For details of our Company's corporate profile, business, marketing, the description of our activities, services, market segment and growth of our Company, see 'Our Business' and 'Management's Discussion and Analysis' on pages 69 and 190, respectively.

For details of the management of our Company and its managerial competence, see "Our Management" on page 85.

History of our Company

easyday is a retail format operated by our Company, earlier part of Bharti Enterprises – Group which is headquartered in New Delhi. Bharti Group and Walmart had a joint venture company Bharti Walmart Private Limited ("BWM"), which used to conduct cash and carry business and also owned the distribution centers for procuring and supplying merchandise to Bharti Retail Limited (now known as Future Retail Limited). The technical and management support for the brand was provided by Arkansas, United States based Wal-Mart Stores, Inc., which is one of the largest retailers in the World. Bharti Enterprises announced its foray into retail in February 2007 and the first store was opened in April 2008. BWM had an agreement with Bharti Retail Limited (now known as Future Retail Limited), to supply all the merchandise requirement of Bharti Retail Limited (now known as Future Retail Limited). Bharti Walmart joint venture ended in December 2013, subsequent to which Bharti Retail Limited (now known as Future Retail Limited) managed its own procurement and supply chain. The real estate, design and construction services to easyday was provided by Cedar Support Services, an Indian company majority-owned by Bharti Enterprises.

On May 4, 2015, our Company, Bharti Group and Future Group entered into an understanding with the intention of consolidating the retail businesses as summarized in the Scheme of Bharti Group and Future Group.

Prior to effectiveness of the Scheme, our Company operated more than 200 under easyday format across more than 100 cities, with strong presence in key markets like Delhi NCR, Haryana, Himachal Pradesh, Punjab, Rajasthan, Uttarakhand and Uttar Pradesh states.

Pursuant to the Scheme, our Company is now a part of the Future Group, promoted by Mr. Kishore Biyani. Pursuant to the Scheme, the Retail Business Undertaking of Future Enterprises Limited was vested into our Company and Retail Infrastructure Business of our Company was vested into the Future Enterprises Limited. Accordingly, now our Company is an integrated multi-format retail company with presence across food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics. We focus *inter alia* on consumption-led businesses in India and operate, through group companies' retail stores in various formats across food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics. We intend to cater to various segments of the consumer spending space in India by providing consumers with options and quality at competitive prices.

Consequently, we have a pan India presence with 738 stores in more than 210 cities in India as of March 31, 2016 and total retail space of approximately 12.97 million sq. ft. Post Scheme, the various formats viz Big Bazaar, Food Bazaar, fbb, Foodhall, KB's Conveniently Yours (including KB's Fairprice), Home Town and eZone are part of our Company and as on March 31, 2016, we have 218 Big Bazaar stores, 10 Food Bazaar stores, 51 fbb stores, 4 Foodhall stores, 43 Home Town stores, 92 eZone stores and 208 easyday and 112 KB's Conveniently Yours (including KB's Fairprice) stores.

Certifications, Awards and Recognitions

Year 2016

- In the year 2016, our Company was awarded with Most Admired Food & Grocery Retailer of the Year from National Supermarket – Private Label Development (Coca Cola Golden Spoon Awards).
- In the year 2016, Big Bazaar won the 'Images Most Admired Food & Grocery Retailer of the Year in Food and Grocery category'.
- In the year 2016, our Company was awarded with IMAGES Most Admired Food and Grocery Retailer of the Year for Effective Technology Application and Increase in store count and retail space.

Year 2015

- In the year 2015, Big Bazaar was awarded with the title of 'Best Retail Shopping Destination' for the year 2015 at Retail India.
- In the year 2015, Our Company was awarded with India's Best Companies to Work For.Retail Sector-2015 (Great Place to Work): 06th Rank and Most Admired Food & Grocery Retailer of the Year. National Supermarket – Private Label Development (Coca Cola Golden Spoon Awards).

Year 2014

- Foodhall was awarded with the 'Most Admired Food & Grocery Retailer' at the 7th Coca Cola Golden Spoon Awards 2014.

Year 2011

- Limca Book of Records (National Record 2011) for creating largest T-shirt at Mahagun Mall-Ghaziabad

Award Given to Bharti Walmart:

IFCA(formerly known as PFFCA) Star-2011 Award. Bharti Walmart's Private Brand 'Great Value' Navratan Mixture has won the IFCA Star-2011 Award in the category 'Structural and Graphic Design for Improved Aesthetics'.

Main object of our Company

"To initiate, acquire, set up, construct, establish, maintain, run, operate and manage business centre, hyper markets, departmental stores, super markets, shopping malls, discount stores, specialty stores, shopping outlets, convenience stores, commercial complexes, showrooms and for purpose to give on lease or hire, to deal in, trade, import, export, market, distribute, process, pack, re-pack, move, preserve, produce, repair, wholesalers, retailers, representatives, commissions agents, franchisers and dealers of all commercial, industrial, scientific, household, domestic, forest and food products and services, consumers goods, consumer durables and other consumer's necessities of every kind, make and sorts, whatsoever, including cosmetic, pharmaceuticals, automobile, plants, machineries, equipments, apparatus, gadgets, appliances, computer hardware, computer parts, softwares, components, communication equipments, petroleum products, steel, accessories, spare parts or other merchandise such as food products, confectionary, beverages, beer, housekeepers, licensed victuallers, wine and spirit merchants, tea, coffee and refreshment rooms, café, ice cream parlors, video parlors, jute textiles, linens, furnishing fabrics and fabrics of all kinds, readymade garments and clothing, lingetic, hosiery, leather, rubber and plastic products, footwares, and glass wares, enamelwares, earthenwares, porcelain wares, handicrafts, antiques, accessories, home décor items, furniture, stationary, personal care products, toiletries, metals, cookerries, precious and semi precious stones, paper and paper products, perfumery, engineering goods, health and beauty products, pets and supplies, household chemicals, impulse merchandise, oil seeds toys, sporting goods, automotive, hardware, paint and accessories, housewares, small appliances, lawn & garden, home furnishings, seasonal, horticulture, large appliances, wireless, fabrics and craft, domestic goods, curtains and drap, bedding, means wear, boys wear, infants/toddlers, girls wear, ladies socks, sheer hosiery, sleepwear, bras & shapewear, accessories, ladieswear, swimwear, outerwear, seafood, meat-fresh & frozen, floral, dairy products, frozen foods, commercial bread, bakery, candy and tobacco, grocery dry goods, grocery, liquor, wine, beer, pharmacy, jewelry and sunglasses, shoes optical-frames, optical-lenses, cameras photo films and reels, concept stores, optical-doctors, financial services, electrical & electronic goods and all other types of general good, consumables, materials, accessories, commodities and equipments or any other general merchandise or services of every nature, types and descriptions on ready or forward basis."

Major changes in the Registered Office address

Sr. No.	Date of resolution	Address of the registered office prior to the change	Address of the registered office after the change	Reason for the change
1.	May 4, 2015	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj Phase II, New Delhi – 110070, Delhi, India	6 th & 7 th Floor, Interface Building No. 7, Link Road, Malad (West), Mumbai-400064, Maharashtra, India	For the purpose of Composite Scheme of Restructuring with Future Enterprises Limited.
2.	May 2, 2016	6 th & 7 th Floor, Interface Building No. 7, Link Road, Malad (West), Mumbai-400064, Maharashtra, India	Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai-400 060	For better operational convenience and at same location where various future group companies registered offices are located.

Major events and milestones of our Company

For details, see “Capital Structure” and “Composite Scheme of Arrangement” on pages 42 and 36.

Amendments to the Memorandum of Association

Since Incorporation, the following amendments have been made to the Memorandum of Association of our Company:

Sr. No.	Date of passing resolution	Reason for such change
1.	March 20, 2008	Increase in Authorised Share Capital from Rs. 1,00,000 to Rs. 5,00,000
2.	November 26, 2008	Increase in Authorised Share Capital from Rs. 5,00,000 to Rs. 50,00,00,000
3.	April 24, 2009	The name of our Company was changed from Bharti Retail Private Limited to Bharti Retail Limited.
4.	July 23, 2009	Increase in Authorised Share Capital from Rs. 50,00,00,000 to Rs. 1,00,00,00,000
5.	March 2, 2010	Increase in Authorised Share Capital from Rs. 1,00,00,00,000 to Rs. 1,00,05,00,000 Pursuant to the Amalgamation of <i>Bharti Retail Resources Pvt. Ltd.</i> “BRRPL” with our Company. The said order was made effective on March 2, 2010.
6.	September 30, 2010	Increase in Authorised Share Capital from Rs. 1,00,05,00,000 to Rs. 2,00,05,00,000
7.	May 16, 2011	Increase in Authorised Share Capital from Rs. 2,00,05,00,000 to Rs. 8,00,00,00,000
8.	March 5, 2014	Increase in Authorised Share Capital from Rs. 8,00,00,00,000 to Rs. 14,00,00,00,000
9.	March 23, 2015	Increase in Authorised Share Capital from Rs. 8,00,00,00,000 to Rs. 25,00,00,00,000
10.	May 4, 2015	Shifting of Registered office from Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj Phase II, New Delhi – 110070, Delhi, India to 6 th and 7 th Floor, Interface Building No. 7, Link Road, Malad (West), Mumbai 400064, Maharashtra, India i.e. from the state of Delhi to the state of Maharashtra.
11.	November 18, 2015	The name of our Company was changed from “Bharti Retail Limited” to “Future Retail Limited”, for which the certificate of incorporation pursuant to change of name was received on May 25, 2016 from RoC.
12.	May 1, 2016	Pursuant to reduction of paid up Equity Share Capital and reorganization of Authorised Share Capital as provided in the order.

Corporate Profile of our Company

For details of our Company’s corporate profile, business, marketing, the description of our activities, services, products, the growth of our Company, standing of our Company in relation to prominent competitors with reference to our products and services, environmental issues, technology, major suppliers, major customers, geographical segment and management, see “Our Business” and “Management’s Discussion and Analysis” on pages 69 and 190, respectively.

For details of the management of our Company and its managerial competence, see “Our Management” on page 85.

Injunctions or restraining order against our Company

There are no injunctions or restraining orders against our Company

Our Company has 45,521 shareholders, as on date of this Memorandum. For details, see “Capital Structure” on page 42.

Our Company has not revalued its assets during the last five financial years.

Our Company through a special resolution dated August 11, 2015 had altered its Memorandum of Association for change of registered address from Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj Phase II, New Delhi – 110070, Delhi, India to 6th & 7th Floor, Interface Building No. 7, Link Road, Malad (West), Mumbai-400064, Maharashtra, India and received the fresh certificates for the same dated September 11, 2015. Further, the registered office of our Company was shifted from 6th & 7th Floor, Interface Building No. 7, Link Road, Malad (West), Mumbai-400064, Maharashtra, India to present location situated at “Knowledge House”, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai-400 060 through a resolution dated May 2, 2016.

Summary of Agreement related to upside sharing

Implementation Agreement dated May 4, 2015 (the “Implementation Agreement”) amongst our Company (Formerly known as Bharti Retail Limited), Bharti Enterprises Limited, Cedar Support Services Limited (“Cedar”), Future Corporate Resources Limited, PIL Industries Limited and Future Enterprises Limited (formerly known as Future Retail Limited) (the “Parties”) for completion of consolidation of the businesses and deciding the upside sharing of the consideration with Cedar.

The Parties have entered into an Implementation Agreement to record the consideration for the sale of the shares of the Company and Future Enterprises Limited held by Cedar (“**CEDAR Shares**”) including shares arising upon conversion of the OCDs to be issued by the Company to existing holders of optionally convertible debentures (“**OCDs**”) of the Company aggregating to Rs. 154.20 crores retained in the Company as part of the Retail Business Undertaking, and shares arising upon conversion of the OCDs to be issued by Future Enterprises Limited to existing holders of optionally convertible debentures (“**OCDs**”) of the Future Enterprises Limited aggregating to Rs. 95.80 crores transferred to Future Enterprises Limited as part of the Retail Infrastructure Business Undertaking, or the redemption amount of the said OCDs of both the Companies. These OCDs would be convertible into equity shares of the respective companies at the option of these companies, at the price prescribed under SEBI (ICDR) Regulations, 2009 for preferential issue of securities on the date of conversion at the option of the respective companies, at the price prescribed under SEBI (ICDR) Regulations for preferential issue of securities on the date of conversion. On sale of the equity shares (including shares arising on conversion of OCDs with interest or the redemption amount of OCDs) of Future Enterprises Limited and Future Retail Limited by the shareholders and OCD holders of Bharti group have agreed to an upside sharing arrangement with Future Enterprises Limited and Future Retail Limited.

In terms of the Implementation Agreement, cumulative consideration paid or transferred, in respect of a transfer by way of a third party sale, excluding certain transfers, taxes and other stock exchange charges (“**Cumulative Consideration**”) after the expiry of the total lock-in period is as follows:

- a) If the sale proceeds are between Rs. 950 Crores and Rs. 1450 Crores, then (i) Cedar shall subscribe to a total of 10,000 equity shares of FRL by paying FRL an amount equal to the FRL first upside sharing contribution;
- b) If the sale proceeds are between Rs. 1450 Crores and Rs. 1950 Crores then (i) Cedar shall subscribe to a total of 10,000 (ten thousand) equity shares of FRL by paying FRL an amount equal to the FRL second upside sharing contribution; and
- c) If the sale proceeds are greater than Rs. 1950 Crores then (i) Cedar shall subscribe to a total of 10,000 equity shares of FRL by paying FRL an amount equal to the FRL third upside sharing contribution.

FRL upside sharing contribution formula will mean ratio of the consideration received on sale of FRL Equity shares to the consideration received on sale of FEL Equity Shares as on the date of transaction.

Other than as mentioned in this Memorandum, there is no agreement executed between any of our shareholders and our Company.

Acquisition of Business

Our Company has not acquired any new business or undertakings after March 31, 2016.

Collaborations

Our Company has not entered into any collaboration with any third party as per paragraph (VIII) (B) (1) (c) of Part A, Schedule VIII of the SEBI Regulations.

Strategic/Financial Partners and Other Material Contracts

Our Company does not have any strategic/financial partners or has not entered any material contracts other than in ordinary course of business. However, pursuant to the Scheme, our Company is in the process of completing necessary documentation including required agreements to give effect to the Scheme.

Holding Company of our Company

There is no holding company of our Company as on the date of this Information Memorandum.

Subsidiaries of our Company

There is no subsidiary of our Company as on the date of this Information Memorandum.

Reorganisations and Divestments

We have given effect to the following schemes:

Scheme of Amalgamation between Bharti Retail Resources Private Limited (“BRRPL”) and our Company.

Pursuant to the approval of the members, our Company filed a petition before the High Court of Delhi for Amalgamation of BRRPL with our Company. The said scheme was approved by the High Court of Delhi on February 11, 2010, and thereafter, our Company had filed the certified copy of the Court order with the Registrar of Companies, Delhi, on March 2, 2010 resulting into amalgamation of “BRRPL” with our Company with effect from January 1, 2009 (the “**Appointed Date for**”).

Scheme of Amalgamation”) resulting in transfer of undertaking as defined in the said scheme and amalgamation BRRPL with our Company.

Scheme of Arrangement between Future Enterprises Limited (“FEL”) and our Company

Pursuant to the approval of the members, our Company had filed a petition before the High Court of Bombay for the Scheme between FEL and our Company. The said scheme was approved by the High Court of Bombay on March 4, 2016, and thereafter, our Company had filed the certified copy of the Court order with RoC on May 1, 2016, making the Scheme effective with effect from October 31, 2015 (the “**Appointed Date**”) resulting in Retail Business Undertaking of FEL transferred to Future Retail Limited and Retail Infrastructure Business Undertaking transferred to FEL. For details, see Composite Scheme of Arrangement on page 36.

OUR MANAGEMENT

Board of Directors

Our Company's Articles of Association provides that the minimum number of Directors shall not be less than three and not more than fifteen. As of the date of this Information Memorandum, our Company has six Directors, of which two Directors are Executive Directors; One Director is Non Executive Director and Three Directors are Non Executive Independent Directors. Pursuant to the provisions of the Companies Act, 2013 at least two-thirds of the total number of Directors excluding the Independent Directors are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. A retiring director is eligible for re-election. Further, the Independent Directors may be appointed for a maximum of two terms of up to five consecutive years each. Any re-appointment of Independent Directors shall, *inter alia*, be on the basis of the performance evaluation report and approved by the shareholders by way of special resolution. The quorum for meetings of our Board is one-third of the total number of Directors, or two Directors, whichever is higher, unless otherwise fixed by the Directors.

Pursuant to listing of Future Retail Limited, the SEBI (LODR), 2015 will also be applicable to our Company. Therefore, our Company has re-constituted the Composition of the Board and the relevant Committees of the Board in compliance with the SEBI (LODR), 2015.

The Directors of our Company are not required to hold any qualification shares to qualify to be a Director. The following table sets forth details regarding our Board of Directors

Name, Designation, Term, DIN, Occupation, Nationality and Address	Age (in years)	Other Directorships
Mr. Kishore Biyani Designation: Chairman and Managing Director Term: Valid up to May 1, 2019 DIN: 00005740 Occupation: Entrepreneur Nationality: Indian Address: 406, Jeevan Vihar, Manav Mandir Road, Malabar Hill, Mumbai 400 006	56	Other Directorships (1) Future Corporate Resources Limited; (2) Future Generali India Insurance Company Limited; (3) Future Generali India Life Insurance Company Limited; (4) Future Lifestyle Fashions Limited; (5) Future Media (India) Limited; (6) Future Enterprises Limited (Future Retail Limited); (7) Future Consumer Enterprise Limited; (8) INOX Leisure Limited; (9) Retailers Association of India Partnerships <i>As Designated Partner</i> (1) Samreen Multitrading LLP; and (2) Taraka Infrastructure LLP. (3) Tanushri Infrastructure LLP; (4) Liquid Foot Infraprojects LLP; (5) Oviya Multitrading LLP; (6) White Knight Mercantile LLP; (7) Radha Multitrading LLP; (8) Saachi Mutitrading LLP;

Name, Designation, Term, DIN, Occupation, Nationality and Address	Age (in years)	Other Directorships
		(9) Raja Infrastructure LLP; (10) Raaka Multitrading LLP; (11) Salarjung Multitrading LLP; (12) Silver Base Infrastructure LLP; (13) Kavi Sales Agency LLP; and (14) Brahmabrata Trading LLP.
Mr. Rakesh Biyani <i>Designation:</i> Joint Managing Director <i>Term:</i> Valid up to May 1, 2019 <i>DIN:</i> 00005806 <i>Occupation:</i> Entrepreneur <i>Nationality:</i> Indian <i>Address:</i> Flat No.1903, 19th Floor, B Wing, Vivarea, Sane Guruji Marg, Jacob Circle, Mumbai 400 011.	44	<i>Other Directorships</i> (1) Future Lifestyle Fashions Limited; (2) Indus – League Clothing Limited; (3) Future Supply Chain Solutions Limited; (4) Celio Future Fashion Private Limited; (5) Turtle Limited; (6) Futurebazaar India Limited; (7) Retailers Association’s Skill Council of India; (8) Shree Balaji Umber Properties Private Limited (9) Indian Football Coaching Private Limited; (10) Shree Balaji Parvat View Properties Private Limited; (11) RGB Enterprises Limited (foreign company); <i>Partnerships</i> <i>As Designated Partner in LLP</i> (1) Radha Multitrading LLP; (2) Saachi Multitrading LLP; (3) GSR Capital Resources LLP; (4) Biyani Capital Resources LLP; <u><i>In Firm</i></u> (5) BLB Trading & Investment Consultants
Mr. Rajan Mittal <i>Designation:</i> Non-Executive Director <i>Term:</i> Retire by Rotation <i>DIN:</i> 00028016 <i>Occupation:</i> Industrialist <i>Nationality:</i> Indian <i>Address:</i> E-9/17, Vasant Vihar, Vasant Marg, New	56	<i>Other Directorships</i> (1) Bharti Telecom Limited; (2) Bharti (Rbm) Holdings Private Limited; (3) Bharti Overseas Private Limited; (4) Bharti (Rbm) Services Private Limited; (5) Bharti Enterprises (Holding) Private Limited;

Name, Designation, Term, DIN, Occupation, Nationality and Address	Age (in years)	Other Directorships
Delhi 110057.		(6) Bharti (Rbm) Trustees Private Limited; (7) Bharti (Rbm) Resources Private Limited; (8) Bharti (Satya) Trustees Private Limited; (9) Bharti Management Private Limited; (10) Bharti Realty Holdings Limited; (11) Bharti Infratel Limited; (12) Indus Towers Limited and (13) Cedar Support Services Limited
Mr. Ravindra Dhariwal <i>Designation:</i> Independent Non-executive Director <i>Term:</i> Valid up to April 29, 2021 <i>DIN:</i> 00003922 <i>Occupation:</i> Service <i>Nationality:</i> Indian <i>Address:</i> Aashray Farm, Opp. N.V.Farm, Sub P.O., Sp School, Bhatti Mines, Asola Village, New Delhi, Delhi 110030	63	Other Directorships (1) Bata India Ltd; (2) Devyani International Limited; (3) Mahindra Gujarat Tractor Limited; (4) Devyani Food Street Private Limited; (5) Rj Corp Limited; (6) Devyani Food Industries Limited; (7) Parkview City Limited; (8) Varun Beverages Limited; (9) Capitol Art House Private Limited; (10) Ecco Electronics Private Limited; (11) Sagacito Technologies Private Limited; (12) Inspired Emporio Salon Private Limited; (13) Aquagri Processing Private Limited
Mr. Shailendra Bhandari <i>Designation:</i> Independent Non-executive Director <i>Term:</i> Valid up to April 29, 2021 <i>DIN:</i> 00317334 <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Address:</i> E-27, Dhanraj Mahal, Chhatrapati Shivaji Maharaj Marg, Apollo Bundar, Mumbai 400 001.	57	Other Directorships NIL Partnership NIL
Ms. Gagan Singh <i>Designation:</i> Independent Non-executive Director <i>Term:</i> Valid up to April 29, 2021	61	Other Directorships (1) Timex Group India Limited; (2) Jones Lang Lasalle Residential Private Limited;

Name, Designation, Term, DIN, Occupation, Nationality and Address	Age (in years)	Other Directorships
DIN: 01097014 Occupation: Salaried Nationality: Indian Address: L-4/4, Dlf Qutab, Enclave, Phase-Ii Gurgaon-122002, Haryana, India		Partnership NIL

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which the director was selected as a director or member of senior management.

Brief Profile of the Directors

Mr. Kishore Biyani is the Chairman and Managing Director of our Company and founder and CEO of Future Group. He was appointed as Managing Director of our Company with effect from May 2, 2016. He was appointed as Chairman of the Board with effect from May 25, 2016. He holds a bachelor's degree in Commerce from University of Mumbai and a post graduate diploma in Management from University of Mumbai. He has led the Group's foray into organized retail with the opening of the stores of one of the leading fashion brands of India, Big Bazaar, Food Bazaar, Central, Home Town and many other formats in fashion and accessories, and consumption of fast moving goods. He has over 36 years of experience in the field of manufacturing, marketing of readymade garments and retail.

Mr. Rakesh Biyani is the Joint Managing Director of our Company. He was appointed as Joint Managing Director of our Company with effect from May 2, 2016. He holds a bachelor's degree in Commerce from University of Mumbai and has attended the Advanced Management Program from Harvard Business School. He leads the management in expansion of our group's flagship formats i.e. Big Bazaar, Central and Food Bazaar. He has over 21 years of experience in the retail business.

Mr. Rajan Mittal is a Non-Executive Director. He was appointed as Non-Executive Director of our company with effect from April 30, 2016. He is the Vice Chairman of Bharti Enterprises with interests in retail, telecom, financial services, manufacturing, realty and agri-business. Born in 1960, Mr. Rajan Mittal joined Bharti Enterprises after graduating from Punjab University. An alumnus of Harvard Business School, he is actively involved in overseeing the activities of the Bharti Group at the corporate level. With his rich experience in the marketing function, he is also involved in many of the new business ventures of the Bharti Group. Mr. Rajan Mittal has been honored with the "Indian Business Leader of the Year Award 2011" by Horasis, The Global Visions Community and has also been awarded the "Leonardo International Prize 2012" by Comitato Leonardo, the Italian Quality Committee.

Mr. Ravindra Dhariwal is our Independent Director. He was appointed as Independent Director of our Company with effect from April 30, 2016. He is an MBA from IIM-Calcutta and also holds B.E. from IIT Kanpur. Mr. Dhariwal is the Senior Advisor of TPG India and brings with him the experience of 39 years of building consumer business all over the World. Just prior to joining TPG India, Mr. Dhariwal was the Chief Executive Officer of Bennett & Coleman & Co.Ltd., India's largest media company, with diversified media platforms including Radio Mirchi, Times Television Network, The Times of India, the World's largest selling English newspaper, Times Internet, Times OOH and Mr. Dhariwal was also the world wide President of International News Media Association from 2011-2013. Prior to joining Bennett & Coleman & Co.Ltd, Mr. Dhariwal worked with Pepsico for 12 years. He also led the beverage business in India, Africa and South East Asia. Mr. Dhariwal started his career with Unilever in India in 1977 and worked for them in India and Australia for over 12 years mostly in Sales and Marketing management.

Mr. Shailendra Bhandari is our Independent Director. He was appointed as Independent Director of our Company with effect from April 30, 2016. He holds a Masters degree (MBA) in Management from IIM, Ahmedabad. He is also Bachelor of Arts (Honours) in Economics from St. Stephen's College in Delhi University. Mr. Shailendra Bhandari is a seasoned finance professional with 34 years of experience and an impressive track record of accomplishments. His areas of expertise include Banking, Private Equity and Mutual Funds. Mr. Shailendra Bhandari was Managing Director & CEO of ING Vysya Bank Ltd from 2009 until January 2015. Before this Mr. Bhandari was heading the Private Equity arm of Tata Capital Limited. Earlier as Managing Director and CEO of Centurion Bank of Punjab from 2004 until 2008, he led the successful turnaround of the Bank. As Managing Director and CEO of Prudential ICICI Asset Management from 2000 to 2004, he grew the fund to the largest private sector mutual fund. Before this, he was part of the core team to set up HDFC Bank in 1994 as Treasurer and Executive Director. Mr. Shailendra Bhandari is also an ex-Citi banker, where he spent twelve years in several roles in India and overseas.

Ms. Gagan Singh is our Independent Director. She was appointed as Independent Director of our Company with effect from April 30, 2016. She is Chartered Accountant from The Institute of Chartered Accountants of India and Cost Accountant from The Institute of Works Accountants of India. Ms. Gagan Singh is CEO - Business (India) and Chairperson Sri Lanka

Operations of Jones Lang LaSalle (“JLL”). She joined in May 2007 and achieved various milestones during her stint with JLL. She heads the Diversity and CSR agendas for India. She was nominated to the World Economic Forum Global Agenda Council on Gender Diversity for two years. She has over 30 years of experience across the apparel, exports and hospitality sectors. Prior to JLL, she was with Benetton India for over six years as Executive Director and later as CEO and ensured to make Benetton a powerhouse in the Indian Lifestyle & Apparel industry. Prior to Benetton, she was COO at DCM International and was responsible for all export initiatives and also ensured audit compliance of DCM Financial Services. She has also worked with the Soaltee Group, Nepal as VP-Finance & Planning. She began her career with Ranbaxy Laboratories Ltd. She is a trustee of the Salaam Baalak Trust, an NGO and is the founding VP of Youthreach, an NGO.

Suspension of Trading / Delisting of company

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of this Information Memorandum, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

None of the Directors is or was a director of any listed company which has been or was delisted from any recognised stock exchange in India during the term of their directorship in such company.

Relationship between the Directors

None of the Directors are related to each other pursuant to the provisions of the Companies Act, 2013.

BORROWING POWERS OF THE BOARD

Pursuant to the approval of the Shareholders at the Extraordinary General Meeting held on May 3, 2016 the Board of Directors of our Company is authorised to borrow any sum of money to the extent of Rs. 8,500 Crores over and above the aggregate of the paid up share capital and free reserves for the time being.

Compensation to our whole-time / executive directors

Managing Director

As per recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on May 2, 2016 has appointed Mr. Kishore Biyani as Managing Director for a period of three years at a remuneration of Rs. 2.60 cr per annum and commission upto 5% of Net Profits of our Company subject to maximum of Rs. 2.00cr per annum, payable for financial year in which adequate profit would be earned:

Sr. No.	Particulars	Amount Per Annum (RS. In Crore)
1	Basic Salary	1.200
2	House Rent Allowance	0.360
3	Ad-hoc Allowance	0.894
4	Contribution to Provident Fund (As per Company's policy)	0.144
5	Perquisites	0.005
6	Commission upto 5% of Net profits subject to maximum of	2.000
	Total	4.603

Managing Director has been entrusted with overall responsibility of operations and would be discharging his responsibility under the supervision of the Board. Appointment of Managing Director as well as remuneration payable is subject to consent of the Central Government, if any, required). Managing Director shall not be paid any sitting fees. Our Company as well as Managing Director shall be entitled to terminate the appointment with written notice of six months or pay in lieu thereof.

Date of Expiry of current term of Office of Directors

Mr. Kishore Biyani, has been appointed as our Managing Director w.e.f. May 2, 2016 for a period of three years.

There are no benefits available to Directors upon termination of employment.

Joint Managing Director

As per recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on May 02, 2016 has appointed Mr. Rakesh Biyani as Joint Managing Director for a period of Three (3) years at a remuneration of Rs. 2.60 cr per annum and commission upto 5% of Net Profits of our Company subject to maximum of Rs. 1.25 cr per annum, payable for financial year in which adequate profit would be earned:

Sr. No.	Particulars	Amount Per Annum (RS. In Crore)
1	Basic Salary	0.960
2	House Rent Allowance	0.288
3	Ad-hoc Allowance	1.231
4	Contribution to Provident Fund (As per Company's policy)	0.115
5	Perquisites	0.005
6	Commission upto 5% of Net profits subject to maximum of	1.250
	Total	3.850

Appointment of Joint Managing Director as well as remuneration payable is subject to consent of the Central Government, if any, required). Joint Managing Director shall not be paid any sitting fees. Our Company as well as Joint Managing Director shall be entitled to terminate the appointment with written notice of six months or pay in lieu thereof.

Date of Expiry of current term of Office of Directors

Mr. Rakesh Biyani, has been appointed as our Joint Managing Director w.e.f. May 2, 2016 for a period of three years.

There are no benefits available to Directors upon termination of employment.

Shareholding of Directors (Equity Shares):

Sl. No.	Name of the Director	No of Equity Shares held	% Shareholding
1	Mr. Kishore Biyani	2,121	0.0004
2	Mr. Rakesh Biyani	2,121	0.0004
3	Mr. Rajan Mittal	Nil	Nil
4	Mr. Ravindra Dhariwal	Nil	Nil
5	Mr. Shailendra Bhandari	Nil	Nil
6	Ms. Gagan Singh	Nil	Nil

The Articles of Association of our Company do not require the Directors of our Company to hold any qualification shares.

Interest of Directors

Our Managing Director, Mr. Kishore Biyani, is a Promoter of our Company

All the Non Executive Directors may be deemed to be interested only to the extent of fees, if any, payable to them for attending meetings of the Board or committees thereof as well as to the extent of reimbursement of expenses payable to them under the Articles.

The Directors may also be regarded as interested in the shares held and subscribed by and allotted/transferred to the companies, firms and trusts, in which they are interested as directors, members, partners and or trustees. All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold Directorships or any partnership firm in which they are partners as declared in their respective declarations.

Except for Mr. Kishore Biyani, who is also our Promoter, none of our Directors have interest in the promotion of our Company other than in the ordinary course of business.

Our Directors have no interest in any property acquired within two years from the date of this Information Memorandum or proposed to be acquired by our Company other than in the ordinary course of business.

Further, the Directors are interested to the extent of equity shares that they are holding and are allotted to them pursuant to the Scheme, and also to the extent of any dividend payable to them and other distributions in respect of the equity shares.

Except as otherwise disclosed above, our Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Directors or to such firm or company in cash or shares or otherwise by any person for services rendered by such Directors or by such firm or company in connection with the promotion or formation of our Company.

Except as stated otherwise in this Information Memorandum, our Company has not entered into any contract, agreement or arrangement during the preceding two years from the date of the Information Memorandum in which the Directors are directly or indirectly interested.

Remuneration to Non-Executive Directors

Non –Executive Directors are not paid any remuneration except for the sitting fees for attending board/committee meetings

Changes in the Board of Directors during last three years of our Company

No.	Name of Directors	Date of Appointment	Date of Cessation	Reason for resignation
1	Mr. Inderjit Walia	March 20, 2008	May 2, 2016	Due to restructuring of the Company
2	Mr. Sarvjit Singh Dhillon	January 01, 2012	February 27, 2013	Resigned
3	Mr. Mukesh Bhavnani	November 30, 2012	February 11, 2014	Resigned
4	Mr. Devendra Khanna	November 30, 2012	May 2, 2016	Due to restructuring of the Company
5	Mr. Manoj Kumar Kohli	February 11, 2014	May 23, 2014	To reduce number of directorship requirement as per Companies Act.
6	Mr. Raj Kumar Jain	April 1, 2014	November 30, 2014	Resigned from the services of the Company
7	Mr. Rajendra Kumar Chopra	December 1, 2014	May 2, 2016	Due to restructuring of the Company
8	Ms. Veenu Mittal	March 31, 2015	May 2, 2016	Due to restructuring of the Company
9	Mr. Sridhar Natarajan	March 31, 2015	May 2, 2016	Due to restructuring of the Company
10	Mr. Kishore Biyani	<ul style="list-style-type: none">April 30, 2016 (as Director)May 2, 2016 (as Managing Director)May 25, 2016 (as Chairman of Board)	Continuing	-
11	Mr. Rakesh Biyani	<ul style="list-style-type: none">April 30, 2016 (as Director)May 2, 2016 (as Joint Managing Director)	Continuing	-
12	Mr. Rajan Bharti Mittal	April 30, 2016	Continuing	-
13	Mr. Ravindra Dhariwal	April 30, 2016	Continuing	-
14	Mr. Shailendra Bhandari	April 30, 2016	Continuing	-
15	Ms. Gagan Singh	April 30, 2016	Continuing	-

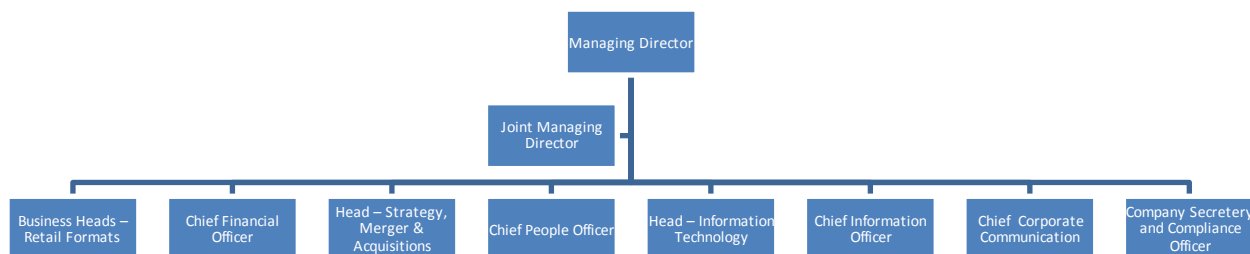
Appointment of relatives of Directors to any office or place of profit

Except as disclosed in this Information Memorandum, none of the relatives of our Directors currently hold any office or place of profit in our Company

Bonus or profit sharing plan of the Directors

Except Commission to Executive Directors as mentioned in this Memorandum, Our Company does not have any bonus or profit sharing plan for the Directors.

Management Organisation Chart



KEY MANAGERIAL PERSONNEL (KMPs)

In addition to the Managing Director and Joint Managing Director, who have been identified as Key Managerial Personnel, following additional personnel have also been identified as Key Managerial Personnel.

Apart from these KMPs, no other person in the Company has authority and responsibility for planning, directing and controlling the activities of the issuer. For further details of Mr. Kishore Biyani, Chairman and Managing Director and Mr. Rakesh Biyani, Joint Managing Director please see '*Management - Brief Profile of the Directors*' on page 88.

1. **Mr. C. P. Toshniwal** is a qualified Chartered Accountant and Company Secretary. He was appointed as Chief Financial Officer of our Company with effect from May 2, 2016. Mr. Toshniwal started his journey with Future Group in May 1997 and has over 26 years of rich managerial experience. Prior to his association with Future Group, he worked with other corporate houses viz. Donear Synthetics Limited, Orient Vegetexpo Limited and Control Print India Limited. Mr. Toshniwal has strong domain knowledge of the Indian Retail Industry with good understanding of Information Technology Systems and a proven ability in setting up systems and procedures for Robust Management Accounting. He has rich experience in the field of Corporate and Strategic Planning, Financial Planning and Restructuring, Risk Management System and Process Implementation, Mergers, Amalgamations, Takeover of Business Enterprises, Raising Capital through innovative financial products. Additionally, he is a very good leader with strong relationships with stakeholders and employees.

He has been awarded the Best CFO Award-2011 in the Service Sector Category by The Institute of Chartered Accountants of India. He has been also awarded "CFO100 Roll of Honour" by CFO India for his extraordinary performance as senior finance leader in Retail Industry. Mr. Toshniwal also holds the position of Chairman of Finance Committee of Retailers Association of India.

As per recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on May 2, 2016 has appointed Mr. C. P. Toshniwal as Chief Financial Officer at a remuneration of Rs. 2.93 crore per annum.

2. **Mr. Virendra Samani** is a member of Institute of Company Secretaries Of India, Law Graduate (LL.B.) and also Chartered Secretary from London, UK. He was appointed as Dy. Company Secretary and Compliance Officer of our Company with effect from May 2, 2016. Mr. Samani started his journey with Future Group in April, 2008 and has over 17 years of rich experience. Prior to his association with Future Group, he worked with other corporate houses viz. Aditya Birla Group, JSW Group, Damas Jewellery and Lockheed Martin group. Mr. Samani has strong domain knowledge of Legal, Corporate Secretarial and compliance and have ability in setting up systems and procedures for robust compliance. He has rich experience in the field of Corporate Legal, Restructuring, Mergers, Amalgamations, Takeover and Raising Capital.

As per recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on May 2, 2016 has appointed Mr. Virendra Samani as Dy. Company Secretary and Compliance Officer at a remuneration of Rs. 0.42 crore per annum.

Above KMPs has joined our Company post March 31, 2016; no remuneration has been paid by our Company to them during the fiscal 2015-16. All KMPs are our permanent employees. None of the KMPs is related to each other.

1. Shareholding of KMPs

Mr. C. P. Toshniwal directly holds 11,000 equity shares and through HUF holds 20,000 equity shares in our Company.

2. Payment or Benefit to officers of our Company

No amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer and consideration for payment of giving of the benefit.

All our Key Management Personnel are permanent employees of our Company.

None of the above mentioned Key Management Personnel are related to each other and neither are they related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Management Personnel were selected as members of our senior management.

Bonus or Profit-Sharing Plan of the Key Management Personnel

Except to the extent of Commission to be paid to Managing Director and Joint Managing Director as provided in the remuneration mentioned above, there is no profit sharing plan for the Key Management Personnel. Our Company makes bonus payments to the Key Management Personnel at the end of every financial year, as per the terms of their appointment. Certain key management personnel are also paid a performance linked incentive at the end of each financial year.

Interest of Key Management Personnel

The Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and the Equity Shares held, if any. The Key Management Personnels may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any. Except as disclosed, none of the Key Management Personnel has been paid any consideration of any nature from our Company, other than their remuneration.

Other than as disclosed in “Related Party Transactions” on page 151, none of the beneficiaries of loans and advances and sundry debtors are related to our Directors.

Change in the Key Managerial Personnel during last three years

No.	Name of KPMs	Designation	Date of Appointment	Date of Cessation	Reason
1	Mr. Amit Vasistha	Company Secretary	December 1, 2010	December 31, 2013	Resigned
2	Mr. Sandeep Kumar	Company Secretary	January 2, 2014	May 21, 2015	Due to personal reasons
3	Ms. Gurdeep Kaur	Company Secretary	May 22, 2015	May 2, 2016	Resigned
4	Mr. Raj Kumar Jain	MD & CEO [#]	April 1, 2014	November 30, 2014	Resigned from services of the Company
5	Mr. Craig Wadsworth Wimsatt	CEO	December 1, 2014	July 31, 2015	Due to personal reasons
6	Mr. Manish Sabnis	CEO	August 1, 2015	May 2, 2016	Resigned
7	Mr. Viresh Dayal	Manager	August 21, 2013	January 1, 2014	Resigned
8	Mr. Pankaj Madan	Chief Financial Officer [#]	January 1, 2014	November 30, 2014	Resigned
9	Mr. Anupam Goyal	Chief Financial Officer	December 1, 2014	May 2, 2016	Resigned
10	Mr. Kishore Biyani	Chairman and Managing Director	May 25, 2016 and May 2, 2016, respectively	Continuing	
11	Mr. Rakesh Biyani	Joint Managing Director	May 2, 2016	Continuing	
12	Mr. C. P. Toshniwal	Chief Financial Officer	May 2, 2016	Continuing	-
13	Mr. Virendra Samani	Dy. Company Secretary	May 2, 2016	Continuing	-

[#] At Board meeting held on June 19, 2014, note was taken for Mr. Raj Kumar Jain as MD & CEO and Mr. Pankaj Madan as Chief Financial Officer and necessary forms were filed with RoC.

Corporate Governance

Our Company has complied with the requirements of the applicable regulations, including the listing agreement to be entered into with the Stock Exchanges, SEBI (LODR), 2015 and the SEBI Regulations, in respect of corporate governance including re-constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Company has already appointed required number of independent directors on its Board and has also re-constituted the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee as per regulations of SEBI (LODR), 2015.

DETAILS OF THE COMMITTEES OF BOARD ARE AS FOLLOWS:

Composition of Audit Committee

Sl. No	Name of the Director	Category
1	Ms. Gagan Singh	Independent Director/Chairperson
2	Mr. Ravindra Dhariwal	Independent Director/Member
3	Mr. Rakesh Biyani	Joint Managing Director/Member

The Audit Committee was re-constituted by a meeting of our Board of Directors held on May 2, 2016.

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act and regulation 18(3) read with part C of Schedule II of the Listing Agreement and its terms of reference include the following:

Powers and Terms of Reference: SEBI LODR Regulations, 2015	The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
	The role of the audit committee and the information to be reviewed by the audit committee as specified in Part C of Schedule II.
	<p>PART C of Schedule II:</p> <p>Role of the Audit Committee And Review Of Information By Audit Committee</p> <p>A. The role of the audit committee shall include the following:</p> <ol style="list-style-type: none"> (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible; (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity; (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors; (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to: <ol style="list-style-type: none"> (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013; (b) changes, if any, in accounting policies and practices and reasons for the same; (c) major accounting entries involving estimates based on the exercise of judgment by management; (d) significant adjustments made in the financial statements arising out of audit findings; (e) compliance with listing and other legal requirements relating to financial statements; (f) disclosure of any related party transactions; (g) modified opinion(s) in the draft audit report; (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval; (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights

	<p>issue, and making appropriate recommendations to the board to take up steps in this matter;</p> <p>(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;</p> <p>(8) approval or any subsequent modification of transactions of the listed entity with related parties;</p> <p>(9) scrutiny of inter-corporate loans and investments;</p> <p>(10) valuation of undertakings or assets of the listed entity, wherever it is necessary;</p> <p>(11) evaluation of internal financial controls and risk management systems;</p> <p>(12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;</p> <p>(13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;</p> <p>(14) discussion with internal auditors of any significant findings and follow up there on;</p> <p>(15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;</p> <p>(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;</p> <p>(17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;</p> <p>(18) to review the functioning of the whistle blower mechanism;</p> <p>(19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;</p> <p>(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.</p> <p>B. The audit committee shall mandatorily review the following information:</p> <p>(1) management discussion and analysis of financial condition and results of operations;</p> <p>(2) statement of significant related party transactions (as defined by the audit committee), submitted by management;</p> <p>(3) management letters / letters of internal control weaknesses issued by the statutory auditors;</p> <p>(4) internal audit reports relating to internal control weaknesses; and</p> <p>(5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.</p> <p>(6) statement of deviations:</p> <p>(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).</p> <p>(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).</p>
The Companies Act, 2013	<p>Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include,—</p> <p>(i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;</p> <p>(ii) review and monitor the auditor's independence and performance, and effectiveness of audit</p>

	<p>process;</p> <p>(iii) examination of the financial statement and the auditors' report thereon;</p> <p>(iv) approval or any subsequent modification of transactions of the company with related parties; [Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed;]</p> <p>(v) scrutiny of inter-corporate loans and investments; [Refer sections 179, 180, 185, 186]</p> <p>(vi) valuation of undertakings or assets of the company, wherever it is necessary;</p> <p>(vii) evaluation of internal financial controls and risk management systems;</p> <p>(viii) monitoring the end use of funds raised through public offers and related matters.</p>
--	---

The powers of Audit committee include:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary

Composition of Nomination and Remuneration Committee

Sl. No	Name of the Director	Category
1	Mr. Ravindra Dhariwal	Independent Director / Chairman
2	Mr. Shailendra Bhandari	Independent Director / Member
3	Mr. Rajan Mittal	Non Executive Director / Member

The Nomination and Compensation Committee was re-constituted by a meeting of our Board of Directors held on May 2, 2016

The scope and function of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations and its terms of reference include the following:

SEBI LODR Regulations, 2015	<p>The role of the nomination and remuneration committee is as specified as in Part D of the Schedule II SEBI (LODR) Regulations</p> <p>Role of the Committee shall, inter-alia, include the following:</p> <ol style="list-style-type: none"> (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees; (2) formulation of criteria for evaluation of performance of independent directors and the board of directors; (3) devising a policy on diversity of board of directors; (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal. (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
The Companies Act, 2013	<ol style="list-style-type: none"> (1) The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. (2) The Nomination and Remuneration Committee shall formulate the criteria for determining

	qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
	<p>The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that-</p> <p>(a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;</p> <p>(b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and</p> <p>(c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;</p> <p>Provided that such policy shall be disclosed in the Board's Report;</p>
SEBI Regulations	Implementation of Employees Stock Option Schemes of the Company.

Composition of Stakeholders Relationship Committee

Sl. No	Name of the Director	Category
1	Mr. Shailendra Bhandari	Independent Director / Chairman
2	Ms. Gagan Singh	Independent Director / Member
3	Mr. Rajan Mittal	Non Executive Director / Member

The Stakeholders Relationship Committee was constituted by a meeting of our Board of Directors held on May 2, 2016. The scope and powers of Stakeholders Committee shall be as provided in the Companies Act, 2013 and SEBI (LODR), 2015. The terms of reference of the Stakeholders Relationship Committee inter alia, include the following:

- To determine on behalf of Board the company's policy on serving the investors in line with best corporate governance norms.
- To periodically review investor grievance mechanism of the Company.
- To review and for redressal of investors' grievances regarding allotment of securities, issue of duplicate certificates, dematerialisation of shares, non receipt of reports, dividend etc. and other allied matters.
- The committee is authorised to:
 - investigate any activity within its terms of reference;
 - Seek any information from any employee of the company. Employees are directed to cooperate with any relevant request made;
 - Obtain outside legal or independent professional advice. Such advisors may attend meetings as necessary;
 - Incur such reasonable expenditure, as it deems necessary.

Composition of CSR Committee

Sl. No	Name of the Director	Category
1	Mr. Kishore Biyani	Managing Director / Chairman
2	Mr. Rajan Mittal	Non Executive Director / Member
3	Ms. Gagan Singh	Independent Director / Member

The CSR Committee was reconstituted by a meeting of our Board of Directors held on May 2, 2016. The scope and powers of CSR Committee be as provided in the Companies Act, 2013 and SEBI (LODR), 2015:

Composition of Risk Management Committee

Sl. No	Name of the Director / Member	Category
1	Mr. Kishore Biyani	Managing Director / Chairman

Sl. No	Name of the Director / Member	Category
2	Mr. Rakesh Biyani	Joint Managing Director / Member
3	Mr. C. P. Toshniwal	Chief Financial Officer / Member

The Risk Management Committee was constituted by a meeting of our Board of Directors held on May 2, 2016. The scope and powers of Risk Management Committee shall be as provided in the Companies Act, 2013 and SEBI (LODR), 2015 as amended from time to time and further as may be decided by the Board of Directors from time to time.

Composition of Management Committee/Committee of Directors:

Sl. No	Name of the Director	Category
1	Mr. Kishore Biyani	Managing Director
2	Mr. Rakesh Biyani	Joint Managing Director

Scope / Powers delegated to the Committee which the Committee may further delegate to the employees of our Company:

- To authorize and approve, from time to time, opening of new stores, warehouses and offices in any part of the Country;
- To open bank accounts, change operating instructions of bank accounts and closure of bank accounts as and when required;
- To open demat accounts, change operating instructions of demat accounts and closure of demat accounts as and when required;
- To open client/trading account with various members in stock market and commodity market, change operating instructions of such client / trading account and closure of client trading accounts as and when required;
- To make application on behalf of the Company, as and when required, with various Government, Quasi-Government, Municipal and such other authorities / bodies / departments such as VAT, Income Tax, Sales tax, ESIC, Shops & Establishment authorities and other regulatory or government authorities etc., all over India;
- To make application with the appropriate authorities anywhere in India, for new telephone / internet / mobile connections for offices, stores, warehouses and accommodations provided by the Company to its officials;
- To nominate employees / executives / signatories / consultants at different locations for statutory compliances under various statutory enactments or regulations as well as for various legal matters / cases etc;
- To exercise specific powers relating to borrowings upto Rs. 150 crores for any one borrowing and opening of bank accounts and discharge procedural requirements for availing loans / credit facilities and deal with other matters relating to documentation, creation of security and incidental matters thereto and affixing of Common seal of the Company on the necessary documents as per the provisions of Articles of Association of the Company and as authorized by the Committee of Directors of the Company;
- To issue of Letter of Comfort to banks / institutions on behalf of subsidiaries, joint venture companies and associates or group companies in the Group;
- To finalise, sign and execute Lease Agreements, Sub-Lease Agreements, Conducting Agreements, SIS agreements and License Agreements on behalf of the Company and the Committee to further authorize persons to sign such agreements and appear on behalf of the Company;
- To decide and discharge on any specific authority, powers or functions granted or delegated to Committee either by the Board / Shareholders;
- To deal with any other matters ancillary and/or incidental to the powers delegated to the Committee as aforesaid

Employees

Pursuant to the Scheme, employees of FRL (Formerly known as Bharti Retail Limited) and FEL (formerly known as Future Retail Limited) related to the FRL Demerged Undertaking and FEL Demerged Undertakings have been transferred to our Company. There are over 32,000 employees on the rolls of our Company as on the date of this Information Memorandum.

PROMOTERS AND PROMOTER GROUP

Mr. Kishore Biyani, Future Corporate Resources Limited, PIL Industries Limited, Gargi Business Ventures Private Limited, Ryka Commercial Ventures Private Limited and Manz Retail Private Limited are the Promoters of our Company.

- **Mr. Kishore Biyani**



Mr. Kishore Biyani, aged 56, is the founder and Group CEO, Future Group and Chairman and Managing Director of Future Retail Limited. He has more than three decades of experience in building consumer brands and running retail businesses that are spread across the country. He holds a bachelor's degree in commerce from University of Mumbai and also holds a post graduate diploma in marketing and management.

Widely credited as the pioneer of modern retail in India, he has founded some of India's most popular retail chains like Big Bazaar, Central, Brand Factory, Foodhall, Home Town and eZone, among others. Over the years, he has led the growth and expansion of these chains as well as the acquisition of a number of other retail chains like Easy Day, Nilgiris, Aadhaar, among others that have been integrated with the group. These retail chains attracted over 370 million consumer footfalls during the financial year ended March 2016 and covers more than 18 million square feet of retail space in more than 210 cities and towns across the Country. The group employs over 40,000 people across its various businesses.

Mr. Kishore Biyani started his career selling stone wash denim fabrics to garment factories in the mid-Eighties. Subsequently, he set up his own garment manufacturing facility and launched a number of ready-made garment brands. In 1997, he opened his first department store, Pantaloons. In 2001, he led the creation of Big Bazaar chain that opened its first set of stores in Kolkata, Hyderabad and Bengaluru. Big Bazaar aimed to provide every Indian consumers products that only the rich could afford. Unlike Western hypermarkets, Big Bazaar was designed for the Indian environment and combined the look, touch and feel of Indian bazaars with the choice, convenience and hygiene that modern retail stands for.

In order to create an enabling environment for retail to grow, Mr. Kishore Biyani led the formation of a number of partnerships between respected global and Indian companies. Some of its global partners include The Generali Group from Italy, Clarks and dunnhumby from United Kingdom, Staples Inc. from United States and Li & Fung Group from Hong Kong. The group has invested in setting up extensive supply chain, warehousing and distribution networks across the country, coupled with a wide agricultural sourcing networks in almost state in the country, and a state-of-the-art food processing facility in Tumkur that was inaugurated by Hon'ble Prime Minister Shri Narendra Modi in September 2014. The group has also partnered with National Skill Development Corporation and the National Rural Livelihood Mission and Aajeevika initiative to provide skill-based training to thousands of youths from rural India, including Jammu & Kashmir and the North East.

At the heart of this business is the focus on constant innovation that are guided by Mr. Kishore Biyani's maxim, 'Rewrite Rules, Retain Values' and the group's core value of Indianness. Indianness is defined as a firm belief in developing solutions that are based on Indian ideas and the Indian context. Innovation is driven through the firm's focus on understanding the rich diversity of Indian consumers and communities and developing business ideas and solutions that take into account the Indian context that enables the group to continuously reach out to new segments of consumers and deliver products and services that improve the quality of living for customers.

Mr. Kishore Biyani was born in August 1961 and is married to Sangita Biyani. They live in Mumbai with their daughters, Ashni and Avni.

His driving license number is MH01 20100091317 (this is valid 07-09-2015) and his voter identification number is ISD4383584. His residential Address : 406, Jeevan Vihar, Manav Mandir Road, Malabar Hill, Mumbai - 400 006.

For further details, please refer "Our Management" chapter on page 85.

- **Future Corporate Resources Limited (FCRL)**

- 1. Incorporation & Registered Office**

Future Corporate Resources Limited (FCRL) was originally incorporated as Simpleton Investrade Private Limited on October 19, 2005. Its name was changed to Future Corporate Resources Private Limited w.e.f. July 26, 2011. The name was further changed to Future Corporate Resources Limited w.e.f. August 24, 2011. The CIN of FCRL is U51100MH2005PLC156856.

Registered Office of FCRL is situated at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (E), Mumbai 400 060.

- 2. Brief History**

FCRL holds investments in various future group companies and primarily engaged in the business of acquisition of media space rights viz. advertisement, print media, and running of various loyalty programs, event management, management consultancy services, training and skill development etc. FCRL's Debentures are listed on the Wholesale Debt Market Segment of BSE Limited.

Mr. Kishore Biyani and Mr. Vijay Biyani hold directly or indirectly more than 15% of equity shares of FCRL.

- 3. Details of change in control or management of the promoter companies**

Details of changes in the Board Composition in last three years.

Sr. No.	Name of the Director	Designation	Date of Appointment	Date of Resignation
1	Mr. Kishore Biyani	Director	November 19, 2005	N.A.
2	Mr. Vijay Biyani	Director	April 8, 2010	N.A.
3	Mr. Anil Biyani	Whole time Director	October 1, 2011	N.A.
4	Ms. Sangita Biyani	Director	November 19, 2005	N.A.
5	Mr. Vivek Biyani	Whole time Director	July 21, 2011	N.A.
6	Ms. Ashni Biyani	Whole time Director	July 21, 2011	November 14, 2011
7	Mr. Ajay Nemchand Dedhia	Director (Non Executive- Independent)	March 31, 2015	N.A.
8	Mr. Hemant Kumar Bhotica	Director (Non Executive- Independent)	March 31, 2015	N.A.
9	Mr. C P Toshniwal	Director	August 8, 2011	March 31, 2015
10	Mr. Dinesh Maheshwari	Director	August 8, 2011	March 31, 2015
11	Mr. Anil Kumar Bagri	Director (Non Executive- Independent)	July 8, 2011	N.A.
12	Rajesh Kalyani	Director	August 8, 2011	July 8, 2015

There is no change in management control in FCRL during last three years

- 4. Shareholding pattern as on March 31, 2016**

Name of the shareholder	Number of Equity Shares	Percentage of Equity Shares held (in %)
Samreen Multitrading LLP	80,16,000	32.00
Tanushri Infrastructure LLP	42,58,500	17.00
Kavi Sales Agency LLP	37,57,500	15.00
Oviya Multitrading LLP	37,57,500	15.00
Radha Multitrading LLP	37,57,500	15.00
Raja Infrastructure LLP	10,02,000	4.00
Salarjung Multitrading LLP	5,01,000	2.00
Total	2,50,50,000	100.00

5. **Board of Directors**

Name	Designation
Mr. Kishore Biyani	Director
Mr. Anil Biyani	Whole-time director
Mr. Vivek Biyani	Whole-time Director
Ms Sangita Biyani	Director
Mr. Vijay Biyani	Director
Mr. Anil Kumar Bagri	Independent Director
Mr. Hemant Bhotica	Independent Director
Mr. Ajay Dedhia	Independent Director

6. **Financial Performance for the last 3 years**

(Rs in crores)

Particulars	For the Year ended March 31		
	2015	2014	2013
Sales and other income	358.13	308.61	403.49
PAT	11.24	11.00	(51.33)
Equity Capital	25.05	25.05	25.05
Reserves & Surplus	2,401.61	2,390.37	2,379.37
Basic EPS (in Rs.)	4.49	4.39	(20.49)
Net Asset Value per Share (in Rs.)	968.73	964.24	959.85

FCRL is ultimately controlled by Kishore Biyani and/or his relatives as defined under the Companies Act.

• **PIL Industries Limited**

1. **Incorporation & Registered Office**

PIL Industries Limited (“PIL”) was originally incorporated as Banshi Textile Industries Private Limited on July 15, 1987. Its name was changed to Banshi Textile Industries Private Limited w.e.f. June 5, 1992. The name was further changed to Pantaloon Textile Industries Limited w.e.f. July 10, 1992. Further, the name of company was changed to Pantaloon Industries Limited w.e.f November 4, 1999 and then was further changed to PIL Industries Limited w.e.f 6 December, 2010

Registered Office of PIL is situated at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (E), Mumbai 400 060.

2. **Brief History**

PIL holds investments in various future group companies and is primarily engaged in the business of purchase, sell, manufacture, produce, process, dye, print, calender, bleach, import, export and otherwise deal in textiles, cotton, silk, rayon, man made fabrics, fibers, synthetic, woolen, yarn, threads, garments madeup hosiery, canvas and fabrics coated and treated with any chemicals or any other preparation.

3. **Details of change in control or management of the promoter companies**

Details of changes in the Board Composition in last three years

Sr. No.	Name of the Director	Designation	Date of Appointment	Date of Resignation
1.	Mr. Vijay Biyani	Director	October 1, 1991	N.A.
2.	Mr. Anil Biyani	Director	October 1, 1991	N.A.
3.	Mr. Sunil Biyani	Director	October 1, 1991	N.A.
4.	Ms. Avni Biyani	Director	March 30, 2015	N.A.

Sr. No.	Name of the Director	Designation	Date of Appointment	Date of Resignation
5.	Mr. Ajay Dedhia	Independent Director	March 30,2015	N.A.
6.	Mr. Abhishek Taparia	Independent Director	March 30,2015	N.A.

4. **Shareholding pattern as on March 31, 2016**

Name of the shareholder	Number of Equity Shares	Percentage of Equity Shares held (in %)
Eses Commercials Pvt Ltd	4,435,974	55.66
Manz Retail Private Limited	3,534,284	44.34
Kuber Mall Management Pvt Ltd	1	0
Future Capital Investment Private Limited	1	0
Gargi Business Ventures Private Limited	1	0
Central Departmental Stores Pvt Ltd	1	0
Weavette Business Ventures Limited	1	0
Total	7,970,263	100.00

Note: At the Extra Ordinary General Meeting of the members of PIL Industries Limited held on June 16, 2015, the members approved the scheme of reduction of share capital of non-promoter shareholders. PIL Industries Limited issued equity share capital of Rs.8.35 cr (consisting of 83,58,725 equity shares of Rs.10 each) and paid-up equity share capital of Rs.8.21 cr (consisting of 82,18,145 equity shares of Rs.10 each, subscribed and fully paid up) were reduced to Rs.7.97 cr (consisting of 79,70,263 issued, subscribed and fully paid-up equity shares of Rs.10 each), and that such reduction was effected by cancellation and extinguishment of 3,88,462 issued equity shares and 2,47,882 issued, subscribed and fully paid-up equity shares which were held by Non-Promoter Shareholders.

5. **Board of Directors**

Name	Designation
Mr. Vijay Biyani	Director
Mr. Anil Biyani	Director
Mr. Sunil Biyani	Director
Ms. Avni Biyani	Director
Mr. Abhishek Taparia	Independent Director
Mr. Ajay Dedhia	Independent Director

6. **Financial Performance for the last 3 years**

(Rs in crores)

Particulars	For the year ended March 31		
	2015	2014	2013
Sales and other income	412.00	315.98	238.18
PAT	(6.16)	(33.86)	(16.29)
Equity Capital	8.22	8.22	6.61
Reserves & Surplus	(24.36)	(18.20)	(32.73)
Basic EPS (in Rs.)	(7.49)	(54.70)	(24.65)
Net Asset Value per Share (in Rs.)	(16.14)	(9.98)	(26.12)

PIL is ultimately controlled by Kishore Biyani and/or his relatives as defined under the Companies Act.

The Company has submitted the PAN, Bank Account Numbers, the Company Registration Numbers and the addresses of the RoC where the companies are registered, with BSE and NSE.

• **Ryka Commercial Ventures Private Limited (Ryka)**

1. **Incorporation & Registered Office**

Ryka Commercial Venture Private Limited (Ryka) was originally incorporated as Ryka Commercial Venture Private Limited on May 22, 2012. The CIN of FCRL is U74120MH2012PTC231350.

Registered Office of Ryka is situated at 5th Floor, Sobo Central, 28,P.T. Madan Mohan Malviya Road, Tardeo, Mumbai, Maharashtra, 400034.

2. **Brief History**

Ryka holds as stock shares of various future group companies and primarily engaged in the business of traders, merchants, buyers, sellers , importers, exporters, dealers, wholesalers, retailers, distributors of and import, export, exchange, pledge, distribute, mortgage, advance upon or otherwise trade and deal in any type of merchandise.

3. **Details of change in control or management of the promoter companies**

Details of changes in the Board Composition in last three years .

Sr. No.	Name of the Director	Designation	Date of Appointment	Date of Resignation
1	Mr. Prakash Deendayal Sharma	Director	May 22, 2012	May 22,2014
2	Mr. Santkumar Goyal	Director	May 22, 2012	March 17,2014
3	Mr. Laxminarayan Bansilal Biyani	Director	March 17, 2014	July April,2015
4	Mr. Gopikishan Bansilal Biyani	Director	May 22, 2014	N.A.
5	Ms. Hiral Jayprakash Mehta	Independent Director	March 30, 2015	N.A.
6	Mr. Deepak Mahansaria	Independent Director	March 30,2015	N.A.
7	Mr. Anil Laxminarayan Biyani	Director	July 4,2015	N.A.
8	Ms. Nishita Anil Biyani	Director	September 30,2015	N.A.

4. **Shareholding pattern as on March 31, 2016**

Name of the shareholder	Number of Equity Shares	Percentage of Equity Shares held (in %)
Future Corporate Resources Limited	99,99,999	99.99
Future Corporate Resources Limited jointly with Prakash Sharma	1	0.00
Hasham Investment And Trading Co Pvt Ltd (Formerly Known as Napean Trading And Investment Company Private Limited)	1,000	0.01
Total	1,00,01,000	100.00

Name of the shareholder	Type of Preference shares	No of preference shares held
Hasham Investment And Trading Co Pvt Ltd (Formerly Known as Napean Trading And Investment Company Private Limited)	0.01% Cumulative Redeemable Preference Shares of Rs. 100 each	1,43,44,000
Hasham Investment And Trading Co Pvt Ltd (Formerly Known as Napean Trading And Investment Company Private Limited)	0.01% Cumulative Optionally Convertible Preference Shares of Rs. 10 each	31,56,000

5. **Board of Directors**

Name	Designation
Mr. Gopikishan Bansilal Biyani	Director
Ms. Hiral Jayprakash Mehta	Independent Director
Mr. Deepak Mahansaria	Independent Director
Mr. Anil Laxminarayan Biyani	Director
Ms. Nishita Anil Biyani	Director

6. **Financial Performance for the last 3 years**

(Rs in crores)

Particulars	For the Year ended March 31		
	2015	2014	2013
Sales and other income	20.95	15.20	9.78
PAT	(44.01)	(26.82)	(10.46)
Equity Capital	156.597	0.01	0.01
Reserves & Surplus	(52.88)	(37.28)	(10.46)
Basic EPS (in Rs.)	(151.00)	(26,820.21)	(10455.08)
Net Asset Value per Share (in Rs.)	24.95	(37265.30)	(10445.08)

Ryka is ultimately controlled by Kishore Biyani and/or his relatives as defined under the Companies Act.

- **Gargi Business Ventures Private Limited (GBVPL)**

1. **Incorporation & Registered Office**

Gargi Business Ventures Private Limited (GBVPL) was originally incorporated as Gargi Developers Private Limited on August 31, 2010. Its name was changed to Gargi Business Ventures Private Limited w.e.f. February 13, 2015. The CIN of GBVPL is U51595MH2010PTC207319.

Registered Office of FCRL is situated at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (E), Mumbai 400 060.

2. **Brief History**

GBVPL holds investments in various future group companies and primarily engaged in the business of all types of textiles including suiting, shirting and dress materials, hosiery items, synthetic and man-made fibres, viscose, silk, nylon, terylene and cotton or synthetic waste or any other fibrous materials and yarn whether blended, spun, filament, sewing threads, tyre cord yarn and all types of both cloth including readymade garments, sarees, dhotis, under garment, upholstery, curtains, floor clothes, tarpantine, table cloth & any other merchandise etc.

3. **Details of change in control or management of the promoter companies**

Details of changes in the Board Composition in last three years.

Sr. No.	Name of the Director	Designation	Date of Appointment	Date of Resignation
1	Mr. Laxminarayan Biyani	Director	October 29, 2011	July 4, 2015
2	Mr. Nikunj Biyani	Director	July 4, 2015	N.A.
3	Mr. Ajay Dedhia	Director	March 30, 2015	N.A
4	Ms. Hiral Mehta	Director	March 30, 2015	N.A

4. **Shareholding pattern as on March 31, 2016**

Name of the shareholder	Number of Equity Shares	Percentage of Equity Shares held (in %)
Future Corporate Resources Limited	9,999	99.99%
Future Corporate Resources Limited jointly with Sanjay Rath	1	0.01%
Total	10,000	100.00

5. **Board of Directors**

Name	Designation
Mr. Anil Biyani	Director
Mr. Nikunj Biyani	Director
Ms. Hiral Mehta	Independent Director
Mr. Ajay Dedhia	Independent Director

6. **Financial Performance for the last three years**

(Rs in crores)

Particulars	For the Year ended March 31		
	2015	2014	2013
Sales and other income	0.95	1.04	0.23
PAT	0.43	0.31	(0.00)
Equity Capital	0.01	0.01	0.01
Reserves & Surplus	0.98	0.56	0.25
Basic EPS (in Rs.)	427.89	306.20	(3.37)
Net Asset Value per Share (in Rs.)	0.99	0.57	0.26

GBVPL is ultimately controlled by Kishore Biyani and/or his relatives as defined under the Companies Act.

• **Manz Retail Private Limited (Manz)**

1. **Incorporation & Registered Office**

Manz Retail Private Limited (“**MZRPL**”) was incorporated on October 7, 1994 under the Companies Act, 1956 as a private limited company.

The place of registered office of Manz was situated at Delhi at the time of Incorporation of Company and further was shifted to Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (E), Mumbai 400 060 Maharashtra on September 29, 2005.

2. **Brief History**

Manz holds investments in various future group companies and primarily engaged in the business of importers, exporters, buyer, sellers, distributors, agent, brokers, retailers and wholesalers of men’s, women’s and children’s clothing and wearing apparels of every kind and description.

3. **Details of change in control or management of the promoter companies**

Details of changes in the Board Composition in last three years.

Sr. No.	Name of the Director	Designation	Date of Appointment	Date of Resignation
1	Mr. Sanjay Rathi	Director	February 27, 2012	N.A.
2	Mr. Pawan Agarwal	Director	February 28, 2011	February 1, 2015
3	Mr. Rajesh Kalyani	Director	February 28, 2011	December 9, 2014
4	Mr. Vishal Doshi	Director	December 9, 2014	N.A.

There is no change in management control in Manz during last three years

4. **Shareholding pattern as on March 31, 2016**

Name of the shareholder	Number of Equity Shares	Percentage of Equity Shares held (in %)
Suhani Trading & Investment Consultants Private Limited	1,89,999	99.99
Suhani Trading & Investment Consultants Private Limited / Pawan Agarwal	1	0.01
Total	1,90,000	100.00

5. **Board of Directors**

Name	Designation
Mr. Sanjay Rathi	Director
Mr. Vishal Doshi	Director

6. **Financial Performance for the last three years**

(Rs in crores)

Particulars	For the Year ended March 31		
	2015	2014	2013
Sales and other income	76.46	27.82	86.90
PAT	0.55	1.78	(0.04)
Equity Capital	0.19	0.19	0.19
Reserves & Surplus	(8.10)	(8.66)	(10.43)
Basic EPS (in Rs.)	29.16	93.42	(2.11)
Net Asset Value per Share (in Rs.)	(416.53)	(445.68)	(539.11)

Manz is ultimately controlled by Kishore Biyani and/or his relatives as defined under the Companies Act.

Payment or benefit to Promoters

No amount or benefit is paid or given since incorporation to the Promoter of our Company.

Interests of Promoters

Our Promoters are interested in our Company to the extent they have promoted our Company and to the extent of their shareholding and the dividend payable, if any and other distributions in respect of the Equity Shares held by them. For details on shareholding of our Promoters in our Company, see “Capital Structure” on page 42.

Our Promoters may also be deemed to be interested in our Company to the extent of their shareholding in the Group entities with which our Company transacts during the course of its operations. Further, our individual Promoter is a Director of our Company and may be deemed to be interested to the extent of any remuneration, commission or reimbursement of expenses payable to him. For details, see “Our Management” on page 85.

For details of related party transactions entered into by our Company during the last financial year the nature of transactions and the cumulative value of transactions, see “Related Party Transactions” on page 151.

However, pursuant to the Scheme and subsequent allotment of Equity Shares to the eligible shareholders of FEL and change of Board constitution, the related parties as disclosed above, would get changed as given in section Promoters and Promoter Group and Group Companies on page 99 and 110.

Confirmations

Further, none of the Promoters has been declared as a Willful Defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoters in the past or are pending against them.

Our Promoters have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Information Memorandum, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery. None of our Promoters, Directors and Group entities are interested in any transaction in acquisition of land, construction of building and supply of machinery except in the ordinary course of business.

Except as stated otherwise in this Information Memorandum, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Information Memorandum or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them. For further details of related party transactions, as per Accounting Standard 18, please see the section titled “Related Party Transactions” on page 151.

Our Promoters are not related to any sundry debtors of our Company.

In addition to the Promoters and the Group Companies, the following entities constitute the Promoter Group of our Company:

Details of Promoter and Promoter Group

Sr. No.	Particulars
Promoters:	
1.	Mr. Kishore Biyani
2.	Future Corporate Resources Limited
3.	PIL Industries Limited
4.	Gargi Business Ventures Private Limited
5.	RYKA Commercial Ventures Private Limited
6.	Manz Retail Private Limited
Individuals:	
1.	Mr. Laxminarayan Biyani
2.	Mrs. Godavaridevi Biyani
3.	Mrs. Sangita Biyani
4.	Mrs. Ashni Biyani Didwania
5.	Ms. Avni Biyani
6.	Mr. Vijay Biyani
7.	Mr. Anil Biyani
8.	Mr. Madanlal Rathi
9.	Mrs. Taradevi Rathi
10.	Mr. Rajesh Rathi
11.	Mrs. Meena Bagree
12.	Ms. Nilima Saboo

Sr. No.	Particulars
HUF:	
1.	Kishore Biyani HUF
2.	Laxminarayan Biyani HUF
3.	Anil Biyani HUF
4.	Vijay Biyani HUF
5.	Ashish Saboo HUF
6.	Madan Lal Rathi HUF
7.	Ashish Saboo HUF
Partnership:	
1.	Jaybharat Udhyog
2.	Sita Ginneing Factory
3.	BLB Trading & Investment Consultants
4.	SMS Enterprises
5.	VLB Enterprises
6.	ALB Invested Corporation

LLPs:	
1.	Silver Base Infrastructure LLP
2.	Salarjung Multitrading LLP
3.	Kavi Sales Agency LLP
4.	Liquid Foot Infraprojects LLP
5.	Samreen Multitrading LLP
6.	Taraka Infrastructure LLP
7.	Brahmabrata Tradign LLP
8.	Tanushri Infrastructure LLP
9.	Anveshak Trade Enterprise LLP
10.	VLB Enterprise LLP
11.	Samreen Multitrading LLP
12.	Tanushri Infrastructure LLP
13.	Kavi Sales Agency LLP
14.	Oviya Multitrading LLP
15.	Radha Multitrading LLP
Companies:	
1.	Future Ideas Company Limited
2.	Srishti Mall Management Company Private Limited
3.	Surplus Finvest Private Limited
4.	Avanee and Ashni Securities Private Limited
5.	Utsav Mall Management Company Private Limited
6.	Dhanshree Fashions Private Limited
7.	Nimbi Jodha Trading & Finvest Private Limited
8.	Vayuputra Realty Private Limited
9.	Idiom Design and Consulting Limited
10.	Future Brands Limited
11.	Suhani Trading & Investment Consultants Private Limited
12.	Future Outdoor Media Solutions Limited
13.	Future Human Development Limited
14.	Akar Estate Finance Private Limited
15.	Central Departmental Stores Private Limited
16.	Future Capital Investment Private Limited
17.	Future Coupons Limited
18.	Rural Fairprice Wholesale Limited
19.	Future Hospitality Private Limited
20.	Future Lighting India Limited
21.	Weavette Business Ventures Limited
22.	Future People Services Limited
23.	Retail Light Techniques (India) Limited
24.	Whole Wealth Limited (foreign company)
25.	Birthright Games & Entertainment Private Limited
26.	Future Entertainment Private Limited

27.	Future Sharp Skills Limited
28.	Bansi Mall Management Co. Private Limited
29.	Future Enterprises Limited
30.	Future Lifestyle Fashions Limited
31.	Future Market Networks Limited
32.	Nufuture Digital (india) Limited
33.	Future Consumer Enterprise Limited
34.	ESES Commercials Private Limited
35.	Iskrupa Mall Management Company Private Limited
36.	Cyber Nook Network Private Limited
37.	Digital Infocom Systems Private Limited
38.	Eastern Petroleum Private Limited
39.	Jaybharat Lubricants India Private Limited
40.	L10n Infopreneur Private Limited
41.	Lalit Corporate Advisory Private Limited
42.	Unicorn Petroleum Industries Private Limited
43.	PRTL Enterprises Limited
44.	Future Hospitality Management Limited
45.	Kamadgiri Fashion Limited
46.	Sprint Advisory Services Private Limited
47.	Shendra Advisory Services Private Limited
48.	Kesari Realty Private Limited
49.	Kuber Mall Management Private Limited
50.	Mahabal Realty Private Limited

Common Pursuits

Future Lifestyle Fashions Limited and Future Consumer Enterprise Limited are also engaged into fashion business and FMCG business respectively. Our managing director, Mr. Kishore Biyani is also the managing director and promoter of Future Lifestyle Fashions Limited and Promoter of Future Consumer Enterprise Limited. Further, our director viz. Mr. Rakesh Biyani is also on the board of Future Lifestyle Fashions Limited. There may be conflicts of interest in addressing business opportunities and strategies in circumstances where our interests differ from our Promoter and directors. In case of conflict between us, Future Lifestyle Fashions Limited and Future Consumer Enterprise Limited, our Promoter or Directors may favour Future Lifestyle Fashions Limited and Future Consumer Enterprise Limited over us.

Companies or firms with which our Promoters have disassociated in the last three years ;

1) **Individual Promoter - Mr. Kishore Biyani**

Details pertaining to disassociation of following companies

- Capital First Limited
- Second Life Project Private Limited

2) **Body Corporate - Future Corporate Resources Limited**

Details pertaining to disassociation of following subsidiary companies

- nuFuture Digital (India) Limited - ceased to be subsidiary w.e.f. March 31, 2015;
- Planet Traders Limited – ceased to be subsidiary w.e.f. December 2, 2015;
- Future Hospitality Management Limited - ceased to be subsidiary w.e.f. December 21, 2015;

3) **Body Corporate – PIL Industries Limited**

Details pertaining to disassociation of following subsidiary companies

- Weavette Textstyles Limited - Ceased to be subsidiary of the company w.e.f June 4, 2015 due to merger of Weavette textstyles Limited into Weavette Business Ventures Limited.

4) **Body Corporate – Gargi Business Ventures Private Limited**

None

5) **Body Corporate – Ryka Commercial Ventures Private Limited**

None

6) **Body Corporate – Manz Retail Private Limited**

None

GROUP COMPANIES

Our Board has approved that other than companies which constitute part of the related parties of our Company in accordance with the applicable accounting standards (Accounting Standard 18) as per the financial statements of our Company in the last five financial years, there are no material group companies of our Company. Accordingly, we have set out below the details of our Group Companies which have also been disclosed in this Information Memorandum in “Financial Information of our Company” from page 153. Our Board has also approved that other than the companies disclosed below, there are no other material group companies of our Company

Entities forming part of the Group Companies

Companies:

Apart from Future Corporate Resources Limited, Gargi Business Ventures Private Limited, RYKA Commercial Ventures Private Limited and Manz Retail Private Limited, which are also the Promoters of our Company, following are the group companies of our Companies:

A. Companies:

1. Future Outdoor Media Solutions Limited;
2. Future Human Development Limited;
3. Akar Estate Finance Private Limited;
4. Central Departmental Stores Private Limited;
5. Future Capital Investment Private Limited;
6. Future Coupons Limited;
7. Rural Fairprice Wholesale Limited;
8. Future Hospitality Private Limited;
9. Future Lighting India Limited;
10. Weavette Business Ventures Limited;
11. Future People Services Limited;
12. Retail Light Techniques (India) Limited;
13. Birthright Games & Entertainment Private Limited;
14. Future Entertainment Private Limited;
15. Future Sharp Skills Limited;
16. Bansi Mall Management Co. Private Limited;
17. Future Enterprises Limited;
18. Future Lifestyle Fashions Limited;
19. Future Market Networks Limited;
20. Future Consumer Enterprise Limited;
21. Galaxy Entertainment Corporation Limited;
22. Dhanshree Fashions Private Limited;
23. Utsav Mall Management Company Private Limited;
24. Nimbi Jodha Trading & Finvest Private Limited;

25. Srishti Mall Management Company Private Limited;
26. Future Ideas Company Limited;
27. Avanee and Ashni Securities Private Limited;
28. Surplus Finvest Private Limited;
29. Shree Balaji Umber Properties Private Limited;
30. Shree Balaji Parvat View Properties Private Limited;
31. Medic Creations Private Limited;
32. Shree Balaji Mall Management Service India Private Limited;
33. Archana Ekta Investment Advisors Private Limited;
34. Vayuputra Realty Private Limited;
35. Suhani Trading and Investment Consultants Private Limited;
36. ESES Commercials Private Limited;
37. Iskrupa Mall Management Company Private Limited;
38. Kesari Realty Private Limited;
39. Mahabal Realty Private Limited;
40. Kuber Mall Management Private Limited;
41. Future Hospitality Management Limited;
42. Planet Traders Limited;
43. PRTL Enterprise Limited;
44. Fresh Television Private Limited;
45. RGB Enterprises Limited (Foreign Company); and
46. Whole Wealth Limited (Foreign company).

Details of the five largest Group Companies

1) Future Enterprises Limited (FEL)

Incorporation & Registered Office

FEL was originally incorporated as Manz Wear Private Limited on October 12, 1987 as a private limited company. FEL has its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060.

Brief history of FEL

FEL was incorporated as 'Manz Wear Private Limited' and the name was changed to 'Manz Wear Limited' consequent to its conversion into a public company and a fresh certificate of incorporation was issued by the RoC on September 20, 1991. Thereafter, the name was changed to 'Pantaloons Fashions (India) Limited' and a fresh certificate of incorporation was issued by the RoC on September 25, 1991. Its name was further changed to 'Pantaloons Retail (India) Limited' and a fresh certificate of incorporation was issued by the RoC on July 7, 1999. The name was further changed to 'Future Retail Limited' and a fresh certificate of incorporation was issued by the RoC on March 16, 2013. Subsequently, the name was changed to present name 'Future Enterprises Limited' and a fresh certificate of incorporation was issued by the RoC on May 4, 2016.

FEL is part of the Future Group, involved in retail infrastructure leasing, manufacturing and having investments in various subsidiaries / joint ventures in India, promoted by Mr. Kishore Biyani.

Shareholding pattern as on May 18, 2016

i. Equity Shares

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or other wise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Equity	Class B (Series 1)	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	16	20,17,05,865	0	0	20,17,05,865	46.70	20,17,05,865	2,13,07,178	#####	48.32	0	46.70	76,92,307	3.81	17,87,03,257	88.60	20,17,05,865
(B)	Public	40,266	23,02,58,013	0	0	23,02,58,013	53.30	23,02,58,013	82,23,831	#####	51.68	0	53.30	0	0.00	0	0.00	22,92,55,506
(C)	Non Promoter - Non Public	0	0	0	0	0		0	0	0	0.00	0	0		0.00	0	0.00	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
	Total	40,282	43,19,63,878	0	0	43,19,63,878	100.00	43,19,63,878	2,95,31,009	#####	100.00	0	100.00	76,92,307	1.78	17,87,03,257	41.37	43,09,61,371

ii. Class B (Series-1) Shares

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Equity	Class B (Series 1)	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	16	2,84,09,571	0	0	2,84,09,571	72.15	20,17,05,865	2,13,07,178	#####	48.32	0	72.15	1,34,98,300	47.51	24,88,034	8.76	2,84,09,571
(B)	Public	13,784	1,09,65,108	0	0	1,09,65,108	27.85	23,02,58,013	82,23,831	#####	51.68	0	27.85	0	0.00	0	0.00	1,08,56,484
(C)	Non Promoter - Non Public	0	0	0	0	0		0	0	0	0.00	0	0	0	0.00	0	0.00	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
(C2)	Shares Held By	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Equity	Class B (Series 1)	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	Employee Trust																	
	Total	13,800	3,93,74,679	0	0	3,93,74,679	100.00	43,19,63,878	2,95,31,009	#####	100.00	0	100.00	1,34,98,300	34.28	24,88,034	6.32	3,92,66,055

Capital Structure

The Capital Structure as on March 31, 2016

	Particulars	Aggregate Value at Face Value (Rs. In Crore)
A	Authorised Share Capital	
	45,00,00,000 Equity Shares	90.00
	5,00,00,000 Class B Shares	10.00
	30,00,000 Preference Shares	30.00
B	Issued Capital	
	38,85,81,495 Equity Shares	77.72
	3,93,83,172 Class B Shares	7.88
C	Subscribed And Paid-Up Capital	
	38,84,85,617 Equity Shares	77.70
	3,93,74,679 Class B Shares	7.87

Notes

- ❖ Pursuant to the provisions of the Companies Act, 1956 and Companies Act 2013, the issue of equity shares are kept in abeyance.
 - 11,400 Equity Shares of Rights Issue of 2006.
 - 84,478 Equity Shares of Rights Issue of 2015.
 - 8,493 Equity Shares of Class B (Series-1) of Rights Issue of 2015.
- ❖ Post March 31, 2016 and in pursuance of the Scheme, FEL has issued and allotted 4,34,78,261 equity shares to eligible shareholders of FRL in the ratio as provided in the Scheme.

Board of Directors as on June 9, 2016

Name	Designation
Mr. V. K. Chopra	Chairman and Independent Director
Mr. Kishore Biyani	Vice-Chairman and Director
Mr. Vijay Biyani	Managing Director
Mr. Dinesh Maheshwari	Executive Director & Chief Financial Officer
Mr. S. Doreswamy	Independent Director
Mr. Anil Harish	Independent Director
Mrs. Bala Deshpande	Independent Director

Financial Performance for the last three years

Particulars	(Rs. In crores)		
	For the year ended March 31, 2016 (12 Months)	For the year ended March 31, 2015 (12 Months)	For the period ended March 31, 2014 (15 Months)
Equity Capital	94.27	82.84	46.32
Reserves and Surplus (excluding revaluation reserves)	3,223.52	5,091.90	3,205.33
Revenues from operations and other Income	8,376.47	10,368.39	11,605.18
Profit after tax/(loss)	11.83	74.06	2.81
EPS (Equity Shares – Basic) (Rs.)	0.26	2.75	0.12
EPS (Class B (Series-1) Shares – Basic) (Rs.)	0.30	2.79	0.16
EPS (Equity Shares – Diluted) (Rs.)	0.26	2.75	0.12
EPS (Class B (Series-1))	0.30	2.79	0.16

Particulars	For the year ended March 31, 2016 (12 Months)	For the year ended March 31, 2015 (12 Months)	For the period ended March 31, 2014 (15 Months)
Shares – Diluted) (Rs.)			
Net Asset Value per Share (Rs.)	75.02	193.48	140.41

Details of Past Public Issue/Rights Issue in the preceding three years

FEL had made a rights issue of equity shares and Class B (Series 1) having a face value of Rs. 2 each in January, 2015. Issue of 14,93,02,369 equity shares of face value Rs. 2 each of for cash at a price of Rs. 103 (including a premium of Rs. 101 per equity share) aggregating to Rs. 1,537.81 crore on a rights basis to the eligible equity shareholders of FEL in the ratio of 5 equity share for every 8 fully paid-up equity shares and 99,47,227 equity shares of Class B (Series 1) of face value Rs. 2 each of FEL (the “Class B Shares”) for cash at a price of Rs. 50.25 (including a premium of Rs. 48.25 per Class B Share) aggregating to Rs. 49.98 crore on a rights basis to the eligible Class B shareholders of in the ratio of 5 Class B shares for every 8 fully paid-up Class B Shares. Total proceeds from the issue of equity shares and Class B Shares aggregated up to Rs. 1,587.80 crore. The objects of the issue was for repayment/ pre-payment, in full or part, of certain borrowings availed by FEL and for general corporate purposes. FEL has utilized the net proceeds arising out of the Issue for the stated objects.

Further, pursuant to the Scheme, the share price was adjusted on stock exchanges on the Record Date viz May 12, 2016. The capital structure is already provided in the section “Capital Structure” on page 42.

The closing share price of FEL as on June 23, 2016 for Equity Shares was Rs. 23.45 per Equity Share on the BSE and was Rs. 23.40 per Equity Share on NSE.

The closing share price of FEL as on June 23, 2016 for Class B (Series 1) shares was Rs. 18.00 per Equity Share on the BSE and was Rs. 18.00 per Equity Share on NSE.

Permanent Account Number (PAN)

Permanent Account Number (PAN) of FEL is AAACP6317L.

Information about share price

i. Equity Shares - for the last 6 months

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
December, 2015	172.85	137.65	172.95	137.65
January, 2016	151.50	122.35	151.55	121.00
February, 2016	144.50	112.45	144.80	112.10
March, 2016	140.05	122.80	140.25	122.00
April, 2016	153.90	125.75	154.00	125.25
May, 2016	156.40	17.20	156.45	17.15

Prices are based daily high and low prices. Source: www.bseindia.com & www.nseindia.com

ii. Class B (Series-1) Shares - for the last 6 months

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
December, 2015	138.90	101.00	138.90	101.60
January, 2016	125.90	100.00	125.75	100.05
February, 2016	114.80	90.00	116.45	92.00
March, 2016	120.00	96.10	119.40	94.00
April, 2016	132.90	105.10	136.90	107.10
May, 2016	138.00	12.80	139.80	12.45

Prices are based daily high and low prices. Source: www.bseindia.com & www.nseindia.com

Mechanism for redressal of Investor grievance

Future Enterprises Limited (FEL) (f/k/a Future Retail Limited) has appointed registrars & transfer agents, Link Intime India Limited (“RTA”) having their office at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup, Mumbai – 400 078 as RTA to redress investors’ grievances.

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address, replacement, split, consolidation, dematerialization and rematerialisation of shares, issue of duplicate certificates etc. are handled by RTA.

FEL has an established mechanism for Investor service and grievance handling with its RTA and the compliance officer appointed by it. The board of directors of FEL has constituted a “Stakeholders Relationship Committee” which, *inter alia*, consider Stakeholders/Shareholders and Investors complaints including transfer of shares, non-receipt of balance sheet, non-receipt of dividend warrant, etc. and to redress genuine grievances of Shareholders and Investors.

The RTA under the supervision of the secretarial department of FEL looks after the investor’s grievance. The company secretary of the FEL has been appointed as compliance officer for this purpose. At each meeting of Stakeholders’ Relationship Committee all matters pertaining to investors including their grievances and redressal are reported.

The “Stakeholders Relationship Committee of FEL has three members, comprising of following directors:

Mr. S. Doreswamy –Independent Director	Chairman
Mr. Vijay Biyani- Managing Director	Member
Mr. Dinesh Maheshwari- Executive Director & Chief Financial Officer	Member

The terms of reference of the said committee are as under:

To determine on behalf of the Board the Company’s policy on serving the stakeholders in line with best corporate governance norms;

- To periodically review stakeholders’ grievance mechanism of the Company;
- To review and redress stakeholders’ grievances regarding allotment of securities, transfer of shares, non-receipt of annual report, non-receipt of declared dividends, etc. and other allied matters;
- The Committee is also authorised to:
 - i. Investigate any activity within its terms of reference;
 - ii. Seek any information from any employee of the Company;
 - iii. Obtain outside legal or independent professional advice. Such advisors may attend meetings if necessary; and
 - iv. Incur such reasonable expenditure, as it deems necessary

RTA redresses physical complaints within 15 days and for complaints received by email it redresses within 15 days from the date of its receipt.

Since FEL’s shares are compulsorily traded in demat segment on the stock exchanges, bulk of transfers take place in electronic form. For expediting physical transfers, the board of FEL has delegated transfer formalities to Share Transfer Committee, which attend to them as and when required or at least fortnightly. Physical transfers are effected within the statutory period of one month.

Status of Complaints

Details of Complaints / Queries received and redressed during April 1, 2013 till March 31, 2016 and as on June 15, 2016.

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 15, 2016
1	Non receipt of Share Certificates	33	33	0
	• Direct from Shareholders	27	27	0
	• Received from SEBI	06	06	0

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 15, 2016
2	Non receipt of Dividend /Interest Warrants	101	101	0
	• Direct from Shareholders	85	85	0
	• Received from SEBI	10	10	0
	• Received from Stock Exchange	06	06	0
3	Confirmation of Demat Credit	0	0	0
4	Non receipt of Debentures Redemption payment	0	0	0
5	Non receipt of letter of offer, allotment advice, share certificates etc. for Rights Issue & others	42	42	0
6	Others - Complaints received from SEBI, Stock Exchanges, NSDL, RoC, Company Law Board etc.	7	7	0
	Total	183	183	0

2) Future Lifestyle Fashions Limited (“FLFL”)

Incorporation and Registered Office

FLFL is originally incorporated as Future Value Fashion Retail Limited on May 30, 2012 as a public limited company and obtained certificate of commencement of business dated June 15, 2012 and obtained fresh certificate of incorporation subsequent to change of name to Future Lifestyle Fashions Limited on December 4, 2012 under the Companies Act, 1956. FLFL has its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060.

Brief history of FLFL

FLFL, promoted by FEL and Future Corporate Resources Limited, Future Group companies. FLFL is a part of Future Group, which is one of the leading Indian business groups focusing on consumption led businesses in India and is also one of India’s leading organized multi-format retailers.

FLFL’s current business is lifestyle fashion businesses (de-merged undertakings) of FEL and Future Consumer Enterprise Limited, which were vested with FLFL pursuant to the Composite scheme of arrangement and amalgamation as sanctioned by the Hon’ble Bombay High Court. Post effectiveness of this scheme, FLFL became an integrated fashion company with presence across key segments within the fashion industry including trend spotting, brand building, product development, manufacturing and distribution.

FLFL is an integrated fashion company with presence across key segments within the fashion industry including trend spotting, brand building, product development, manufacturing and distribution. FLFL’s business has been designed to capture the trend of consumers getting more attuned to fashion and brand preferences.

FLFL has a portfolio of fashion brands that covers the entire gamut of categories including formal menswear, casual wear, active or sportswear, women’s ethnic wear, women’s denim wear, women’s casual wear, footwear and accessories and are present across various price points.

Shareholding pattern as on March 31, 2016

i. Equity Shares

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	21	114314555	0	0	114314555	60.29	114314555	0	0	60.29	0	60.29	40536705	35.46	69783332	61.05	114314555
(B)	Public	49037	75297903	0	0	75297903	39.71	75297903	0	0	39.71	0	39.71	0	0.00	0	0.00	74882932
(C)	Non Promoter - Non Public							0			0.00				0.00			
(C1)	Shares Underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
Total		49058	189612458	0	0	189612458	100.00	189612458.00	0.00	0.00	100.00	0.00	100.00	40536705	21.38	69783332	61.05	189197487

Capital Structure

The Capital Structure as on March 31, 2016

Particulars	Aggregate Nominal Value (Rs. In crore)
Authorized share capital 25,00,00,000 equity shares of Rs. 2 each	50.00
Issued, Subscribed and paid-up share capital 18,98,12,413 equity shares of Rs. 2 each	37.92

Board of Directors as on June 9, 2016

Name	Designation
Mr. Shailesh Vishnubhai Haribhakti	Independent Director
Mr. Kishore Laxminarayan Biyani	Managing Director
Mr. Chandra Prakash Toshniwal	Non Executive Director
Mr. Rakesh Biyani	Non Executive Director
Ms. Avni Biyani	Non Executive Director
Dr. Darlie Oommen Koshy	Independent Director
Ms. Sharda Ashwini Agarwal	Independent Director
Mr. Bijou Kurien	Independent Director

Financial Performance for the last three years

(Rs. in crores)

Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014
Equity Capital	37.92	37.24	30.89
Reserves and Surplus (excluding revaluation reserves)	1,585.32	1,532.48	1,260.43
Revenues from operations and other Income	3,316.68	3,155.83	3,075.70
Profit after tax/(loss)	29.47	18.55	23.28
EPS (Equity Shares – Basic) (Rs.)	1.55	1.07	1.51
EPS (Equity Shares – Diluted) (Rs.)	1.55	1.05	1.51
Net Asset Value per Share (Rs.)	85.64	90.73	83.60

Details of Past Public/Rights Issue in the last three years

No public / rights issue was made by during last three years.

The closing share price of FLFL as on June 23, 2016 for Equity Shares was Rs. 115.35 per Equity Share on the BSE and was Rs. 115.30 per Equity Share on NSE.

Permanent Account Number (PAN)

Permanent Account Number (PAN) of FLFL is AABCF9869N

Information about share price

i. Equity Shares - for the last 6 months

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
December, 2015	86.25	73.05	89.70	73.00
January, 2016	96.00	73.00	96.40	73.00
February, 2016	95.00	69.60	95.05	70.10
March, 2016	84.45	70.60	84.30	70.55
April, 2016	98.90	76.70	98.90	77.10
May, 2016	119.70	90.05	119.90	89.50

Prices are based daily high and low prices. Source: www.bseindia.com & www.nseindia.com

Mechanism for redressal of Investor grievance

Future Lifestyle Fashions Limited (FLFL) has appointed registrars & transfer agents, Link Intime India Private Limited (“RTA”) having their office at C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), Mumbai – 400 078 as RTA to redress investors’ grievances.

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address, replacement, split, consolidation, dematerialization and rematerialisation of shares, issue of duplicate certificates etc. are handled by RTA.

FLFL has an established mechanism for Investor service and grievance handling with its RTA and the compliance officer appointed by it. The board of directors of FLFL has constituted a “Stakeholders’ Relationship Committee” which, *inter alia*, consider Stakeholders/Shareholders and Investors complaints including transfer of shares, non-receipt of balance sheet, non-receipt of dividend warrant, etc and to redress genuine grievances of Shareholders and Investors

The RTA under the supervision of the secretarial department of FLFL looks after the investor’s grievance. The company secretary of FLFL has been appointed as compliance officer for this purpose. At each meeting of Stakeholders’ Relationship Committee all matters pertaining to investors including their grievances and redressal are reported.

The stakeholders’ relationship committee of FLFL has three members, comprising of following directors.

Dr. Darlie Koshy –Independent Director	Chairman
Mr. Kishore Biyani- Managing Director	Member
Mr. Rakesh Biyani- Non-Executive Director	Member

The terms of reference of the said committee are as under:

- To determine on behalf of the Board the Company’s policy on serving the stakeholders in line with best corporate governance norms;
- To periodically review stakeholders’ grievance mechanism of the Company;
- To review and redress stakeholders’ grievances regarding allotment of securities, transfer of shares, non-receipt of annual report, non-receipt of declared dividends, etc. and other allied matters;
- The Committee is also authorised to:
 - i. Investigate any activity within its terms of reference;
 - ii. Seek any information from any employee of the Company;
 - iii. Obtain outside legal or independent professional advice. Such advisors may attend meetings if necessary; and
 - iv. Incur such reasonable expenditure, as it deems necessary.

RTA redresses physical complaints within 15 days and for complaints received by email it redresses within 15 days from the date of its receipt.

Since FLFL’s shares are compulsorily traded in demat segment on the stock exchanges, bulk of transfers take place in electronic form. For expediting physical transfers, the board of FLFL has delegated transfer formalities to Share Transfer Committee, which attend to them as and when required or at least fortnightly. Physical transfers are effected within the statutory period of one month.

Status of Complaints

Details of Complaints / Queries received and redressed during April 1, 2013 till March 31, 2016 and as on June 15, 2016

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 15, 2016
1	Non receipt of Share Certificates <ul style="list-style-type: none">• Direct from Shareholders• Received from SEBI	40	40	Nil

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 15, 2016
2	Non receipt of Dividend /Interest Warrants <ul style="list-style-type: none"> Direct from Shareholders Received from SEBI 			
3	Confirmation of Demat Credit	Nil	Nil	Nil
4	Non receipt of Debentures Redemption payment	Nil	Nil	Nil
5	Non receipt of letter of offer, allotment advice, share certificates etc. for Rights Issue & others	Nil	Nil	Nil
6	Others - Complaints received from SEBI, Stock Exchanges, NSDL, RoC, Company Law Board etc.	26	26	Nil
	Total	66	66	Nil

3) Future Consumer Enterprise Limited (“FCEL”)

Incorporation & Registered Office

FCEL was originally incorporated as Subhikshith Finance & Investments Limited on July 10, 1996 as a public limited company and commenced business on August 2, 1996. FCEL became a private limited company on August 10, 2001 and its name was consequently changed to Subhikshith Finance & Investments Private Limited (“**Subhikshith**”). The Registrar of Companies, Tamil Nadu issued a fresh certificate of incorporation on September 17, 2001. The name of the company was changed from Subhikshith Finance & Investments Private Limited to Future Ventures India Private Limited through a special resolution passed at the EGM of the company held on July 19, 2007. The fresh certificate of incorporation consequent on change of name was granted by the ROC to the company on August 9, 2007. Further, upon ceasing to be a private limited company, the word private was deleted through a special resolution at the EGM of the company held on August 10, 2007. The fresh certificate of incorporation consequent to change of name was granted by the ROC to the company on September 7, 2007. The name of the company was further changed from Future Ventures India Limited to Future Consumer Enterprise Limited through a special resolution passed at the AGM of the company held on September 23, 2013. The fresh certificate of incorporation consequent on change of name was granted by the ROC to the company on September 30, 2013

FCEL has its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060.

Brief History

Future Consumer Enterprise Limited is an integrated food and FMCG company that operates across sourcing, processing, manufacturing, branding and distribution of food products. FCEL offers a wide range of food and FMCG products through various brands.

Consequent to re-alignment of business, FCEL shifted the operations of convenience stores to be undertaken under a franchisee model. Under such arrangement, all the convenience stores are now being operated by the franchisee appointed by FCEL.

Shareholding pattern as on March 31, 2016

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or other wise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Gro Up	15	722212331	0	0	722212331	43.57	722212331	0	722212331	43.57	29476463**	44.56	315248740	43.65	402105836	55.68	722212331
(B)	Public	54519	923696719	0	0	923696719	55.73	923696719	0	923696719	55.73	0	54.76	0	0.00	0	0.00	923562449
(C)	Non Promoter - Non Public																	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(C2)	Shares Held By Employee Trust	1	11532988	0	0	11532988	0.70	11532988	0	11532988	0.70	0	0.68	0	0.00	0	0.00	11532988
	Total	54535	1657442038	0	0	1657442038	100.00	1657442038	0	1657442038	100.00	29476463	100.00	315248740	19.02	402105836	24.26	1657307768

** 6700 Warrants of Rs. 1,00,000 each were allotted by the Company to Srishti Mall Management Company Private Limited, a promoter group entity, which are convertible into 2,94,76,463 Equity Shares of Rs. 6 each.

Capital Structure

The Capital Structure as on March 31, 2016

Particulars	Aggregate Nominal Value (Rs. In crore)
Authorized share capital 5,65,00,00,000 equity shares of Rs.6 each and 1,67,00,00,000 unclassified shares of Rs. 10 each	Rs. 5,060
Issued, Subscribed and paid-up share capital 1,65,74,42,038 equity shares of Rs. 6 each	Rs. 994.47

Board of Directors as on June 9, 2016

Sr. No	Name	Designation
1	Mr. G. N. Bajpai	Chairman
2	Mr. Kishore Biyani	Vice Chairman & Promoter
3	Ms. Ashni Biyani	Whole Time Director
4	Ms. Vibha Rishi	Director
5	Mr. Frederic de Mevius	Additional Director
6	Mr. K. K. Rathi	Director
7	Mr. Adhiraj Harish	Additional Director
8	Mr. Deepak Malik	Additional Director

Financial Performance for the last three years based on standalone financials

Particulars	For the Year ended 31 March		
	2016	2015	2014
Equity Capital	994.47	994.29	958.79
Reserves and Surplus (excluding revaluation reserves)	-129.88	-68.99	-5.55
Revenues from operations and other Income	1370.25	1119.12	463.86
Profit after tax/(loss)	-63.55	-93.75	30.41
EPS (Equity Shares – Basic) (Rs.)	-0.38	-0.58	0.19
EPS (Equity Shares – Diluted) (Rs.)	-0.38	-0.58	0.19
Net Asset Value per Share (Rs.)	5.22	5.73	5.97

Details of Past Public/Rights Issue

No Public / Rights issue was done in last three years.

The closing share price of FCEL as on June 23, 2016 for Equity Shares was Rs. 22.05 per Equity Share on the BSE and was Rs. 22.00 per Equity Share on NSE.

Permanent Account Number (PAN)

Permanent Account Number (PAN) of FCEL is AABCS0279B

Share price data for last six months

Month	BSE		NSE	
	High	Low	High	Low
December, 2015	27.25	20.75	27.25	18.90
January, 2016	26.40	20.10	26.40	20.10
February, 2016	24.70	18.15	24.75	18.00
March, 2016	22.95	19.10	22.95	19.15
April, 2016	23.05	22.00	23.20	20.15
May, 2016	23.00	20.70	23.05	20.75

Prices are based daily high and low prices. Source: www.bseindia.com & www.nseindia.com

Mechanism for redressal of Investor grievance

Future Consumer Enterprise Limited (“FCEL”) has appointed Link Intime India Private Limited, having their office at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078 as its Registrar & Transfer Agents (“RTA”), to redress investors grievances.

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address, replacement, split, consolidation, dematerialization and rematerialisation of shares, issue of duplicate certificates etc. are handled by the RTA.

FCEL has an established mechanism for Investor service and grievance handling with its RTA and the compliance officer appointed by it. The Board of Directors of FCEL has constituted a “Stakeholders’ Relationship and Share Transfer Committee” with two members, comprising of two directors. The terms of reference of the said committee are as under:

1. To approve Transfer / Transmission / Dematerialisation of Equity Shares of the Company .
2. To approve issue of Duplicate/Consolidated/Split Share Certificate(s)
3. To do all necessary acts, deeds and things, as may be required, including authorizing any person(s) to endorse the Share Certificate(s), affixing Common Seal of the Company on Share Certificate(s) as per Article of Association of the Company, etc.
4. To do all acts, deeds and things as may be required from admission of Equity Shares of the Company with National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL].
5. To decide and approve any matters relating to Equity Shares and/or any other securities issued by the Company and any other matters as may be specifically authorized by the Board of Directors,
6. To oversee and resolve grievances of shareholders and other security holders of the Company.
7. To do all acts, deeds and things as may be required to be undertaken in terms of the provisions of Companies Act, 2013 and rules made there under.

The RTA under the supervision of the secretarial department of FCEL looks after the investor’s grievance. The Company Secretary of FCEL has been appointed as the Compliance Officer for this purpose. At each meeting of the Stakeholders’ Relationship and Share Transfer Committee all matters pertaining to investors including their grievances and redressal done by RTA are reported.

RTA redresses physical complaints / complaints received by email within 7 days from the date of its receipt.

Since FCEL’s shares are compulsorily traded in demat segment on the stock exchanges, bulk of transfers take place in electronic form. For expediting physical transfers, the Board of FCEL has delegated transfer formalities to the RTA who attend to them within the statutory period.

Status of Complaints

Details of Complaints / Queries received and redressed during April 1, 2013 till March 31, 2016 and as on June 15, 2016

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 15, 2016
1	Non receipt of Share Certificates	1	1	0
	• Direct from Shareholders	1	1	0
	• Received from SEBI	0	0	0
2	Non receipt of Dividend /Interest Warrants	1	1	0
	• Direct from Shareholders	1	1	0
	• Received from SEBI	0	0	0
	• Received from Stock Exchange	0	0	0
3	Confirmation of Demat Credit	0	0	0
4	Non receipt of Debentures Redemption payment	0	0	0
	• Direct from Shareholders			

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 15, 2016
	<ul style="list-style-type: none"> Received from SEBI Received from Stock Exchange 			
5	Non receipt of letter of offer, allotment advice, share certificates etc. for Rights Issue & others	3	3	0
	<ul style="list-style-type: none"> Direct from Shareholders Received from SEBI Received from Stock Exchange 	3	3	0
6	Non receipt of Annual report	8	8	0
	<ul style="list-style-type: none"> Direct from Shareholder Received from SEBI Received from Stock Exchange 	8 0 0	8 0 0	0 0 0
7	Others - Complaints received from SEBI, Stock Exchanges, NSDL, RoC, Company Law Board etc.	0	0	0
	Total	13	13	0

4) **Galaxy Entertainment Corporation Limited (“Galaxy”)**

Incorporation and Registered Office

Galaxy Entertainment Corporation Limited was incorporated on August 13, 1981 as a public limited company, with the name Sifa Trading Company Limited. The name of the company was changed from Sifa Trading Company Limited to Galaxy Entertainment Corporation Limited on April 25, 2000. Galaxy is listed on BSE. It is engaged in the business of providing entertainment and leisure related activities with family entertainment centers, sports bars, bowling and video games.

The registered office of Galaxy is situated at 3rd Floor, Block “A”, Orchid City Centre Mall, 225, Belasis Road, Mumbai Central, Mumbai – 400 008.

Brief History of Galaxy

Galaxy Entertainment Corporation Limited commenced its operation in May 1999. Today it is India’s best known professionally managed entertainment conglomerate set up to provide customers with world class options for leisure, entertainment which includes related activities with family entertainment centers, sports bars, bowling and video games, Restaurants & Bars, Gaming Zones and Food Courts. The Shares of the company are listed on BSE Limited.

Shareholding Pattern as on March 31, 2016

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class eg: X	Class eg:y	Total								
(A)	Promoter & Promoter Group	6	9169163	0	0	9169163	58.59	0	0	0	0.00	0	58.59	0	0.00	0	0.00	9169163
(B)	Public	3534	6480772	0	0	6480772	41.41	0	0	0	0.00	0	41.41	0	0.00	NA		6420506
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA		0
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	0.00	0	0.00	NA		0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA		0
	Total	3540	15649935	0	0	15649935	100.00	0.00	0.00	0.00	0.00	0	100.00	0	0.00	0	0.00	15589669

Capital Structure

The Capital Structure as on March 31, 2016

Particulars	Amount in Crs.
Authorized Share Capital 2,00,00,000 Equity Shares of Rs. 10 each	20.00
Issued Subscribed and Paid Up Capital 1,56,49,935 equity shares of Rs. 10 each.	15.65

Board of Directors as on June 9, 2016

Name	Designation
Mr. Sunil Biyani	Non Executive Director
Mr. Rajneesh Agarwal	Non Executive Chairman / Independent Director
Mr. Swapnil Kothari	Non Executive Director
Mr. Uditajhunjhunjwala	Independent Director
Ms. Sharad Rustagi	Independent Director

Financial Information

(Rs. In crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Equity Capital	15.65	15.65	15.65
Reserves and Surplus (excluding revaluation reserves)	(16.84)	(14.82)	(14.93)
Revenues from operations and other Income	49.62	45.48	39.72
Profit after tax/(loss)	(2.02)	0.14	0.30
EPS (Equity Shares – Basic) (Rs.)	(1.29)	0.09	0.19
EPS (Equity Shares – Diluted) (Rs.)	(1.29)	0.09	0.19
Net Asset Value per Share (Rs.)	(0.76)	0.53	0.46

Details of Past Public/Rights Issue in the last three years

No public/rights issue was made by during last three years.

The closing share price of Galaxy as on June 23, 2016 for Equity Shares was Rs. 13.90 per Equity Share on the BSE.

Permanent Account Number (PAN)

Permanent Account Number (PAN) of Galaxy is AABCG2464J

Share price data for last six months

Month	BSE	
	High	Low
November, 2015	28.90	20.40
December, 2015	30.95	23.15
January, 2016	26.80	20.15
February, 2016	23.95	13.50
March, 2016	17.61	12.91
April, 2016	18.00	14.80
May, 2016	18.00	13.55

Prices are based daily high and low prices. Source: www.bseindia.com

Mechanism for redressal of Investor grievance

Galaxy Entertainment Corporation Limited has appointed registrars & transfer agents, TSR Darashaw Limited (“RTA”) having their office at 6-10, Haji Moosa Patrawala Industrial Estate, Near Famous Studio, 20, Dr. E. Moses Road, Mahalaxmi (West), Mumbai - 400011 as RTA to redress investors’ grievances.

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address, replacement, split, consolidation, dematerialization and rematerialisation of shares, issue of duplicate certificates etc. are handled by RTA.

The Company has an established mechanism for Investor service and grievance handling with its RTA and the compliance officer appointed by it. The board of directors of the Company has constituted a “Stakeholders Relationship Committee” which, *inter alia*, consider Stakeholders/Shareholders and Investors complaints including transfer of shares, non-receipt of balance sheet, non-receipt of dividend warrant, etc and to redress genuine grievances of Shareholders and Investors

The RTA under the supervision of the secretarial department of the Company looks after the investor’s grievance. The company has appointed a compliance officer for this purpose. At each meeting of Stakeholders’ Relationship Committee all matters pertaining to investors including their grievances and redressal are reported.

The stakeholders’ relationship committee of the Company has three members, comprising of three directors. The terms of reference of the said committee are as under:

1. Rajneesh Agarwal – Independent Director;
2. Sunil Biyani – Non – Executive Director;
3. Swapnil Kothari – Non Executive Director

RTA redresses physical complaints within 15 days and for complaints received by email it redresses within 7 days from the date of its receipt.

Since the Company’s shares are compulsorily traded in demat segment on the stock exchange, bulk of transfers take place in electronic form. For expediting physical transfers, the share transfer committee of the board meets as and when required. . Physical transfers are effected within the statutory period.

Status of Complaints

Details of Complaints / Queries received and redressed during April 1, 2013 till March 31, 2016 and as on June 15, 2016

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 15, 2016
1	Non receipt of Share Certificates <ul style="list-style-type: none"> Direct from Shareholders Received from SEBI 	0	0	0
2	Non receipt of Dividend /Interest Warrants <ul style="list-style-type: none"> Direct from Shareholders Received from SEBI 	0	0	0
3	Confirmation of Demat Credit	0	0	0
4	Non receipt of Debentures Redemption payment	0	0	0
5	Non receipt of letter of offer, allotment advice, share certificates etc. for Rights Issue & others	0	0	0
6	Others - Complaints received from SEBI, Stock Exchanges, NSDL, RoC, Company Law Board etc.	0	0	0
	Total	0	0	0

5) **Future Market Networks Limited (“FMNL”)**

Incorporation and Registered Office

FMNL was incorporated as a public limited company with the name Future Mall Management Limited on March 10, 2008. The name of FMNL was changed from Future Mall Management Limited to Agre Developers Limited on October 4, 2010. The name of FMNL was further changed from Agre Developers Limited to Future Market

Networks Limited on February 6, 2012. The registered office is situated at Knowledge House, Shyam Nagar, Off-Jogeshwari – Vikhroli Link Road, Jogeshwari East, Mumbai 400060.

The registered office of the company is situated at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060.

Brief History

At Future Market Networks (formerly known as Agre Developers), we are building capacity and enabling the infrastructure for future markets in a more efficient and cost effective manner. We aim to create a network of new markets by integrating and better organizing the modern wholesale trade, retail and logistics infrastructure in India.

Future Market Networks aims to address this opportunity to implement a logistics infrastructure strategy that maximizes efficiency and develops a wholesale network that enhances wholesale trade experience. We aim to bridge gaps in infrastructure or logistics to ensure supply remains in tandem with consumer demand.

Shareholding Pattern as on June 09, 2016

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or other wise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	13	40886700	0	0	40886700	72.79	40886700	0	40886700	72.79	0	40886700	0	0.00	39500000	96.61	40886700
(B)	Public	15956	15284456	0	0	15284456	27.21	15284456	0	15284456	27.21	0	15284456	0	0.00	NA	NA	15220224
(C)	Non Promoter - Non Public				0				0			0			0.00	NA	NA	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total	15969	56171156	0	0	56171156	100.00	0	0	56171156	100.00	0	100.00	0	0.00	39500000	70.32	56106924

Capital Structure

The Capital Structure as on March 31, 2016

Particulars	Amount in Crs.
Authorized Share Capital 9,02,60,000 equity Shares of Rs. 10 each; 5,000 Preference Shares of Rs. 100/- each	90.31
Issued Share Capital 5,61,71,156 equity Shares of Rs. 10/- each. (Includes 570 shares held in abeyance)	56.17
Subscribed and Paid up Share Capital 5,61,70,586 equity Shares of Rs. 10 each	56.17

Board of Directors

Name	Designation
Mr. Vijai Singh Dugar	Chairman / Non-Executive / Independent Director
Mr. Sunil Biyani	Managing Director
Mr. Kodukula Ayyanna Somaya	Non-Executive / Independent Director
Ms. Udit Jhunjhunwala	Non-Executive / Independent Director
Mr. Rajesh Kalyani	Non-Executive

Financial Information

(Rs. In crores)

Particulars	For the year March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Equity Capital	56.17	55.85	55.85
Reserves and Surplus (excluding revaluation reserves)	123.84	138.93	192.21
Revenues from operations and other Income	93.86	84.96	82.08
Profit after tax/(loss)	(15.07)	(53.30)	(65.83)
EPS (Equity Shares – Basic) (Rs.)	(2.69)	(9.54)	(11.79)
EPS (Equity Shares – Diluted) (Rs.)	(2.67)	(9.54)	(11.79)
Net Asset Value per Share (Rs.)	32.05	34.87	44.41

Details of Past Public/Rights Issue in the last three years

No public / rights issue was made by during last three years.

The closing share price of FMNL as on June 23, 2016 for Equity Shares was Rs. 30.05 per Equity Share on the BSE and was Rs. 30.15 per Equity Share on NSE.

Permanent Account Number (PAN)

PAN of Future Market Networks Limited: AABCF2006M

Information about share price

Share price data for last six months

Month	BSE		NSE	
	High	Low	High	Low
December, 2015	41.60	31.50	41.70	31.50
January, 2016	40.00	26.15	39.15	26.10
February, 2016	35.60	21.60	35.75	21.35
March, 2016	27.30	20.90	27.10	21.65
April, 2016	26.85	22.10	26.80	23.00
May, 2016	28.50	23.05	27.60	22.15

Mechanism for redressal of Investor grievance

Future Market Networks Limited (FMNL)has appointed registrars & transfer agents, Link Intime India Limited (“**RTA**”) having their office at C-13,Pannalal Silk Mills Compound, LBS Marg, Bhandup, Mumbai – 400 078 as RTA to redress investors’ grievances.

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address, replacement, split, consolidation, dematerialization and rematerialisation of shares, issue of duplicate certificates etc. are handled by RTA.

FMNL has an established mechanism for Investor service and grievance handling with its RTA and the compliance officer appointed by it. The board of directors of September 23, 2010 has constituted a “Stakeholders Relationship Committee” which, *inter alia*, consider Stakeholders/Shareholders and Investors complaints including transfer of shares, non-receipt of balance sheet, non-receipt of dividend warrant, etc and to redress genuine grievances of Shareholders and Investors.

The RTA under the supervision of the secretarial department of FMNL looks after the investor’s grievance. The company secretary of the company has been appointed as compliance officer for this purpose. At each meeting of Stakeholders’ Relationship Committee all matters pertaining to investors including their grievances and redressal are reported.

The stakeholder’s relationship committee of FMNL has three members, comprising of Three directors. The terms of reference of the said committee are as under:

1. Mr. Vijai Singh Dugar;
2. Mr. Rajesh Kalyani;
3. Mr. Sunil Biyani;

RTA redresses physical complaints within 7 days and for complaints received by email it redresses within 7 days from the date of its receipt.

Since FMNL’s shares are compulsorily traded in demat segment on the stock exchanges, bulk of transfers take place in electronic form. For expediting physical transfers, the Stakeholders’ Relationship Committee of FMNL meets on Friday’s based on the requirements. Physical transfers are affected within the statutory period.

Status of Complaints

Details of Complaints / Queries received and redressed during April 1, 2013 till March 31, 2016 and as on June 15, 2016

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 15, 2016
1	Non receipt of Share Certificates <ul style="list-style-type: none"> Direct from Shareholders Received from SEBI 	11 11 0	11 11 0	0 0 0
2	Non receipt of Dividend /Interest Warrants <ul style="list-style-type: none"> Direct from Shareholders Received from SEBI Received from Stock Exchange 	7 6 1 0	7 6 1 0	0 0 0 0
3	Confirmation of Demat Credit	0	0	0
4	Non receipt of Debentures Redemption payment <ul style="list-style-type: none"> Direct from Shareholders Received from SEBI Received from Stock Exchange 	0	0	0
5	Non receipt of letter of offer, allotment advice, share certificates etc. for Rights Issue & others <ul style="list-style-type: none"> Direct from Shareholders Received from SEBI Received from Stock Exchange 	0	0	0
6	Non receipt of Annual report <ul style="list-style-type: none"> Direct from Shareholder Received from SEBI Received from Depositories 	12 7 0 5	12 7 0 5	0 0 0 0
7	Non receipt of Rejected DRF <ul style="list-style-type: none"> Direct from Shareholder Received from SEBI Received from Depositories 	3 0 0 0	3 0 0 0	0 0 0 0
8	Non receipt of Fractional Entitlement	1	1	0
9	Others - Complaints received from SEBI, Stock Exchanges, NSDL, RoC, Company Law Board etc.	2	2	0
	Total	36	36	0

B) Details of the Group Companies with Negative Networth**1. Future Capital Investment Private Limited****Corporate Information**

Future Capital Investment Private Limited (“**FCIPL**”) was originally incorporated as Future Capital Holdings Private Limited on February 6, 2006 under the Companies Act, 1956 in Mumbai as a private limited company. Its name was changed to Future Capital Investment Private Limited w.e.f July 26, 2006. FCIPL is involved in the business of dealing in all types of shares, stocks, bonds, debentures, warrants, certificates, premium notes, mortgages, obligations, inter-corporate deposits, call money deposits, public deposits, commercial papers, securities of all types and other similar instruments.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of FCIPL

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (excluding Revaluation Reserve)	(0.74)	(0.12)	(0.25)
Income including Other Income	0.40	0.28	0.10
Profit/ Loss after tax	(0.62)	0.13	(0.01)
Basic EPS (in Rs.)	(623.23)	129.64	(8.56)
Diluted EPS (in Rs.)	(623.23)	129.64	(8.56)

2. Future Hospitality Private Limited**Corporate Information**

Future Hospitality Private Limited (“**FHPL**”) was originally incorporated on March 31, 2007 as Leora Hotels Private Limited and further the name was changed to Future Hospitality Private Limited w.e.f November 10, 2009. FHPL is involved in the hospitality business and also in business relating to hotels, motels, spas, cafe, flight kitchen, health plaza, food courts etc.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of FHPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (exc. Revaluation Reserve)	(5.66)	(4.15)	(0.26)
Income including Other Income	6.61	7.72	10.16
Profit/ Loss after tax	(1.51)	(3.89)	(0.25)
Basic EPS (in Rs.)	(1,511.91)	(3,894.64)	(252.91)
Diluted EPS (in Rs.)	(1,511.91)	(3,894.64)	(252.91)

3. Future Outdoor Media Solutions Limited**Corporate Information**

Future Outdoor Media Solutions Limited (“**FOMSL**”) was incorporated as public limited company on April 10, 2008 under the Companies Act, 1956 at Mumbai. FOMSL is involved in the business of advertising, marketing and communication of all products and services and it also provide all sorts of media services and solutions in various outdoor media.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of FOMSL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.05	0.05	0.05
Reserve (exc. Revaluation Reserve)	(1.70)	(1.67)	(1.66)
Income including Other Income	0.07	0.02	0.00
Profit/ Loss after tax	(0.03)	(0.00)	(0.00)
Basic EPS (in Rs.)	(6.16)	(0.72)	(0.19)
Diluted EPS (in Rs.)	(6.16)	(0.72)	(0.19)

4. Future Coupons Limited

Corporate Information

Future Coupons Limited (“FCL”) was incorporated as a public limited company on February 26, 2008 under the Companies Act, 1956 at Mumbai. FCL is involved in the business of making and distributing coupons, vouchers, cards, smart cards, including pre-paid and loyalty cards, to be used for food, beverages, meals, healthcare, fuel, gifts, accessories, childcare, merchandise and goods or services of any description or nature whatsoever, and to produce and/or distribute directly and/or indirectly similar coupons, vouchers, and cards for any other person, establishment or bodies corporate.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of FCL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	1.00	1.00	1.00
Reserve (exc. Revaluation Reserve)	18.78	(12.26)	(5.76)
Income including Other Income	-	-	-
Profit/ Loss after tax	(6.52)	(6.50)	(5.72)
Basic EPS (in Rs.)	(65.19)	(65.02)	(57.23)
Diluted EPS (in Rs.)	(65.19)	(65.02)	(57.23)

5. Birthright Games & Entertainment Private Limited

Corporate Information

Birthright Games & Entertainment Private Limited (“BGEPL”) (formerly known as Rajderkar And Co Bio-Engineering Private Limited) was incorporated on July 31, 1984 under the Companies Act, 1956 at Mumbai as a private limited company and further the name was changed to Birthright Games & Entertainment Private Limited w.e.f November 20, 2014. BGEPL is involved in the business of entertainment, media, hubs, multiplexes, games & sports, organising shows and events of all types, providing sponsoring & promoting games, sports, show events, managing food courts or shops or restaurants or hotels.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of BGEPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (exc. Revaluation Reserve)	(0.79)	0.02	(0.01)
Income including Other Income	12.65	0.35	-

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Profit/ Loss after tax	(0.81)	0.03	(0.00)
Basic EPS (in Rs.)	(8,100.00)	340.92	(6.43)
Diluted EPS (in Rs.)	(8,100.00)	340.92	(6.43)

6. Future Entertainment Private Limited

Corporate Information

Future Entertainment Private Limited (“**FEPL**”) was incorporated on December 19, 2006 under the Companies Act, 1956 at Mumbai as a private limited company. FEPL is involved in the business of entertainment, media, hubs, multiplexes, organising shows and events of all types, providing sponsoring show events, managing food courts or shops or restaurants or hotels.

Interest of our Promoter

Future Corporate Resources Limited through its wholly owned subsidiary Future Outdoor Media Solutions Limited, holds 100% of the total paid up equity share capital of FEPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	2.50	2.50	0.01
Reserve (exc. Revaluation Reserve)	(7.09)	(2.10)	(47.52)
Income including Other Income	17.08	1.59	-
Profit/ Loss after tax	(4.99)	(2.44)	(0.00)
Basic EPS (in Rs.)	(20.00)	(10.00)	(1.67)
Diluted EPS (in Rs.)	(20.00)	(10.00)	(1.67)

7. Future Sharp Skills Limited

Corporate Information

Future Sharp Skills Limited (“**FSSL**”) was incorporated as a public limited company on September 30, 2011 under the Companies Act, 1956 at Mumbai. FSSL is involved in the business of providing quality knowledge, training and skills to individuals and companies. A range of customised outstanding learning solutions for both front-end and management in the areas of leadership and management, personal effectiveness, sales maximisation, business processes and customer retention. FSSL provides unique learning methodology, in both, content and delivery, results in improved skills and enhanced productivity for its clients.

Interest of our Promoter

Future Corporate Resources Limited through its wholly owned subsidiary Future Human Development Limited, holds 100% of the total paid up equity share capital of FSSL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	20.00	20.00	20.00
Reserve (exc. Revaluation Reserve)	(25.53)	(22.87)	(18.46)
Income including Other Income	8.53	15.48	3.82
Profit/ Loss after tax	(2.67)	(4.21)	(8.63)
Basic EPS (in Rs.)	(1.30)	(2.10)	(4.30)
Diluted EPS (in Rs.)	(1.30)	(2.10)	(4.30)

8. Bansii Mall Management Company Private Limited

Corporate Information

Bansii Mall Management Company Private Limited (“**BMMCPL**”) was incorporated on October 19, 2005 under the Companies Act, 1956 at Mumbai as a private limited company. BMMCPL is involved in the business of real estate, properties of all nature and description or any rights therein including land, buildings and other estate and realty including shopping malls, commercial and residential complexes.

Interest of our Promoter

- Future Corporate Resources Limited through its wholly owned subsidiary Future Outdoor Media Solutions Limited holds 100% of the total paid up equity share capital of BMMCPL.
- Future Outdoor Media Solutions Limited holds 100% of Preference Share Capital

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	1.01	1.01	1.01
Reserve (exc. Revaluation Reserve)	(185.90)	(170.67)	(159.64)
Income including Other Income	17.57	277.22	19.08
Profit/ Loss after tax	(15.23)	(11.04)	(22.47)
Basic EPS (in Rs.)	(15226.00)	(11,036.00)	(22,475.00)
Diluted EPS (in Rs.)	(15226.00)	(11,036.00)	(22,475.00)

9. Shree Balaji Umber Properties Private Limited

Corporate Information

Shree Balaji Umber Properties Private Limited (“**SBUPPL**”) (formerly known as Umber Properties Private Limited) was incorporated on August 23, 2007 under the Companies Act, 1956 at Mumbai as a private limited company. SBUPPL is into the business of trading and investments.

Interest of our Promoter

Our Promoter does not hold any share in the total paid up equity share capital of SBUPPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	1.63	1.63	1.63
Reserve (exc. Revaluation Reserve)	(1.87)	(1.86)	(0.69)
Income including Other Income	-	-	-
Profit/ Loss after tax	(0.01)	(1.17)	(0.66)
Basic EPS (in Rs.)	(0.08)	(7.17)	(4.03)
Diluted EPS (in Rs.)	(0.08)	(7.17)	(4.03)

10. Shree Balaji Mall Management Service India Private Limited

Corporate Information

Shree Balaji Mall Management Service India Private Limited (“**SBMMSIPL**”) (formerly known as S.J. Mall Management Private Limited) was incorporated on September 18, 2010 under the Companies Act, 1956 at Mumbai as a private limited company. SBMMSIPL is into the business mall management and services activities.

Interest of our Promoter

Our Promoter does not hold any share in the total paid up equity share capital of SBMMSIPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (exc. Revaluation Reserve)	(0.37)	(0.37)	(0.36)
Income including Other Income	-	-	-
Profit/ Loss after tax	(0.00)	(0.00)	(0.02)
Basic EPS (in Rs.)	(1.03)	(2.37)	(17.25)
Diluted EPS (in Rs.)	(1.03)	(2.37)	(17.25)

11. Archana Ekta Investment Advisors Private Limited

Corporate Information

Archana Ekta Investment Advisors Private Limited (“AEIAPL”) was incorporated on August 31, 2007 under the Companies Act, 1956 at Mumbai as a private limited company. AEIAPL is into the business of providing financial, investment advisory services, management and facilitation services, including but not limited to identifying investment opportunities, conducting analysis and assessment, providing investment recommendations and consultancy service for making available infrastructure (including but not limited to administrative, managerial, logistical, financial, communication and information technology facilities/services) to venture capital funds, including the trustees, beneficiaries and contributories of such funds, other funds (including but not limited to funds for providing debt financing investing in equity, equity linked securities and all other instruments as permitted under applicable laws), trusts, investment companies, joint ventures, corporate, institutional, group and individual investors.

Interest of our Promoter

Our Promoter does not hold any share in the total paid up equity share capital of AEIAPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (exc. Revaluation Reserve)	(0.08)	(0.08)	(0.08)
Income including Other Income	-	-	-
Profit/ Loss after tax	(0.00)	(0.00)	(0.00)
Basic EPS (in Rs.)	(1.16)	(1.23)	(0.79)
Diluted EPS (in Rs.)	(1.16)	(1.23)	(0.79)

12. Vayuputra Realty Private Limited

Corporate Information

Vayuputra Realty Private Limited (“VRPL”) was incorporated on February 22, 2007 under the Companies Act, 1956 at Mumbai as a private limited company. VRPL is involved in the business of trading in products.

Interest of our Promoter

- Kishore Biyani through his relative holds 48% of the paid up equity share capital of VRPL.
- Manz Retail Private Limited holds 22% of the paid up equity share capital of VRPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (exc. Revaluation Reserve)	(5.29)	(5.29)	(5.29)
Income including Other Income	0.07	0.06	10.10
Profit/ Loss after tax	(0.00)	(0.00)	(1.53)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Basic EPS (in Rs.)	(2.12)	(2.53)	(1,527.86)
Diluted EPS (in Rs.)	(2.12)	(2.53)	(1,527.86)

13. Suhani Trading and Investment Consultants Private Limited

Corporate Information

Suhani Trading and Investment Consultants Private Limited (“STICPL”) was incorporated on November 1, 2007 under the Companies Act, 1956 at Mumbai as a private limited company. STICPL is involved in the business of providing consultancy/ advisory services in respect of trading in commodities, consumer products, other articles and goods of every description, providing financial, investment advisory and consultancy services, management and facilitation services.

Interest of our Promoter

Kishore Biyani is partner and holds stake in seven LLPs, which together holds 100% of the total paid up equity share capital of STICPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (exc. Revaluation Reserve)	(0.19)	(0.15)	(0.07)
Income including Other Income	0.34	0.33	1.87
Profit/ Loss after tax	(0.04)	(0.09)	0.26
Basic EPS (in Rs.)	(39.28)	(85.58)	255.58
Diluted EPS (in Rs.)	(39.28)	(85.58)	255.58

14. ESES Commercials Private Limited

Corporate Information

ESES Commercials Private Limited (“ECPL”) was originally incorporated as Shree Shakti Synthetics Private Limited August 23, 1995 under the Companies Act, 1956 at Mumbai and further the name was changed to ESES Commercials Private Limited w.e.f December 31, 2001. ECPL is involved in the business of dealing in textiles.

Interest of our Promoter

Kishore Biyani through Suhani Trading and Investment Consultants Private Limited holds 100% of the paid up equity share capital of ECPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.15	0.15	0.15
Reserve (exc. Revaluation Reserve)	(0.43)	(0.54)	(0.58)
Income including Other Income	56.86	44.83	28.59
Profit/ Loss after tax	0.11	0.04	0.02
Basic EPS (in Rs.)	71.39	24.95	10.87
Diluted EPS (in Rs.)	71.39	24.95	10.87

15. Manz Retail Private Limited

Corporate Information

Manz Retail Private Limited (“MZRPL”) was incorporated on October 7, 1994 under the Companies Act, 1956 as a private limited company. Manz holds investments in various future group companies and primarily engaged in the business of importers, exporters, buyer, sellers, distributors, agent, brokers, retailers and wholesalers of men’s, women’s and children’s clothing and wearing apparels of every kind and description.

Interest of our Promoter

MZRPL is the promoter and Kishore Biyani through Suhani Trading and Investment Consultants Private Limited holds 100% of the paid up equity share capital of MZRPL.

Financial Information

(Rs.in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.19	0.19	0.19
Reserve (exc. Revaluation Reserve)	(5.01)	(8.10)	(8.66)
Income including Other Income	14.87	76.46	27.82
Profit/ Loss after tax	3.09	0.55	1.78
Basic EPS (in Rs.)	162.83	29.16	93.42
Diluted EPS (in Rs.)	162.83	29.16	93.42

16. Kesari Realty Private Limited

Corporate Information

Kesari Realty Private Limited (“**KRPL**”) was incorporated on February 20, 2007 under the Companies Act, 1956 at Mumbai as a private limited company. KRPL is involved in the business of trading activities.

Interest of our Promoter

Manz Retail Private Limited holds 100% paid up equity share capital of KRPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (exc. Revaluation Reserve)	(1.30)	(1.29)	(1.29)
Income including Other Income	0.06	0.05	0.10
Profit/ Loss after tax	(0.00)	(0.00)	(0.00)
Basic EPS (in Rs.)	(1.91)	(1.65)	(1.19)
Diluted EPS (in Rs.)	(1.91)	(1.65)	(1.19)

17. Mahabal Realty Private Limited

Corporate Information

Mahabal Realty Private Limited (“**MRPL**”) was incorporated on February 22, 2007 under the Companies Act, 1956 at Mumbai as a private limited company. MRPL is involved in the business of trading activities.

Interest of our Promoter

Manz Retail Private Limited holds 100% paid up equity share capital of MRPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (exc. Revaluation Reserve)	(0.44)	(0.43)	(0.43)
Income including Other Income	0.07	0.05	0.10
Profit/ Loss after tax	(0.01)	0.00	(0.01)
Basic EPS (in Rs.)	(7.45)	0.66	(7.30)
Diluted EPS (in Rs.)	(7.45)	0.66	(7.30)

18. Kuber Mall Management Private Limited

Corporate Information

Kuber Mall Management Private Limited (“**KMMPL**”) was incorporated on February 20, 2007 under the Companies Act, 1956 at Mumbai as a private limited company. KMMPL is involved in the business of mall management and trading activities.

Interest of our Promoter

Manz Retail Private Limited holds 100% paid up equity share capital of KMMPL.

Financial Information

(Rs. in crore except per share data)

Particulars	For the Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Equity Capital	0.01	0.01	0.01
Reserve (exc. Revaluation Reserve)	(0.06)	(0.06)	(0.06)
Income including Other Income	0.06	0.05	0.10
Profit/ Loss after tax	(0.00)	(0.00)	(0.00)
Basic EPS (in Rs.)	(1.59)	(1.31)	(1.20)
Diluted EPS (in Rs.)	(1.59)	(1.31)	(1.20)

(Note: Financials for March 31, 2016 for companies having negative networth as disclosed in this section above are provisional)

(C) Other Group Companies

1. Future Corporate Resources Limited

Corporate Information

Future Corporate Resources Limited (“**FCRL**”) was originally incorporated as Simpleton Investrade Private Limited on October 19, 2005. Its name was changed to Future Corporate Resources Private Limited w.e.f. July 26, 2011. The name was further changed to Future Corporate Resources Limited w.e.f. August 24, 2011. It is a public limited company incorporated under the Companies Act, 1956. FCRL holds investments in various future group companies and primarily engaged in the business of acquisition of media space rights viz. advertisement, print media, and running of various loyalty programs, event management, management consultancy services, training and skill development etc.

Interest of our Promoter

FCRL is a promoter and ultimately controlled by Kishore Biyani and/or his relatives.

2. Future Ideas Company Limited

Corporate Information

Future Ideas Company Limited (“**FICL**”) was incorporated as a public limited company on February 6, 2006 under the Companies Act, 1956 at Mumbai. FICL is involved in the business of knowledge trainers and disseminators, advisors, consultants, idea generators for new projects, consumer research, marketing research, economic research, market behaviour and other types of market etc.

Interest of our Promoter

- Kishore Biyani through his relatives holds 78.80% of the total paid up equity share capital of FICL.
- Future Corporate Resources Limited holds 100% of Preference Share Capital of FICL

3. Akar Estate Finance Private Limited

Corporate Information

Akar Estate Finance Private Limited (“**AEFPL**”) was incorporated on September 29, 1992 under the Companies Act, 1956 at Kolkata as a private limited company. AEFPL is involved in the business of trading and investments.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of AEFPL.

4. Central Departmental Stores Private Limited

Corporate Information

Central Departmental Stores Private Limited (“**CDSPL**”) was incorporated on August 31, 2006 under the Companies Act, 1956 at Mumbai as a private limited company. CDSPL is involved in the business of sale, purchase, export, import, distribution, becoming commission agents or consignees, of all goods and services through departmental stores, departmental chain shops, franchisee shops, retail chain shops, or through any other means for retail selling or otherwise.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of CDSPL.

5. Future Hospitality Management Limited

Corporate Information

Future Hospitality Management Limited (“**FHML**”) was incorporated as a public limited company on March 31, 2007 under the Companies Act, 1956 at Mumbai. FHML is involved in the hospitality business and also in business relating to hotels, motels, spas, café, flight kitchen, health plaza, food courts etc.

Interest of our Promoter

PIL Industries Limited holds 100% of total share capital of FHML.

6. Gargi Business Ventures Private Limited

Corporate Information

Gargi Business Ventures Private Limited (“**GBVPL**”) was originally incorporated as Gargi Developers Private Limited on August 31, 2010 under the Companies Act, 1956 in Mumbai as a private limited company. Its name was changed to Gargi Business Ventures Private Limited w.e.f. February 13, 2015. GBVPL is involved in the business of trading of fabric.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of GBVPL.

7. Future People Services Limited

Corporate Information

Future People Services Limited (“**FPSL**”) was originally incorporated on June 7, 2010 under the Companies Act, 1956 as Haribhakti SME Transformation and Support Solutions Private Limited at Mumbai. Further, it was converted into public limited company as Haribhakti SME Transformation and Support Solutions Limited and obtained certificate on April 04, 2012. The name was then changed to Future Haribhakti Business Services Limited and obtained fresh certificate on April 13, 2012. Further, the name was changed to current name Future People Services Limited and certificate was obtained on February 15, 2016. FPSL is involved in the business to act as consultants, trainer, give advice, to engage in dissemination of information in all aspects of business, organisation, and industry in India and abroad and to advise upon the means and methods for extending and developing systems or processes relating to various areas of providing professional services (including legal services) to the industry in India and abroad.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of FPSL.

8. RYKA Commercial Ventures Private Limited

Corporate Information

Ryka Commercial Ventures Private Limited (“**RCVPL**”) was incorporated on May 22, 2012 under the Companies Act, 1956 at Mumbai as a private limited company. RCVPL is involved in the business of traders, merchants,

buyers, sellers, importers, exporters, dealers, wholesalers, retailers, export, exchange, pledge, distribute, mortgage, advance upon or otherwise trade and deal in any type of merchandise.

Interest of our Promoter

- Future Corporate Resources Limited holds 99% of the total paid up equity share capital of RCVPL.
- Our Promoter do not hold any share in Preference Share capital of RCVPL.

9. Rural Fairprice Wholesale Limited

Corporate Information

Rural Fairprice Wholesale Limited (“**RFWL**”) was incorporated as a public limited company on September 1, 2009 under the Companies Act, 1956 at Mumbai. RFWL is involved in the business relating to retailing, selling, distributing, marketing, promoting food products or otherwise and including consumer, household lifestyle and fast moving consumer durable and non durable goods and products.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of RFWL.

10. Future Human Development Limited

Corporate Information

Future Human Development Limited (“**FHDL**”) was incorporated as a public limited company on January 18, 2007 under the Companies Act, 1956 at Mumbai. FHDL works closely with community and help in giving enhanced people centric solution and also provides skilled talent in order to gain global competitive advantage.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of FHDL.

11. Future Lighting India Limited

Corporate Information

Future Lighting India Limited (“**FLIL**”) was originally incorporated on February 18, 2008 under the Companies Act, 1956 as SW Lighting Private Limited at Mumbai. The name was changed to Future Lighting India Private Limited and obtained fresh certificate on July 17, 2010. Further, it was converted into public limited company and obtained certificate in the current name Future Lighting India Limited on October 18, 2010. FLIL is involved in the business of trading of light fitting & fixtures.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of FLIL.

12. Weavette Business Ventures Limited

Corporate Information

Weavette Business Ventures Limited (“**WBVL**”) was incorporated as Future Realtors India limited on November 5, 2007 under the Companies Act, 1956 as a public limited company at Mumbai. Further, name of the company was changed to Future Ideas Realtors India limited and obtained certificate on December 18, 2007. The name was then changed to Weavette Business Ventures Limited. Fresh certificate after name change was obtained on July 07, 2015. WBVL is involved in the business of trading of fabric.

Interest of our Promoter

- Future Corporate Resources Limited holds 100% of the total paid up equity share capital of WBVL.
- PIL Industries Limited, Manz Retail Private Limited and Vayuputra Relaty Private Limited holds 51.64% of 0.01% Redeemable Preference shares of WBVL and Future Corporate Resources Limited holds 0.16% of 0.01% Redeemable Preference shares of WBVL

13. Retail Light Techniques (India) Limited

Corporate Information

Retail Light Techniques (India) Limited (“**RLTIL**”) was incorporated as a public limited company on January 10, 2007 under the Companies Act, 1956 at Mumbai. RLTIL is involved in the business of trading of light fitting & fixtures.

Interest of our Promoter

Future Corporate Resources Limited holds 100% of the total paid up equity share capital of RLTIL.

14. Whole Wealth Limited (foreign company)

Corporate Information

Whole Wealth Limited (“**WWL**”) was incorporated as a limited company on June 28, 2006 under the Companies Ordinance Act, at Hong Kong. WWL is involved in the business of general trading of goods.

Interest of our Promoter

Future Corporate Resources Limited holds 60% of the total paid up equity share capital of WWL.

15. Dhanshree Fashions Private Limited

Corporate Information

Dhanshree Fashions Private Limited (“**DFPL**”) was incorporated on January 01, 2004 under the Companies Act, 1956 at Mumbai as a private limited company. DFPL is involved in the business of trading in fabric.

Interest of our Promoter

Kishore Biyani through his relative holds 55% of the total paid up equity share capital of DFPL.

16. Utsav Mall Management Company Private Limited

Corporate Information

Utsav Mall Management Company Private Limited (“**UMMCPL**”) was incorporated on November 19, 2005 under the Companies Act, 1956 at Mumbai as a private limited company. UMMCPL is involved in the business of mall management activities.

Interest of our Promoter

Kishore Biyani through his relative holds 51% of the total paid up equity share capital of UMMCPL.

17. Nimbi Jodha Trading & Finvest Private Limited

Corporate Information

Nimbi Jodha Trading & Finvest Private Limited (“**NJTFL**”) originally incorporated on October 12, 2011 under the Companies Act, 1956 at Mumbai as Nimbi Jodha Corporate Services Private Limited and further the name was changed to Nimbi Jodha Trading and Finvest Private Limited w.e.f March 20, 2014. NJTFL is involved in the business of finance, investment, loan and guarantee a company and to invest in, acquire, subscribe, purchase, hold, sell, divest or otherwise deal in securities, shares, stocks, equity linked securities, debentures, debenture stock, bonds, commercial papers, acknowledgements, deposits, notes, obligations, futures, calls, derivatives, currencies and securities of any kind whatsoever.

Interest of our Promoter

Kishore Biyani through his relative holds 51% of the total paid up equity share capital of NJTFL.

18. Srishti Mall Management Company Private Limited

Corporate Information

Srishti Mall Management Company Private Limited (“**SMMCPL**”) was incorporated on August 3, 2005 under the Companies Act, 1956 at Mumbai as a private limited company. SMMCPL is involved in the business of mall management activities.

Interest of our Promoter

Kishore Biyani along with HUF holds 35% and through his relative holds 65% of the total paid up equity share capital of SMMCPL.

19. Avanee and Ashni Securities Private Limited

Corporate Information

Avanee and Ashni Securities Private Limited (“**AASPL**”) was incorporated on April 15, 2005 under the Companies Act, 1956 at New Delhi as a private limited company. AASPL is involved in the business of investment as a Core Investment Company.

Interest of our Promoter

Kishore Biyani through his relative holds 50% of the total paid up equity share capital of AASPL.

Our Promoter do not hold any stake in Preference share capital of AASPL.

20. Surplus Finvest Private Limited

Corporate Information

Surplus Finvest Private Limited (“**SFPL**”) was incorporated on August 23, 1995 under the Companies Act, 1956 at Mumbai as a private limited company. Surplus Finvest Private Limited is involved in the business of capitalists, leasing, hire – purchasing, execution of financial and monetary business operation.

Interest of our Promoter

Kishore Biyani directly holds 0.10 % and through his relative holds 99.90% of the total paid up equity share capital of SFPL.

21. Shree Balaji Parvat View Properties Private Limited

Corporate Information

Shree Balaji Parvat View Properties Private Limited (“**SBVPVPL**”) (formerly known as Parvat View Properties Private Limited) was incorporated on September 10, 2007 under the Companies Act, 1956 at Mumbai as a private limited company. SBVPVPL is into the business of trading and investment activities.

Interest of our Promoter

Our Promoter does not hold any share in the total paid up equity share capital of SBVPVPL.

22. Fresh Television Private Limited

Corporate Information

Fresh Television Private Limited (“**FTPL**”) was incorporated on August 28, 2007 under the Companies Act, 1956 at Mumbai as a private limited company. FTPL is involved in the business of providing content value added services like subtitling, dubbing, promos, post production supporting the film and television industry and corporate media and marketing team .

Interest of our Promoter

Our Promoter does not hold any share in the total paid up equity share capital of FTPL.

23. RGB Enterprises Limited (Foreign Company)

Corporate Information

R G B Enterprises Limited was incorporated on January 9, 2012 as a private limited company under the Companies Act, 2006 at Cardiff, UK.

Interest of our Promoter

Our Promoter does not hold any share in the total paid up equity share capital of R G B Enterprises Ltd

24. Medic Creations Private Limited

Corporate Information

Medic Creations Private Limited (“**MCPL**”) (formerly known as Shree Balaji Best Mall Management Private Limited) was incorporated on September 15, 2010, under the Companies Act, 1956 at Maharashtra as a private limited company. MCPL is involved in the business of all kinds of entertainment, running and managing the multiplex, cinema Halls, open digital theatre stage programmes, restaurants, bars etc.

Interest of our Promoter

Our Promoter does not hold any share in the total paid up equity share capital of MCPL

25. Iskrupa Mall Management Company Private Limited

Corporate Information

Iskrupa Mall Management Company Private Limited (“**IMMCPL**”) was incorporated on February 21, 2005 under the Companies Act, 1956 at Mumbai as a private limited company. IMMCPL is involved in the business of mall management activities.

Interest of our Promoter

Kishore Biyani through Suhani Trading and Investment Consultants Private Limited holds 100% of the paid up equity share capital of IMMCPL.

26. Planet Traders Limited

Corporate Information

Planet Traders Limited (“**PTL**”) was originally incorporated on June 1, 2007 under the Companies Act, 1956 as Winner Sports Private Limited at Jaipur (Rajasthan). It was converted into public limited company and obtained certificate in the name Winner Sports Limited on January 20, 2010 and was then shifted to Mumbai on November 9, 2011. Further, the name was changed to Planet Traders Limited and obtained fresh certificate on December 15, 2015. PTL Limited is involved in business of a trading company, and as merchants, importers, exporters, buyers, sellers, retailers and processors of and dealers and agents in all kinds of commodities, materials, articles and goods including cotton and other fabrics, fabrics of all kinds, oil seeds, minerals, chemicals, ornaments and jewellery, bullion and coin, precious and semi-precious stones, objects of art, and products of every description, either raw or manufactured or in the natural state or processed.

Interest of our Promoter

- Kishore Biyani through ESES Commercials Private Limited holds 100% of the paid up equity share capital of PTL.
- ESES Commercials Private Limited holds 100% of the Preference Share Capital.

27. PRTL Enterprises Limited

Corporate Information

PRTL Enterprises Limited (“**PRTLEL**”) was incorporated as Pantaloon Retail Technologies Limited on July 1, 1999 under the Companies Act, 1956 at Mumbai. The name was then changed to current name PRTL Enterprises Limited and obtained fresh certificate on February 6, 2006. PRTLEL is involved in business of development, supply, distribution and maintenance of software’s and hardware’s of all description in India and foreign countries through electronic media.

Interest of our Promoter

- Kishore Biyani through ESES Commercials Private Limited holds 50% of the paid up equity share capital of PRTLEL
- Manz Retail Private Limited holds 50% of the paid up equity share capital of PRTLEL.

Nature and Extent of Interest of Group Companies

• In the promotion of our Company

None of our Group Companies have any interest in the promotion or any business interest or other interests in our Company except in ordinary course of business and as disclosed in this Information Memorandum.

• In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Information Memorandum

None of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Information Memorandum except in ordinary course of business and as disclosed in this Information Memorandum.

• In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery involving our Company except in ordinary course of business and as disclosed in this Information Memorandum.

Interest of our Promoter in the Group Companies

Other than as disclosed in “Group Companies” beginning on page 110, our Promoter has certain transactions with the Group Companies in the ordinary course of business which are typically in the nature of *inter alia* purchase or sale of goods, sale of fixed assets, inter-corporate deposits, services rendered, software development, rent or commission or interest received or paid and issue of corporate and performance guarantees.

Common Pursuits among the Group Companies with our Company

Other than as disclosed in “Promoter and Promoter Group- Interest of our Promoter”, “Promoter and Promoter Group- Common Pursuits” and “Risk Factors” on pages 106, pages 108 and 8, respectively, there are no common pursuits between any of our Group Companies and our Company.

Related Business Transactions within the Group Companies and significance on the financial performance of our Company

For details of related party transactions entered into by our Company during the last financial year, the nature of transactions and the cumulative value of transactions and significance on the financial performance of our Company, see “Related Party Transactions” on page 151.

However, pursuant to the Scheme and subsequent allotment of Equity Shares to the eligible shareholders of FEL and change of Board constitution, the related parties as disclosed, would get changed as given in section Promoters and Promoter Group and Group Companies on page 99 and 110.

Significant Sale/Purchase between Group Companies and our Company

Other than as disclosed in “Financial Information of our Company” beginning on page 153, none of the companies are involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

However, pursuant to the Scheme and subsequent allotment of Equity Shares to the eligible shareholders of FEL and change of Board constitution, the related parties as disclosed, would get changed as given in section Promoters and Promoter Group and Group Companies on page 99 and 110.

Business Interest of Group Companies

Other than as disclosed in “Our Business” and “Related Party Transactions” beginning on pages 69 and 151 respectively, none of the companies have any business interest in our Company.

However, pursuant to the Scheme and subsequent allotment of Equity Shares to the eligible shareholders of FEL and change of Board constitution, the related parties as disclosed, would get changed as given in section Promoters and Promoter Group and Group Companies on page 99 and 110.

Defunct Group Companies

There are no Group Companies whose name have been struck off by the registrar of companies, during the last five years preceding the date of this Information Memorandum.

Loss Making Group Companies

The following tables set forth the details of our Group Companies which have incurred loss in the last Financial Year and provides details of profit/(loss) made by them in the last three Financial Years, on the basis of latest audited financial statements available:

Company Name	FY 2016 (Provisional)	FY 2015	FY 2014
	Profit / (loss) after tax	Profit / (loss) after tax	Profit / (loss) after tax
Future Ideas Company Limited	(11.18)	(0.46)	(5.72)
Future Capital Investment Private Limited	(0.62)	0.13	(0.01)
Future Hospitality Management Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Future Hospitality Private Limited	(1.51)	(3.89)	(0.25)
Future Outdoor Media Solutions Limited	(0.03)	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Future Coupons Limited	(6.52)	(6.50)	(5.72)
Future People Services Limited	(1.40)	(0.80)	(0.64)
Future Market Networks Limited	(15.07)#	(53.30)	(65.83)
Future Consumer Enterprise Limited	(63.55)#	(93.75)	30.41
Galaxy Entertainment Corporation Limited	(2.02)#	0.14	0.30
Weavette Business Ventures Limited	(11.00)	(8.50)	(2.73)
Whole Wealth Limited (Foreign Company)*	(0.01)	0.03	(0.90)
Birthright Games & Entertainment Private Limited	(0.81)	0.03	(0.00) ⁽¹⁾
Future Entertainment Private Limited	(4.99)	(2.44)	(0.00) ⁽¹⁾
Future Sharp Skills Limited	(2.67)	(4.21)	(8.63)
Bansi Mall Management Co. Private Limited	(15.23)	(11.04)	(22.47)
Shree Balaji Umber Properties Private Limited	(0.01)	(1.17)	(0.66)
Shree Balaji Parvat View Properties Private Limited	(0.04)	(0.08)	(0.65)
Shree Balaji Mall Management Service India Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.02)
Archana Ekta Investment Advisors Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Vayuputra Realty Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(1.53)
Suhani Trading And Investment Consultants Private Limited	(0.04)	(0.09)	0.26
Kesari Realty Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Mahabal Realty Private Limited	(0.01)	0.00 ⁽¹⁾	(0.01)
Kuber Mall Management Private Limited	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾	(0.00) ⁽¹⁾
Planet Traders Limited	(2.45)	0.04	(0.01)

* Financials in Hongkong Dollars

FY2016 figures are Audited

⁽¹⁾ Negligible in terms of ₹ crore.

None of the Group Companies have been debarred from accessing the capital market for any reasons by SEBI or any other authorities.

None of our Group Companies fall under the definition of sick companies within the meaning of Sick Industrial Companies

(Special Provisions) Act, 1985 and none of them is under winding up except as mentioned herein below:

Future Axiom Telecom Limited, a joint venture between Future Enterprises Limited and Axiom Telecom LLC, UAE ("FATL") has been ordered and directed to be wound up by the Hon'ble High Court of Bombay vide its order dated April 15, 2015 as per the provisions of the Companies Act, 1956 and accordingly, an Official Liquidator has been appointed by the said High Court with all powers to take charge of all assets of FATL and to distribute the said assets of FATL in accordance with Law.

None of the Group Companies have been identified as Wilful Defaulters. .

Interest of Group Companies

None of any of our Group Companies have any interest in:

- promotion of our Company.
- in the properties acquired by our Company in the last two years before filing of this Information Memorandum or proposed to be acquired by it.
- in any transaction for acquisition of land, construction of building and supply of machinery.

RELATED PARTY TRANSACTIONS

For details of related party transactions during the last five fiscal years ended March 31, 2016, as per the requirements under Accounting Standard 18 “Related Party Disclosures” issued by the Institute of Chartered Accountants of India on a standalone basis, please see the sections entitled “Financial Information of our Company” on pages 153.

Policy Pertaining To Related Party Transactions

Summary of Policy of dealing with Related Party Transaction

All Related Party Transactions is referred to the Audit Committee for approval in accordance with the Related Party Policy. The list of related party and transactions are in accordance with relevant provisions of Companies Act, 2013 and Accounting Standard 18 of the Income Tax Act and/or as provided under SEBI (LODR), 2015.

Each Director, Key Managerial Person and Head-Accounts are responsible for providing notice to the Company Secretary of any potential Related Party Transaction, including any additional information about the transaction that the Board/Audit Committee may request, for being placed before the Audit Committee and the Board.

Every Related Party Transaction is subject to the prior approval of the Audit Committee whether at a meeting or by resolutions by way of circulation. In determining whether to approve a Related Party Transaction, the Audit Committee / Board considers (among other aspects it deems relevant), if there is clearly demonstrable reasons from our Company’s business point of view, for the transaction to be entered into with a Related Party.

The approving authority is provided with all the relevant information of the Related Party Transactions, including the terms of the transaction, the business purpose of the transaction, the benefits to our Company and to the Related Party, and any other relevant matters including information required under relevant provisions of the Companies and SEBI (LODR), 2015. The approving authority in respect of the related party transactions referred to it for approval, considers the materials placed before them and judge if the transaction is in the ordinary course of business and at arm’s length basis.

The Audit Committee is authorised to grant omnibus approval for recurring transactions with related parties. The Audit Committee would review on a quarterly basis the Related Party Transactions entered into by our Company pursuant to each of the omnibus approval given. Fresh approval is to be obtained on a financial year basis.

DIVIDEND POLICY

Our Company has not declared or paid any cash dividend on our Equity Shares in the past. The declaration and payment of dividends if any, will be recommended by our Board of Directors and approved by our shareholders in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial position. Our Company has no stated dividend policy. This is not indicative of our dividend policy or dividend amount, if any, in the future.

SECTION V – FINANCIAL INFORMATION

FINANCIAL INFORMATION OF OUR COMPANY

FINANCIAL INFORMATION OF OUR COMPANY

Auditors Report

The Board of Directors

Future Retail Limited

(Formerly known as Bharti Retail Limited)

1. We have examined the summary financial statements of Future Retail Limited ('the Company') (Formerly known as Bharti Retail Limited) which comprise the summary balance sheet as at March 31, 2016, March 31, 2015, March 31, 2014, December 31, 2012 and December 31, 2011 and the summary statement of profits and loss and summary statement of cash flows for the years ended March 31, 2016, March 31, 2015, December 31, 2012 and December 31, 2011 and for the fifteen months period ended March 31, 2014, and with the notes derived from the audited financial statements of respective years. We expressed an unmodified opinion on the financial statements for the year ended March 31, 2016 in our report dated May 25, 2016. The financial statements for the year/ period ended March 31, 2015; March 31, 2014; December 31, 2012 and December 31, 2011 were audited by another auditors and they expressed an unmodified opinion on these financial statements in their audit reports dated June 20, 2015, September 26, 2014, May 28, 2013 and February 21, 2012. The figures included in the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of auditors reports on those financial statements.

The summary financial statements do not contain all the disclosures required by the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 [applied in the preparation of the audited financial statements of the Company]. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Company

Management's Responsibility for the Summary Financial Statements

The Company's Board of Directors is responsible for the preparation of a summary of the audited financial statements in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Furthermore the Board of Directors is also responsible for the matters stated in the securities and Exchange Board of India („SEBI“) – (Issue of Capital and Disclosure Requirements) Regulations, 2009 („SEBI guidelines“) issued by the Securities Exchange Board of India („SEBI“) under section 11 of Securities and Exchange Board of India Act, 1992 and related clarifications thereto.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on the procedures, as stated in Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion the aforesaid summary financial statements derived from the audited financial statements of Future Retail Limited (Formerly known as Bharti Retail Limited) for the years ended March 31, 2016; March 31, 2015; March 31, 2014; December 31, 2012 and December 31, 2011 are a fair summary of these financial statements in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Other Matters

This report should not in any way be construed as a reissuance or re-dating of any of the previous reports issued by us nor should it be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report is intended solely for your information and for inclusion in the Information Memorandum in connection with listing of shares of the Company and is not to be used, referred to or distributed for any other purpose without our written consent.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W
Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
Date - 22 June 2016

FUTURE RETAIL LIMITED

(FORMERLY KNOWN AS BHARTI RETAIL LIMITED)

BALANCE SHEET AS AT MARCH 31, 2016

Particulars (Rs. cr.)	31-Mar-16	31-Mar-15	31-Mar-14	31-Dec-12	31-Dec-11
Shareholders Funds					
Share capital	8.70	1,398.66	1,398.66	532.81	513.13
Share Capital Suspense	85.57				
Reserves and surplus	1,779.92	(1,820.26)	(1,441.05)	(1,522.44)	(984.34)
Shareholders Funds	1,874.19	(421.60)	(42.39)	(989.63)	(471.21)
Share application money pending allotment		133.00			19.68
Optionally Convertible Debentures	154.20	-	-	-	-
Non-current liabilities					
Long-term borrowings	-	54.00	-	326.25	349.00
Trade payables	-	-	-	17.51	7.08
Other long term liabilities	134.20	111.73	140.07	110.36	59.30
Long-term provisions	31.94	8.42	4.40	4.17	3.56
Total - Non current liabilities	166.14	174.15	144.47	458.29	418.94
Current liabilities					
Short-term borrowings	968.20	336.40	183.00	300.79	25.00
Trade payables	2,208.72	166.09	158.52	665.93	375.15
Other current liabilities	207.54	42.50	33.15	47.74	43.01
Short-term provisions	6.68	27.76	40.45	12.59	12.49
Total - Current liabilities	3,391.14	572.74	415.13	1,027.05	455.64
TOTAL LIABILITIES	5,585.67	458.29	517.21	495.71	423.05
Assets					
Fixed assets					
Tangible assets	-	108.56	140.63	183.94	152.09
Intangible Assets	260.93	25.98	2.85		-
Capital WIP	-	43.40	46.71	38.99	30.81
Long-term loans and advances	255.43	29.14	36.48	43.02	44.02
Other Non Current Assets	-	1.53	1.49	1.41	1.05
Total - Non current assets	516.36	208.61	228.17	267.37	227.96
Current Assets					
Inventories	3,297.24	216.15	223.52	156.41	153.13
Trade receivables	127.48	0.44	0.58	0.54	0.62
Cash and Bank balances	91.36	8.33	22.49	37.32	18.34
Short-term loans and advances	1,548.21	24.72	42.36	34.06	22.99
Other current assets	5.02	0.04	0.09	0.00	-
Total -Current assets	5,069.31	249.68	289.04	228.33	195.09
TOTAL ASSETS	5,585.67	458.29	517.21	495.71	423.05

FUTURE RETAIL LIMITED

(FORMERLY KNOWN AS BHARTI RETAIL LIMITED)

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM January 01, 2011 TO MARCH 31, 2016

	12 Months	12 Months	15 Months	12 Months	12 Months
Particulars (Rs. cr.)	31-Mar-16	31-Mar-15	31-Mar-14	31-Dec-12	31-Dec-11
Revenue from Operations	6,844.96	1,779.42	2,343.12	1,578.30	1,019.59
Other Income	15.51	70.03	9.49	3.06	1.80
Exceptional Items			395.84		
Total income from Operations	6,860.47	1,849.45	2,748.45	1,581.35	1,021.39
Purchase of stock-in-trade	5,254.86	1,562.80	2,289.15	1,531.14	1,068.88
Changes in inventories	(189.74)	8.09	(66.95)	(2.88)	(82.69)
Employee benefits expense	329.28	161.53	172.63	121.17	105.62
Finance Costs	49.75	20.23	70.68	18.25	0.03
Depreciation and amortisation	36.76	44.10	60.71	36.56	23.90
Other Expenditures	1,365.01	431.91	536.85	415.22	299.98
Total Operating Expenses	6,845.92	2,228.67	3,063.06	2,119.45	1,415.72
Profit/(Loss) before Tax	14.55	(379.21)	(314.61)	(538.10)	(394.32)
Tax Expenses	-	-	-	-	-
Profit/(Loss) after Tax	14.55	(379.21)	(314.61)	(538.10)	(394.32)
EPS per equity share Basic and Diluted	0.66	(2.71)	(5.42)	(10.18)	(10.33)

FUTURE RETAIL LIMITED

(FORMERLY KNOWN AS BHARTI RETAIL LIMITED)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

		Year Ended March 31, 2016	Year Ended March 31, 2015	Period Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
A	CASH FLOW FROM OPERATING ACTIVITIES					
	Net Profit /(Loss) Before Tax	14.55	(379.21)	(314.61)	(538.10)	(394.32)
	Adjusted for:					
	Depreciation and Amortization Expense	36.76	44.10	60.71	36.56	23.90
	Finance Costs	49.75	19.93	68.43	17.98	0.03
	Profit on Sale of Investments	-	(0.05)	(1.13)	(0.81)	-
	Expense on Employee Stock Option Scheme	-	-	-	-	-
	Loss on Disposal/Discard of Fixed Assets (Net)	0.01	16.50	16.88	3.52	1.39
	Dividend Income	-	-	-	-	-
	Excess provisions written back	-	(7.28)	-	-	-
	Reversal of Lease equalisation reserve	-	(49.14)	(2.35)	-	-
	Interest Income	(0.28)	(0.12)	(0.77)	(0.87)	(1.59)
	Unrealised loss /(gain) on exchange fluctuation			0.00	(0.11)	0.12
	Excess provision for probable store closure / dropped sites expenses written back		(7.43)	(1.91)	(0.89)	2.73
	Provision for probable store closure / dropped sites expenses		1.21	18.63		
	Loss by fire			(4.36)	4.04	0.98
	Advances / deposits Written off		2.93	0.31	0.14	-
	Advance Fringe benefit tax Written off		0.03	-		
	Provision for doubtful debts and		0.38	1.81	0.06	0.34

		Year Ended March 31, 2016	Year Ended March 31, 2015	Period Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
	advances					
	Provision for doubtful capital advance and capital work in progress		0.91	2.00	1.63	0.07
	Liabilities written back		(0.31)	(395.84)		
	Operating Profit/(Loss) Before Working Capital Changes	100.79	(357.55)	(552.18)	(476.85)	(366.35)
	Adjusted for:					
	Trade Receivable	(127.03)	(0.00)	(0.10)	0.16	(0.24)
	Loans and Advances and Other Assets	(1,750.46)	23.52	0.19	(12.47)	(41.76)
	Inventories	(3,081.09)	7.37	(64.14)	(5.87)	(83.60)
	Trade Payables, Other Liabilities and Provisions	2,232.58	43.81	(86.57)	359.39	380.87
	Cash Generated From Operations	(2,625.21)	(282.85)	(702.80)	(135.64)	(111.08)
	Taxes Paid (Net)	(4.62)	(1.45)	(0.86)	(0.40)	(0.40)
	Net Cash From Operating Activities	(2,629.83)	(284.30)	(703.66)	(136.05)	(111.48)
B	CASH FLOW FROM INVESTING ACTIVITIES					
	Purchase of Fixed Assets	(217.79)	(51.37)	(63.86)	(83.75)	(86.05)
	Sale of Fixed Assets	98.01	0.91	1.19	1.80	0.65
	Purchase of non trade current investment mutual funds	-	(19.25)	(263.00)	(98.00)	-
	Proceed from sale of non trade current investment in mutual funds	-	19.30	264.13	98.81	-
	Deposits (with maturity more than three months)	-	(0.09)	(0.10)	(0.29)	(0.37)
	Interest Received	0.28	0.22	0.70	0.80	1.56
	Net Cash Used In Investing Activities	(119.50)	(50.27)	(60.94)	(80.63)	(84.22)
C	CASH FLOW FROM FINANCING ACTIVITIES					
	Proceeds from Issue of Shares	188.09	-	-	-	-
	Proceeds from Share Application Money	-	133.00	-	-	19.68
	Proceeds from Optionally Convertible Debentures	154.20	-	-	-	-
	Proceeds from Borrowings	577.80	207.40	817.81	253.04	181.25
	Interest Paid	(49.75)	(19.99)	(68.04)	(17.38)	(0.01)
	Net Cash Provided By Financing Activities	870.34	320.41	749.78	235.65	200.92
	On Composite Schemes of Arrangements	1,960.16	-	-	-	-
	Net (Decrease)/Increase In Cash and Cash Equivalents	81.16	(14.16)	(14.83)	18.98	5.22
	Net (Decrease)/Increase In Cash and Cash Equivalents	81.16	(14.16)	(14.83)	18.98	5.22
	Cash and Cash Equivalents (Opening Balance)	8.33	22.49	37.32	18.34	13.12
	Cash and Cash Equivalents (Closing Balance)	89.49	8.33	22.49	37.32	18.34

NOTES TO THE FINANCIAL STATEMENTS FOR FY 2011 to FY 2016

Corporate information

For FY 2012 to FY 2016

Bharti Retail Limited ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956 on February 7, 2007. The Company is a wholly owned subsidiary of Cedar Support Services Limited and engaged in the business of retailing a variety of household and consumer products through departmental store facilities under various formats.

For FY 2011

Bharti Retail Limited ("the Company") is engaged in the business of retailing a variety of household and consumer products through departmental stores under various formats.

Basis of Preparation

For FY 2015 to 2016

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

For FY 2014

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. The financial statements have been prepared on an accrual basis and under the historical cost convention.

For FY 2012

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

For FY 2011

The financial statements have been to comply in all material respects with the Notified accounting standards by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except for change in accounting policy disclosed below.

Summary of significant accounting policies

Changes in accounting policy

Method of inventory valuation (For FY 2015)

In the current year, the Company has changed method of valuation of Inventory at retail stores from retail inventory method to valuation of inventory at Cost on weighted average basis. The management believes that such change will result better presentation of financial position. In view of practical difficulties faced due to large volume of items, the impact of such change could not be disclosed in the financial statements.

Presentation and disclosure of financial statements (For FY 2012)

During the year ended December 31, 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has

significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

Use of estimates

For FY 2012 to FY 2016

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

For FY 2011

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements and the result of operations during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates.

Tangible fixed assets & Depreciation

Tangible Asset

For FY 2016

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

For FY 2012 to 2015

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

For FY 2011

Fixed assets are stated at cost, less accumulated depreciation. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for the intended use. Borrowing costs related to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation

For FY 2015 to 2016

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets. The life of the assets is based on technical assessment by the management which is either same or lower than the life indicated in Schedule II of the Companies Act, 2013. The life of assets is given below:

Assets	Life as per Management	Life as per Schedule II
Plant and Machinery	5 years	15 years
Office Equipments		
- Mobiles	2 years	5 years
- Others	5 years	5 years
Furniture and Fixtures	7 to 10 years	10 years
Computers		
- Servers and networks	5 years	6 years

Assets	Life as per Management	Life as per Schedule II
- End user devices, such as, desktops, laptops, etc.	3 years	3 years
Leasehold improvements		
- Electrical Installations and Equipment	10 years	10 years
- Leasehold improvements	lease term or 15 years, whichever is lower	lease term or 15 years, whichever is lower

For FY 2014

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The Company has used the following rates to provide depreciation on its fixed assets.

Assets	Rates (Straight line method)
Plant and Machinery	20%
Office Equipments	
- Mobiles	50%
- Others	20%
Furniture and Fixtures	10% to 14.29%
Computers	
- Server and Networks	20%
- End user devices, such as, desktops, laptops etc.	33.33%
Leasehold improvements	
- Electrical Installations and Equipment	10%
- Leasehold improvement	lease term or 15 years, whichever is lower

For FY 2012

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The Company has used the following rates to provide depreciation on its fixed assets.

Assets	Rates (Straight line method)
Plant and Machinery	20%
Office Equipments	
- Mobiles and other Communication Equipments	50%
- Others	10%
Furniture and Fixtures	14.29%
Computers	20%
Leasehold improvements	lease term or 15 years, whichever is lower

For FY 2011

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The Company has used the following rates to provide depreciation on its fixed assets.

Assets	Rates on the basis of life estimated by the company	Schedule XIV Rates (SLM)
Plant and Machinery	20%	4.75%
Office Equipments		
- Mobiles and other Communication Equipments	50%	4.75%
- Others	10%	4.75%
Furniture and Fixtures	14.29%	6.33%
Computers	20%	16.21%

Leasehold Improvements are being amortised over the lease term or 15 years whichever is lower.

Assets individually costing Rs. 5,000 or less are fully depreciated over a period of 12 months from the date put to use. (For FY 2011 to FY 2016)

Wherever the life is different from as indicated in Schedule II, the same is based on technical assessment done by technical people (For FY 2015 to FY 2016)

Further the scrap value is considered as Nil. (For FY 2015)

Intangible assets & Amortization

For FY 2016

Intangible assets are stated at acquisition cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on straight line basis over their estimated useful economic life not exceeding ten years.

For FY 2015

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds five years, the Company amortises the intangible asset over the best estimate of its useful life. Such intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

For FY 2011 to FY 2015

Software is stated at cost of acquisition and includes all attributable costs of bringing the software to its working condition for its intended use.

For FY 2011

Software is being amortised over the life of software or 5 years whichever is lower.

Leases

For FY 2016

Leases where significant portion of risk and reward of ownership are retained by the Lessor are classified as operating leases and lease rental thereof are charged to the Statement of Profit and Loss as per the terms of agreement on straight line basis .

Where the Company is lessee

For FY 2011 to FY 2015

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

For FY 2015

A leased asset is depreciated on a straight-line basis over the useful life of asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized leased asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

For FY 2012 to FY 2014

A leased asset is depreciated on a straight-line basis over the useful life of asset or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized leased asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.

For FY 2011 to FY 2015

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

For FY 2011

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease item, capitalized lease assets are depreciated over the shorter of the estimated useful life of the asset or lease term.

Where the Company is the lessor

For FY 2011 to FY 2015

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

For FY 2012 to FY 2015

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

For 2011

Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Borrowing costs

For FY 2011 to FY 2016

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

For FY 2012 to FY 2015

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

For FY 2011

Borrowing Costs consist of interest and other costs that an entity incurs in connection with the borrowing funds.

Impairment of tangible and intangible assets

For FY 2016

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

For FY 2012 to FY 2015

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.

For FY 2012

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

For FY 2011

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

Investments

For FY 2012 to FY 2016

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

For FY 2012 to FY 2015

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

For FY 2012 to FY 2015

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

For FY 2011

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

Inventories (Valued at lower of cost and net realisable value)

For FY 2016

Inventories of traded goods are valued at lower of cost or net realizable value. Finished Goods and Work-in-Progress include cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are computed on weighted average basis.

For FY 2015

Inventories of Traded goods are valued at lower of cost and net realisable value. Cost of Traded goods and Stores & supplies inventory is determined on weighted average cost basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

For FY 2014

Inventories of Traded goods at retail stores are valued by the retail method of accounting on weighted average basis at lower of cost and net realisable value.

Inventories of Traded goods and Stores & supplies at warehouse is valued at lower of cost and net realisable value. Cost of Traded goods and Stores & supplies inventory is determined on weighted average cost basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

For FY 2012

Inventories of Traded goods are valued by the retail method of accounting on weighted average basis at the lower of cost or Net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

Inventories of Consumable at warehouse is valued at purchase cost. Cost of consumable inventory is determined on weighted average cost basis.

For FY 2011

Inventories are valued by the retail method of accounting on weighted average basis at lower of cost and net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

Revenue recognition

For FY 2016

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Sales are recognised when significant risk and rewards of ownership of the goods have passed to the buyer which coincides with delivery and are recorded net of trade discounts VAT and Sales Tax. Revenue from services are recognised as they are rendered based on agreements/arrangements with the concerned parties and recognised net of service tax (If applicable). Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable rate. Dividend income is recognised when right to receive is established

For FY 2011 to FY 2015

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

For FY 2012 to FY 2015

The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

For FY 2011 to FY 2015

Income from services

Income from services includes:

Income from sub-leasing which is recognised in the Statement of Profit and Loss Account on a straight-line basis over the lease term.

Income from services are recognized on accrual basis as per the terms of agreement as and when such services are rendered. The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest

For FY 2012 to 2015

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

For FY 2011

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Insurance Claims

Insurance claims are accounted only when there is a reasonable certainty of its ultimate collection.

Foreign currency translation

For FY 2016

Transactions in foreign currencies are recorded at the prevailing rates of exchange on the date of transaction. Monetary items denominated in foreign currencies, are restated at the prevailing rates of exchange at the balance sheet date. All gains and losses arising out of fluctuations in exchange rates are accounted for in the statement of Profit and Loss. Exchange differences on forward contracts entered into for hedging foreign exchange fluctuation risk in respect of an underlying asset/liability, are recognised in the statement of profit and loss in the reporting period in which the exchange rate changes. Premium/Discount on foreign exchange contracts are recognised as an expense/income over the life of the contract.

For FY 2011 to FY 2015

Foreign currency transactions and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.

Retirement and other employee benefits

For FY 2016

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognised at the present of the amounts payable determined using actuarial valuation techniques. Actuarial gain and loss in respect of post employment and other long term benefits are charged to Statement of Profit and Loss.

For FY 2012 to 2015

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the reporting period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.

The Company operate one defined benefit plan for its employees. The cost of providing benefits under Gratuity plan is determined on the basis of an actuarial valuation done using projected unit credit method at the end of each financial year. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting period end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Liability for long term incentive plan are provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

For FY 2011

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the reporting period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation done using projected unit credit method at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year end.

Liability for long term incentive plan are provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year.

Actuarial gains/losses are immediately taken into profit and loss account and are not deferred.

Income taxes

For FY 2016

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual/ reasonable certainty that the asset will be realised in future.

For FY 2012 to FY 2015

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current period and reversal of timing differences for the earlier periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities.

For FY 2011

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Earnings / (Loss) Per Share

For FY 2011 to 2016

Basic earnings / (Loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings / (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Provisions, Contingent Liabilities and Contingent Assts

For FY 2016

A provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised, but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements

For FY 2012 to 2015

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

For FY 2011

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Cash and cash equivalents

For FY 2011 to 2015

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Measurement of EBITDA

For 2015

The company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

For 2012 to 2014

As per permitted by the guidance note on the Revised Schedule VI to the companies Act, 1956 the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

Composite Scheme of arrangement

For FY 2016

The Composite Scheme of Arrangement between the Company and Future Retail Limited ("FRL") and their respective shareholders and creditors under the Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 ('the Scheme'), for Demerger of Retail Business Undertaking of FRL into the Company and Demerger of the Retail Infrastructure Business Undertaking of the Company into FRL with effect from Appointment Date October 31, 2015 (as defined in the Scheme) has been given effect on May 01, 2016 (Effective Date).

Pursuant to the Scheme, the paid up equity share capital has been reduced and reorganized to 4,34,78,261 Equity shares of Rs. 2 each. Further, all the assets and liabilities pertaining to Retail Business undertaking of FRL has been transferred to and vested in the Company. Accordingly, on May 18, 2016 the Company issued 42,78,60,296 Equity Shares to the shareholders holding shares on May 12, 2016 in FRL as per the Scheme. Further, all the assets and liabilities pertaining to Retail Infrastructure Business Undertaking of the Company has been transferred to and vested in FRL and accordingly, on May 18, 2016 FRL issued 4,34,78,261 equity shares to the shareholders holding shares on May 12, 2016 in the Company as provided in the Scheme.

For FY 2015

Subsequent to the year end, the Company in its board meeting dated May 4, 2015, has approved a composite scheme of arrangement under the provisions of Sections 391-394 read with Sections 100-104 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956/ Companies Act, 2013 for demerger of the Retail Infrastructure Business Undertaking of the Company into Future Retail Limited and demerger of Retail Business Undertaking of Future Retail Limited and vesting in the Company with effect from the "the Appointed Date" as defined in the Scheme subject to appropriate approvals. Further, subject to appropriate approvals it has also been resolved that the authorized share capital of the Company be reduced from INR 13,98,66,00,000 consisting of 1,39,86,60,000 equity shares of INR 10 each fully paid up

to INR 8,69,56,522 divided into 4,34,78,261 equity shares of INR 2 (Rupees Two only) each, fully paid-up. As the scheme is subject to approvals, no impact of the same is considered in the financial statements.

Going Concern

For FY 2015

The accumulated losses of the Company as at March 31, 2015 amounting to Rs. 18,20,26,04,225 (Rs. 14,41,04,86,131 as at March 31, 2014) has resulted in erosion of net worth as on that date. Further, it has incurred negative cash flow from operations of Rs. 2,84,29,92,998 (15 months period ended March 31, 2014 Rs. 7,03,66,11,990) and loss of Rs. 3,79,21,18,094 (15 months period ended March 31, 2014 Rs. 3,14,61,12,431) during the year ended March 31, 2015 and has net current liability of Rs. 3,23,06,06,549 (Rs. 1,26,08,38,114 as at March 31, 2014) as at March 31, 2015.

However as the Company had started commercial operations during the year 2008, the management believes that it is in the initial gestation period and had expected to incur losses for carrying out retail business in India. The accumulated losses of the Company are envisaged and mainly towards development of infrastructure to support the long term growth plan. The Company has got a commitment of continued financial support from Parent Company (Bharti Enterprises Limited) to contribute to the shortfall of the capital requirements.

On the above basis, the management is of opinion that there is no going concern issue with the Company and accordingly the financial statements have been prepared on going concern basis.

For FY 2014

The accumulated losses of the Company as at March 31, 2014 amounting to Rs. 14,41,04,86,131 (Rs. 15,22,43,73,700 as at December 31, 2012) has resulted in erosion of net worth as on that date. Further, it has incurred negative cash flow from operations of Rs. 7,03,66,11,990 (Previous year Rs. 1,36,04,87,877) and loss of Rs. 3,14,61,12,431 (Previous year Rs. 5,38,09,65,792) during the year ended March 31, 2014 and has net current liability of Rs. 1,26,08,38,114 (Rs. 7,98,64,60,681 as at December 31, 2012) as at March 31, 2014.

However as the Company had started commercial operations during the year 2008, the management believes that it is in the initial gestation period and had expected to incur losses for carrying out retail business in India. The accumulated losses of the Company are envisaged and mainly towards development of infrastructure to support the long term growth plan. The Company has got a commitment of continued financial support from Parent Company (Bharti Enterprises Limited) to contribute to the shortfall of the capital requirements.

On the above basis, the management is of opinion that there is no going concern issue with the Company and accordingly the financial statements have been prepared on going concern basis.

For FY 2012

The accumulated losses of the Company as at December 31, 2012 amounting to Rs. 15,22,43,73,700 (Rs. 9,843,407,908 as at December 31, 2011) has resulted in erosion of net worth as on that date. Further, it has incurred a negative cash flow from operations of Rs. 1,36,04,87,877 (Previous Year Rs. 1,114,777,064) and loss of Rs. 5,380,965,792 (Previous year Rs. 3,943,220,366) during the year ended December 31, 2012 and has net current liability of Rs. 7,987,127,421 (Rs. 2,605,557,005 as at December 31, 2011) as at December 31, 2012.

However as the Company had started commercial operations during the year 2008, the management believes that it is in the initial gestation period and had expected to incur losses for carrying out retail business in India. The accumulated losses of the Company are envisaged and mainly towards development of infrastructure to support the long term growth plan. The Company has got a commitment of continued financial support from Parent Company (Bharti Enterprises Limited) to contribute to the shortfall of the capital requirements.

On the above basis, the management is of opinion that there is no going concern issue with the Company and accordingly the financial statements have been prepared on going concern basis.

For FY 2011

The accumulated losses of the Company as at December 31, 2011 amounting to Rs. 9,84,34,07,908 has resulted in erosion of net worth as on that date. Further, it has incurred a negative cash flow from operations of Rs. 1,08,76,62,162 and loss of Rs. 3,94,32,20,366 during the year ended December 31, 2011 and has net current liability of Rs. 2,61,31,84,577 as at December 31, 2011.

However as the Company had started commercial operations during the year 2008, the management believes that it is in the initial gestation period and had expected to incur losses. The accumulated losses of the Company are envisaged and mainly towards development of infrastructure to support the long term growth plan. The Company had tied up with banks for loans to

meet its partial cash flow requirements and also has got a commitment Holding Company (Cedar Support Services Limited) to contribute to the shortfall of the capital requirements.

On the above basis, the management is of opinion that there is no going concern issue with the Company and accordingly the financial statements have been prepared on going concern basis.

FUTURE RETAIL LIMITED

Notes to Financial Statements for the year ended March 31, 2016

Annexure I

Share Capital	As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at December 31, 2012		As at December 31, 2011	
	Number	(Rs. in Crores)	Number	(Rs. in Crores)	Number	(Rs. in Crores)	Number	(Rs. in Crores)	Number	(Rs. in Crores)
Authorised										
Equity Shares of Rs. 2/- each (2011 to 2015: Rs. 10/- each) *	12,50,00,000	2,500.00	2,50,00,000	2,500.00	1,40,00,000	1,400.00	80,00,000	800.00	80,00,000	800.00
	12,50,00,000	2,500.00	2,50,00,000	2,500.00	1,40,00,000	1,400.00	80,00,000	800.00	80,00,000	800.00
Issued Subscribed and Paid up										
Equity Shares of Rs. 2/- each (2011 to 2015: Rs. 10/- each) *	4,34,78,261	8.70	1,39,86,600	1,398.66	1,39,86,600	1,398.66	53,28,060	532.81	51,31,260	513.13
	4,34,78,261	8.70	1,39,86,600	1,398.66	1,39,86,600	1,398.66	53,28,060	1,398.66	51,31,260	513.13

*As per the composite scheme of arrangement the number of shares from 1,71,97,50,000 to 4,34,78,261 and Face value of an equity share is to be reduced from Rs. 10/- to Rs. 2/- w.e.f. October 31, 2015.

Reconciliation of the shares outstanding at the beginning and at the end of the period.

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
	Number of Shares	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Opening Balance (Equity Shares of Rs. 10/- each)	1,39,86,60,000	1,39,86,60,000	53,28,06,000	51,31,26,000	17,56,52,000
Add : Shares Issued (Equity Shares of Rs. 10/- each)	32,10,90,000	-	86,58,54,000	1,96,80,000	33,74,74,000
Less : Shares reduced due to reduction and re-organisation*	1,67,62,71,739	-	-	-	-
Add : Shares to be issued pursuant to composite scheme of arrangement	42,78,60,296	-	-	-	-
Closing Balance (Equity Shares of Rs. 2/- (2011 to 2015: Rs. 10/-) each)	47,13,38,557	1,39,86,60,000	1,39,86,60,000	53,28,06,000	51,31,26,000

* Current year numbers have been adjusted for reduction & re-organisation of share capital pursuant to Composite Scheme

b) Terms/rights attached to equity shares.

The Company has only one class of Equity Shares having a par value of Rs. 2/- each (2015: Rs. 10/- each) at the Balance Sheet Date. Each holder is entitled to one vote per share in case of voting by show of hands and one vote per Shares held in case of voting by poll/ballot. Each holder of Equity Share is also entitled to normal dividend (including interim dividend, if any) as may declared by the company. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting..

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by shareholder.

c) Shares held by holding company/ultimate holding company.

Out of the equity shares issued by the company, shares held by holding/ultimate holding Company are as below :

Name of Shareholder	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Cedar Support Services Limited, the holding Company *					
Equity shares of Rs 2/- each (2011 to 2015: Rs. 10/- each) fully paid up	4,34,78,261	13,98,65,99,940	1,39,86,59,994	53,28,05,994	51,31,25,994

*100% subsidiary of Bharti Enterprises Limited

d) Shares in the Company held by each shareholder holding more than 5 percent shares and number of Shares held are as under:

Name of Shareholder	As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at December 31, 2012		As at December 31, 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares										
Cedar Support Services Limited	4,34,78,261	100.00	1,39,86,59,994	99.99	1,39,86,59,994	99.99	53,28,05,994	99.99	51,31,25,994	99.99

Equity Share Suspense Account

	As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at December 31, 2012		As at December 31, 2011	
	Number	(Rs. in Crores)	Number	(Rs. in Crores)	Number	(Rs. in Crores)	Number	(Rs. in Crores)	Number	(Rs. in Crores)
42,78,60,296 Equity Shares of Rs. 2 each,	42,78,60,296	85.57	-	-	-	-	-	-	-	-

	As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at December 31, 2012		As at December 31, 2011	
	Number	(Rs. in Crores)	Number	(Rs. in Crores)	Number	(Rs. in Crores)	Number	(Rs. in Crores)	Number	(Rs. in Crores)
fully paid-up, to be issued pursuant to the Scheme of arrangement with Future Enterprises Limited (formerly known as Future Retail Limited)										
	42,78,60,296	85.57	-	-	-	-	-	-	-	-

Annexure II

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Reserve and Surplus					
Capital Reserve					
Opening Balance	396.00	396.00	-	-	-
Add: During the year			396.00	-	-
Add: On Composite Scheme of Arrangement	1,874.58	-	-	-	-
	2,270.58	396.00	396.00	-	-
Surplus					
Opening Balance	(2,216.26)	(1,837.05)	(1,522.44)	(984.34)	(590.02)
Add : Profit for the Year	14.55	(379.21)	(314.61)	(538.10)	(394.32)
Add : Arising on Reduction & Re-organisation of Share Capital Pursuant to Composite Scheme	1,711.05	-	-	-	-
	(490.66)	(2,216.26)	(1,837.05)	(1,522.44)	(984.34)
Total	1,779.92	(1,820.26)	(1,441.05)	(1,522.44)	(984.34)

Annexure III

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Optionally Convertible Debentures (1542 Optionally Convertible Debentures having face value of Rs.10,00,000 each)	154.20	-	-	-	-

Annexure IV

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Long-Term Borrowings					
Secured					
Term Loan from Bank	-	54.00	0.00	0.00	0.00
Loan from holding company*	-	0.00	0.00	326.25	349.00
	-	54.00	00.00	326.25	349.00

**Interest free unsecured loan repayable by September 2017.

Annexure V

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Other Long-Term Liabilities					
Lease Equalisation Account	134.20	111.73	140.07	109.61	58.51
Trade payables				17.51	7.08
Deferred revenue				0.76	0.79
	134.20	111.73	140.07	127.87	66.38

Annexure VI

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Long-Term Provisions					
Provision for Employee Benefits	31.94	8.42	4.40	4.17	3.56
	31.94	8.42	4.40	4.17	3.56

Annexure VII

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Short-Term Borrowings					
Secured					
Overdraft				0.79	-
Working Capital Loans from Banks	918.20	240.00	0.00	160.00	25.00
	918.20	240.00	0.00	160.79	25.00
Unsecured					
Short-Term Loan from Bank	50.00	-	-	-	-
Working Capital Loan from Bank	-	96.40	50.00	50.00	-
From Financial Institutions (Inter Corporate Deposits)				40.00	-
Loan from related party (Un- secured)			133.00	50.00	0.00
	50.00	96.40	183.00	140.00	0.00
Total	968.20	336.40	183.00	300.79	25.00

Annexure VIII

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Trade Payables					
Trade Payables	2,208.72	166.09	158.52	665.93	375.15
	2,208.72	166.09	158.52	665.93	375.15

Annexure IX

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Other Current Liabilities					

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Interest Accrued but Not Due on Borrowings	0.01	0.91	0.97	0.58	0.01
Lease Equalisation Account	0.91	0.43	0.26	0.03	0.02
Other Payables #	206.62	41.16	31.92	47.13	42.98
	207.54	42.50	33.15	47.74	43.01

Includes Statutory Dues, Security Deposits, Advance from Customers, Bank Overdraft etc.

Annexure X

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Short-Term Provisions					
Provision for Employee Benefits	6.68	12.66	7.30	4.49	3.49
Provision for Probable Store Closure	-	15.10	33.15	8.10	9.00
	6.68	27.76	40.45	12.59	12.49

Annexure XI

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Long-Term Loans and Advances					
Capital Advances					
Unsecured, Considered Good	-	4.60	4.41	1.31	0.89
Doubtful		0.15	0.05	-	-
	-	4.75	4.45	1.31	0.89
Less: Provision for Doubtful Capital Advances	-	0.15	0.05	-	-
	-	4.60	4.41	1.31	0.89
Security Deposits					
Unsecured, Considered Good	243.47	19.93	28.12	33.71	35.40
	243.47	19.93	28.12	33.71	35.40
Other Loans and Advances					
Others Unsecured, Considered Good*	11.96	4.60	3.95	8.00	7.73
Doubtful	0.60	0.60	-	-	-
	12.56	5.20	3.95	8.00	7.73
Less: Provision for Doubtful Other Loans & Advances	0.60	0.60	-	-	-
	11.96	4.60	3.95	8.00	7.73
Total	255.43	29.14	36.48	43.02	44.02

* Includes Deduction/Payment of Income Tax (Net of Provisions etc.)

Annexure XII

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Inventories					
Stock-in-Trade [Goods-in-Transit of Rs. 91.27 Crore (2015,2014: Rs. 0.62, 0.79, 1.59, 1.41 Crore Respectively)]	3,294.07	214.88	222.97	156.01	153.13
Packing Materials & Others	3.17	1.27	0.55	0.40	-
Total	3,297.24	216.15	223.52	156.41	153.13

Annexure XIII

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Trade Receivables					
Outstanding for a period more than six months from the date they are due for payment					
Unsecured, Considered Good	5.86	0.00	0.01	0.00	0.03
Doubtful	0.16	0.16	0.03	0.01	0.03
	6.02	0.16	0.03	0.01	0.06
Less: Provision for Doubtful Receivables	0.16	0.16	0.03	0.01	0.03
	5.86	0.00	0.01	0.00	0.03
Other Receivables					
Unsecured, Considered Good	121.62	0.44	0.58	0.54	0.60
Doubtful	0.06	0.06	0.05	0.01	0.07
	121.68	0.50	0.63	0.55	0.66
Less: Provision for Doubtful Receivables	0.06	0.06	0.05	0.01	0.07
	121.62	0.44	0.58	0.54	0.60
Total	127.48	0.44	0.58	0.54	0.62

Annexure XIV

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Cash and Bank Balances					
Cash and Cash Equivalents					
Balances with Banks in Current Accounts	66.34	4.38	12.53	16.15	4.22
Balances with Banks in Deposit Accounts		-	3.00	15.00	8.00
Cheques on Hand	0.84	-	-	-	-
Cash on Hand	22.31	3.95	6.96	6.17	6.12
Other Bank Balances					
Earmarked Balances with Banks	1.87				
Total	91.36	8.33	22.49	37.32	18.34

Annexure XV

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Short-Term Loans and Advances					
Security Deposits					
Unsecured, Considered Good	1,014.06	5.68	18.61	11.97	1.62
Doubtful	-	1.19	1.24	0.59	0.54
	1,014.06	6.88	19.84	12.56	2.16
Less: Provision for Doubtful Security Deposits	-	1.19	1.24	0.59	0.54
	1,014.06	5.68	18.61	11.97	1.62
Other Loans and Advances*					
Unsecured, Considered Good	534.15	19.04	23.75	22.08	21.37
Doubtful	0.75	1.49	1.91	0.85	0.52
	534.90	20.53	25.66	22.93	21.89
Less: Provision for Doubtful Loans and Advances	0.75	1.49	1.91	0.85	0.52

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
	534.15	19.04	23.75	22.08	21.37
Total	1,548.21	24.72	42.36	34.06	22.99

*Includes balances with government authorities, advance to suppliers, prepaid expenses etc.

Annexure XVI

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Other Current Assets					
Insurance Claim	5.02	-	-	-	-
Receivables					
Other Receivables	-	0.04	0.09	0.00	-
Total	5.02	0.04	0.09	0.00	-

FUTURE RETAIL LIMITED

Notes on Financial Statements for the year ended March 31, 2016

Annexure XVII

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
Other Income					
Interest Income	0.28	0.12	0.77	0.87	1.59
Net Gain on Sale of Non-Current Investments	-	0.05	1.13	0.81	-
Reversal of Lease Equalisation	-	49.14	2.35	-	-
Excess Provisions/Liabilities Written Back	11.67	15.02		0.89	-
Miscellaneous Income	3.56	5.70	5.24	0.49	0.21
Total	15.51	70.03	9.49	3.06	1.80

Annexure XVIII

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
Changes in Inventories of Stock-in-Trade					
Opening Inventories					
Stock-in-Trade	214.87	222.96	156.01	153.13	70.44
Add: On Composite Schemes of Arrangements	2,889.46	-	-	-	-
Closing Inventories					
Stock-in-Trade	3,294.07	214.87	222.97	156.01	153.13
Total	(189.74)	8.09	(66.95)	(2.88)	(82.69)

Annexure XIX

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
Employee Benefits Expense					
Salaries, Wages and Bonus	293.27	145.21	153.41	107.14	95.33
Contribution to Provident and Other Funds	23.42	9.16	9.45	5.36	4.28
Staff Welfare Expenses	12.59	7.15	9.76	8.66	6.01

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
Total	329.28	161.53	172.63	121.17	105.62

Annexure XX

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
Finance Costs					
Interest Expense	49.36	19.93	68.43	17.98	0.03
Other Borrowing Costs	0.39	0.30	2.25	0.26	-
Total	49.75	20.23	70.68	18.25	0.03

Annexure XXI

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended December 31, 2012	Year Ended December 31, 2011
Other Expenses					
Consumable Stores	5.69	13.61	13.32	15.80	9.79
Power and Fuel	111.36	39.63	57.69	46.05	29.26
Repairs and Maintenance					
Machinery	1.82	-	-		
Others	32.78	70.47	71.22	49.39	34.17
Insurance	6.12	0.89	2.44	0.87	0.53
Rates and Taxes	8.45	2.44	3.06	3.66	6.64
Rent Including Lease Rentals	601.36	103.51	148.53	113.13	74.12
Advertisement and Marketing	137.13	17.37	45.24	41.66	25.42
Loss on Disposal/Discard of Fixed Assets (Net)	0.01	16.50	19.90	0.64	0.43
Bad Debts Written Off	3.64	-			
Provision for doubtful Debts	-	0.38	1.81	0.06	0.34
Provision for Capital Advance/store closure	-	2.12	15.71	1.63	2.80
Exchange Fluctuation Loss (Net)	1.41	0.00	0.00	(0.12)	0.49
Miscellaneous Expenses	455.24	164.99	157.94	142.46	115.99
Total	1,365.01	431.91	536.85	415.22	299.98

Annexure XXII

Contingent Liabilities

(In Rs. crore)

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
A. Claims Against our Company Not Acknowledged as Debts					
i) Value Added Tax Act/Income Tax	14.89	3.76	3.83		
ii) Others	48.90	1.24	1.11	0.39	0.11

Annexure XXIII

Accounting and Other Ratios

Particulars	Unit	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
Profit After Tax	Rs. in Crore	14.55	(379.21)	(314.61)	(538.10)	(394.32)
Number of Equity Shares at	Number	47,13,38,557	1,39,86,60,000	1,39,86,60,000	53,28,06,000	51,31,26,000

Particulars	Unit	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at December 31, 2012	As at December 31, 2011
end						
For FY 2016 Face Value Rs. 2 (For FY 2011 to FY 2016 Face Value Rs. 10)						
Number of Equity Shares (Weighted Average)	Number	22,02,28,419	1,39,86,60,000	58,03,80,396	52,85,04,361	38,18,34,745
Number of Equity Shares (Weighted Average) after giving effect of Scheme	Number	22,02,28,419	3,53,60,549	1,46,73,022	1,33,61,506	96,53,444
Net Worth*	Rs. in Crore	1,478.19	(817.60)	(438.39)	(989.63)	(471.21)
Ratios						
Earnings per Share	Rs.	0.66	(2.71)	(5.42)	(10.18)	(10.33)
Diluted Earnings per Share	Rs.	0.66	(2.71)	(5.42)	(10.18)	(10.33)
Earnings per Share (after effect of Scheme)	Rs.	0.66	(107.24)	(214.41)	(402.72)	(408.48)
Diluted Earnings per Share (after effect of Scheme)	Rs.	0.66	(107.24)	(214.41)	(402.72)	(408.48)
Return on Net Worth	%	0.98%	-46.38%	-71.77%	-54.37%	-83.68%
NAV per Share (Rs.)	Rs.	67.12	(5.85)	(7.55)	(18.73)	(12.34)
NAV per Share after giving the effect of scheme (Rs.)	Rs.	67.12	(231.22)	(298.77)	(740.66)	(488.13)

*Net worth definition as per Regulation 2(1)(v) of SEBI (ICDR), Regulations, 2009 is as follows:-

“net worth” means the aggregate of the paid up share capital, share premium account and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.

Ratios	Computation
Net assets value per equity share	$\frac{\text{Net worth at the end of the period} - \text{Preference Capital}}{\text{Total number of weighted average equity share outstanding at the end of the year/period}}$
Return on Net worth %	$\frac{\text{Net profit/ (loss) after tax attributable to equity shareholders}}{\text{Net worth at the end of the period}}$
Basic and diluted earnings per share	$\frac{\text{Net profit / (loss) after tax attributable to equity shareholders}}{\text{Total number of weighted average equity shares outstanding at the end of the year/period}}$

Annexure XXIV

Related Party Disclosures

Disclosures as required by Accounting Standard 18 “Related Party Disclosures” are given below:

FY 2016 Related Party Disclosures

As per Accounting Standard 18, is issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

Related Party disclosures

Names of related parties and related party relationship

Names of related parties and related party relationship

Related parties where control exists:	
Ultimate Holding Company	Bharti Enterprises (Holding) Private Limited
	Bharti Enterprises Limited
Holding Company	Cedar Support Services Limited
Related parties with whom transactions have taken place during a year	
Ultimate Holding Company	Bharti Enterprises Limited
Holding Company	Cedar Support Services Limited
Key Managerial Personnel	
Chief Executive Officer	Craig Wadsworth Wimsatt (December 1, 2014 to July 31, 2015)
	Mansih Sabnis- CEO (w.e.f. Aug 01, 2015)

Related party Transactions for the year ended March 31, 2016

Rs. in Crores

Particulars	Bharti Enterprises Limited	Cedar Support Services Limited	Total
Sale of Goods and Services	0.01	-	0.01
Purchases of Goods and Services	-	4.22	4.22
Equity Share Capital	-	188.09	188.09
Optionally Convertible Debentures	-	250.00	250.00
Amount Recoverable			
Trade Receivables	-	0.75	0.75
Amount Payable			
Trade Payables	-	154.20	154.20

Key Managerial Person for FY 2016

Rs. in Crores

Particulars	Chief Executive Officer	Total
Salary (including provident fund)	2.20	2.20

FY 2015 & FY 2014 Related Party Disclosures

As per Accounting Standard 18, is issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

Related Party disclosures

Names of related parties and related party relationship

Related parties where control exists:	
Ultimate Holding Company	Bharti Enterprises (Holding) Private Limited Bharti Enterprises Limited (w.e.f March 31, 2014) Bharti Ventures Limited (w.e.f March 30, 2014)
Holding Company	Cedar Support Services Limited
Related parties with whom transactions have taken place during a year	
Follow Subsidiary	Bharti Ventures Limited (w.e.f March 31, 2014) Bharti Enterprises Limited (up to March 30, 2014)
Enterprises over which, controlling parties owns directly or indirectly, an interest in the voting power that gives them control or significant influence over the enterprise, is able to exercise significant influence over the Company	Bharti Airtel Limited Bharti Airtel Services Limited Bharti Realty Holdings Limited Airtel M Commerce Services Limited Field Fresh Foods Private Limited Nextra Data Limited Nile Tech Limited Bharti Wal-Mart Private Limited (up to December 31, 2013) Centum Learning Limited

Related parties where control exists:	
Bharti Axa General Insurance Company Limited	
Key Managerial Personnel	
Chief Executive Officer	Raj Kumar Jain (April 1, 2014 to November 30, 2014) Craig Wadsworth Wimsatt (w.e.f. December 1, 2014)
Chief Financial Officer	Pankaj Madan (January 1, 2014 upto November 30, 2014) Anupam Goyal (w.e.f December 1, 2014)

Related party Transactions for the year ended March 31, 2015

Rs. in Crores

Particulars	Bharti Airtel Limited	Bharti Airtel Services Limited	Bharti AXA General Insurance Company Limited	Bharti Enterprises Limited	Bharti Enterprises (Holding) Pvt. Ltd.	Cedar Support Services Limited	Bharti Ventures Limited
Expenses incurred by us on behalf of Related Party	-	-	-	-	-	-	-
Expenses incurred by Related Party on our behalf	0.02	-	-	0.53	-	-	-
Employee Related Liability transfer to Related Party	-	-	-	-	-	-	-
Employee Related Liability transfer From Related Party	0.16	-	-	0.03	-	-	-
Payment received against insurance Claims	-	-	0.10	-	-	-	-
Sale of Goods	-	-	-	-	-	-	-
Receiving of services (including Service Tax)	5.93	0.11	0.88	-	-	18.95	-
Purchase of Fixed Assets	0.00	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-
Unsecured Loan Received	-	-	-	-	-	-	-
Conversion of Loan to Share Capital	-	-	-	-	-	-	-
Repayment of Unsecured Loan	-	-	-	-	-	-	133.00
Share Application Money Received	-	-	-	-	-	133.00	-
Purchase of Goods (including taxes)	-	-	-	-	-	-	-
Liability written back (exceptional income)	-	-	-	-	-	-	-
Management Fees (including Service Tax)	-	-	-	-	-	-	-
Royalty (including Service Tax)	-	-	-	-	10.62	-	-
Security deposit transferred	-	-	-	-	-	-	-
Refund of Security deposit received	0.53	-	-	-	-	-	-

Particulars	Bharti Airtel Limited	Bharti Airtel Services Limited	Bharti AXA General Insurance Company Limited	Bharti Enterprises Limited	Bharti Enterprises (Holding) Pvt. Ltd.	Cedar Support Services Limited	Bharti Ventures Limited
Sub Lease Income (including Service Tax)	0.19	-	-	-	-	-	-
Interest on Unsecured Loan	-	-	-	-	-	-	-
Amount Recoverable							
Trade Receivables	0.08	-	-	-	-	-	-
Advances	-	-	1.15	-	-	-	-
Amount Payable							
Trade Payables	3.42	-	-	0.00	5.44	1.72	-
Unsecured Loans	-	-	-	-	-	-	-

b) Related party Transactions for the year ended 2015

Rs. in Crores								Total
Particulars	Nile Tech limited	Field Fresh Foods Private limited	Bharti Reality Holdings Limited	Airtel M Commerce Service Ltd.	Nxtra Data Limited	Bharti Wal-Mart Private Limited	Centum Learning limited	
Expenses incurred by us on behalf of Related Party	-	-	-	-	-	-	-	-
Expenses incurred by Related Party on our behalf	0.01	-	0.18	-	-	-	-	0.74
Employee Related Liability transfer to Related Party	-	-	-	-	-	-	-	-
Employee Related Liability transfer From Related Party	-	-	-	-	-	-	-	0.19
Payment received against insurance Claims	-	-	-	-	-	-	-	0.10
Sale of Goods	-	-	-	-	-	-	-	-
Receiving of services (including Service Tax)	4.60	-	0.97	0.00	1.94	-	-	33.40
Purchase of Fixed Assets	-	-	-	-	0.17	-	-	0.18
Sale of Assets	-	-	-	-	-	-	-	-
Unsecured Loan Received	-	-	-	-	-	-	-	-
Conversion of Loan to Share Capital	-	-	-	-	-	-	-	-
Repayment of Unsecured Loan	-	-	-	-	-	-	-	133.00
Share Application Money Received	-	-	-	-	-	-	-	133.00
Purchase of Goods (including taxes)	-	2.16	-	-	-	-	-	2.16
Liability written back (exceptional income)	-	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	-	-

Particulars	Nile Tech limited	Field Fresh Foods Private limited	Bharti Reality Holdings Limited	Airtel M Commerce Service Ltd.	Nxtra Data Limited	Bharti Wal-Mart Private Limited	Centum Learning limited	Total
(including Service Tax)								
Royalty (including Service Tax)	-	-	-	-	-	-	-	10.62
Security deposit transferred	-	-	-	-	-	-	-	-
Refund of Security deposit received	-	-	-	-	-	-	-	0.53
Sub Lease Income (including Service Tax)	-	-	-	-	-	-	-	0.19
Interest on Unsecured Loan	-	-	-	-	-	-	-	-
Amount Recoverable								
Trade Receivables	-	-	-	0.00	-	-	-	0.08
Advances	0.01	-	-	-	-	-	-	1.16
Amount Payable								
Trade Payables	0.05	0.14	0.02	-	1.61	-	-	12.40
Unsecured loans	-	-	-	-	-	-	-	-

Key Managerial Person for FY 2015

Rs. in Crores

Particulars	Chief Executive Officer	Chief Financial Officer	Total
Salary (including provident fund)	3.25	0.89	4.14

Note: The Remuneration to the key managerial personnel does not include the provisions made for gratuity, leave benefits and long term incentive plans, as they are determined on a actuarial basis for the company as a whole.

Related party Transactions for the year ended March 31, 2014

Rs. in Crores

Particulars	Bharti Airtel Limited	Bharti Airtel Services Limited	Bharti AXA General Insurance Company Limited	Bharti Enterprises Limited	Bharti Enterprises (holding) Private Limited	Cedar Support Services Limited	Bharti Ventures Limited
Expenses incurred by us on behalf of related party	0.00	-	-	-	-	0.05	-
Expenses incurred by related party on our behalf	1.82	-	-	0.71	-	-	-
Employee related liability transfer to related party	-	-	-	-	-	-	-
Employee related liability transfer from related party	0.01	-	-	-	-	-	-
Payment received against insurance claims	-	-	3.95	-	-	-	-
Sale of Goods	-	-	-	-	-	-	-
Receiving of services (including service tax)	6.34	0.34	2.52	-	-	4.10	-
Purchase of fixed	1.91	0.01	-	-	-	-	-

Particulars	Bharti Airtel Limited	Bharti Airtel Services Limited	Bharti AXA General Insurance Company Limited	Bharti Enterprises Limited	Bharti Enterprises (holding) Private Limited	Cedar Support Services Limited	Bharti Ventures Limited
Assets							
Sale of Assets	-	-	-	-	-	-	-
Unsecured loan received	-	-	-	-	-	575.00	185.00
Conversion of loan to share capital	-	-	-	-	-	865.85	-
Repayment of unsecured loan	-	-	-	-	-	35.40	102.00
Share Application Money Received	-	-	-	-	-	-	-
Purchase of Goods (including taxes)	-	-	-	-	-	-	-
Liability written back (exceptional income)	-	-	-	-	-	-	-
Management fees (including service tax)	-	-	-	3.61	-	-	-
Royalty (including service tax)	-	-	-	-	2.63	-	-
Issue of share Capital	-	-	-	-	-	-	-
Security deposit transferred	0.02	-	-	-	-	-	-
Refund of security deposit received	-	-	-	-	-	-	-
Sub lease Income (including Service tax)	0.60	-	-	-	-	2.65	-
Interest on unsecured loan	-	-	-	-	-	-	1.54
Amount Recoverable							
Trade Receivables	0.05	-	-	-	-	-	-
Advances	-	-	1.06	-	-	-	-
Amount Payable							
Trade Payables	2.67	0.00	-	1.25	0.44	3.62	0.80
Unsecured loans	-	-	-	-	-	-	133.00

d) Related party Transactions for the year ended March 31, 2014

Rs. in Crores

Particulars	Field Fresh Foods Private ltd.	Bharti Reality Holdings Limited	Airtel M Commerce Service Ltd.	Nxtra Data Limited	Bharti Wal-Mart Private Limited	Centum Learning limited	Nile Tec Limited	Total
Expenses incurred by us on behalf of related party	-	-	-	-	1.49	-	-	1.54
Expenses incurred by related party on our behalf	-	0.04	-	-	0.84	-	-	3.41
Employee related liability transfer to related party	-	-	-	-	-	-	-	-
Employee related liability transfer	-	-	-	-	-	-	-	0.01

Particulars	Field Fresh Foods Private Ltd.	Bharti Reality Holdings Limited	Airtel M Commerce Service Ltd.	Nxtra Data Limited	Bharti Wal-Mart Private Limited	Centum Learning limited	Nile Tec Limited	Total
from related party								
Payment received against insurance claims	-	-	-	-	-	-		3.95
Sale of Goods	-	-	-	-	-	-		
Receiving of services (including service tax)	-	0.23	0.00	0.23	-	1.26	1.14	16.15
Purchase of fixed Assets	-	-	-	-	26.03	-		27.94
Sale of Assets	-	-	-	-	0.07	-		0.07
Unsecured loan received	-	-	-	-	-	-		760.00
Conversion of loan to share capital	-	-	-	-	-	-		865.85
Repayment of unsecured loan	-	-	-	-	-	-		137.40
Share Application Money Received	-	-	-	-	-	-		
Purchase of Goods (including taxes)	0.68	-	-	-	1,950.33	-		1,951.01
Liability written back (exceptional income)	-	-	-	-	395.84	-		395.84
Management fees (including service tax)	-	-	-	-	-	-		3.61
Royalty (including service tax)	-	-	-	-	-	-		2.63
Issue of share Capital	-	-	-	-	-	-		-
Security deposit transferred	-	-	-	-	2.43	-		2.45
Refund of security deposit received	-	-	-	-	-	-		-
Sub lease Income (including Service tax)	-	-	-	-	-	-		3.25
Interest on unsecured loan	-	-	-	-	-	-		1.54
Amount Recoverable								
Trade Receivables	-	-	-	-	-	-		0.05
Advances	-	-	0.00	-	-	-		1.06
Amount Payable								
Trade Payables	0.10	0.27	-	0.23	-	-		9.38
Unsecured loans	-	-	-	-	-	-		133.00

Key Managerial Person for FY 2014

Rs. in Crores

Particulars	Chief Executive Officer	Chief Financial Officer	Total
Salary (including provident fund)	-	0.19	0.19

Note: The Remuneration to the key managerial personnel does not include the provisions made for gratuity, leave benefits and long term incentive plans, as they are determined on a actuarial basis for the company as a whole.

FY 2012 & FY 2011 Related Party Disclosures

As per Accounting Standard 18, is issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

Related Party disclosures

Names of related parties and related party relationship

Related parties where control exists:	
Ultimate holding company	Bharti Enterprises (Holding) Private Limited
	Bharti Ventures Limited
Holding Company	Cedar Support Services Limited
Related parties with whom transactions have taken place during the year	
Fellow Subsidiary	Bharti Enterprises Limited Centum Learning Limited (till FY 2011)
Enterprises over which, controlling parties owns directly or indirectly, an interest in the voting power that gives them control or significant influence over the enterprise, is able to exercise significant influence over the Company.	Bharti Airtel Limited
	Bharti Airtel Services Limited
	Bharti Wal-Mart Private Limited
	Centum Learning Limited (from FY 2012)
	Bharti AXA General Insurance Company Limited Bharti AXA Life Insurance Company Limited (till FY 2011)

Related party Transactions for the year ended 2012

Rs. in Crores

Particulars	Bharti Airtel Limited	Bharti Airtel Services Limited	Bharti AXA General Insurance Company Limited	Bharti Enterprises Limited	Bharti Enterprises (Holding) Private Limited	Cedar Support Services Limited	Bharti Wal-Mart Private Limited	Centum Learning Limited	Bharti Venture Limited	Total
Expenses incurred by us on behalf of Related Parties	-	-	-	-	-	0.13	2.38	-	-	2.51
Expenses incurred by Related Parties on our behalf	1.43	-	-	-	-	-	0.15	-	-	1.58
Employee Related Liability transfer to Related party	-	-	-	-	-	0.00	-	-	-	0.00
Employee Related Liability transfer From Related party	-	-	-	-	-	0.14	-	-	-	0.14
Payment received against Insurance Claim	-	-	0.34	-	-	-	-	-	-	0.34

Particulars	Bharti Airtel Limited	Bharti Airtel Services Limited	Bharti AXA General Insurance Company Limited	Bharti Enterprises Limited	Bharti Enterprises (Holding) Private Limited	Cedar Support Services Limited	Bharti Wal-Mart Private Limited	Centum Learning Limited	Bharti Venture Limited	Total
Sale of Goods	1.28	-	-	-	-	-	-	-	-	1.28
Receiving of Services (including Service Tax)	5.15	0.14	1.10	-	-	15.27	-	4.80	-	26.46
Purchase of Fixed Assets	0.23	0.01	-	-	-	-	-	-	-	0.23
Unsecured Loan Received	-	-	-	-	-	-	-	-	50.00	50.00
Conversion of Loan to Share Capital	-	-	-	-	-	-	-	-	-	-
Repayment of Unsecured Loan	-	-	-	-	-	22.75	-	-	-	22.75
Share Application Money Received	-	-	-	-	-	-	-	-	-	-
Purchase of Goods (including taxes)	-	-	-	-	-	-	1,570.17	-	-	1,570.17
Management Fees (including Service Tax)	-	-	-	2.43	-	-	-	-	-	2.43
Royalty (including Service Tax)	-	-	-	-	1.76	-	-	-	-	1.76
Issue of Share Capital	-	-	-	-	-	19.68	-	-	-	19.68
Security deposit transferred	0.04	-	-	-	-	-	-	-	-	0.04
Sub Lease Income (including Service Tax)	0.53	-	-	-	-	2.64	-	-	-	3.17
Interest on Unsecured Loan	-	-	-	-	-	-	-	-	0.09	0.09
Amount Recoverable										
- Trade Receivables	0.05	-	-	-	-	-	-	-	-	0.05
- Advances	0.05	-	0.06	-	-	-	-	-	-	0.11
Amount Payable										
- Trade Payables	2.19	0.05	0.01	0.68	0.46	0.26	599.05	1.12	0.09	603.92
- Unsecured Loans	-	-	-	-	-	326.25	-	-	50.00	376.25

Particulars	Bharti Airtel Limited	Bharti Airtel Services Limited	Bharti AXA General Insurance Company Limited	Bharti Enterprises Limited	Bharti Enterprises (Holding) Private Limited	Cedar Support Services Limited	Bharti Wal-Mart Private Limited	Centum Learning Limited	Bharti Venture Limited	Total
Share Application Money Pending Allotment	-	-	-	-	-	-	-	-	-	-

Related Party Transactions for the year 2011

Rs. in Crores

Particulars	Bharti Airtel Limited	Bharti AXA General Insurance Company Limited	Bharti Enterprises Limited	Bharti Enterprises (Holding) Private Limited	Cedar Support Services Limited	Bharti Wal-Mart Private Limited	Centum Learning Limited	Total
Expenses incurred by us on behalf of Related Parties	-	-	-	-	0.15	1.29	-	1.43
Expenses incurred by Related Parties on our behalf	1.30	-	-	-	0.07	0.01	-	1.38
Employee Related Liability transfer to Related party	0.01	-	-	-	-	-	-	0.01
Employee Related Liability transfer from Related Party	0.06	-	-	-	0.01	-	-	0.07
Payment received against Insurance Claim	-	-	-	-	-	-	-	-
Sale of Goods	1.18	-	-	-	-	-	-	1.18
Receiving of Services (including Service Tax)	3.01	0.02	-	-	18.76	-	3.09	24.88
Purchase of Fixed Assets	0.33	-	-	-	-	-	-	0.33
Unsecured Loan Received	-	-	-	-	156.25	-	-	156.25
Advance Paid to Related Parties	-	-	-	-	-	-	2.71	2.71
Conversion of Loan to Share Capital	-	-	-	-	337.47	-	-	337.47
Repayment of Unsecured Loan	-	-	-	-	-	-	-	-
Share Application Money Received	-	-	-	-	19.68	-	-	19.68
Purchase of Goods (including taxes)	-	-	-	-	-	1,095.55	-	1,095.55
Management Fees (including Service Tax)	-	-	1.54	-	-	-	-	1.54

Particulars	Bharti Airtel Limited	Bharti AXA General Insurance Company Limited	Bharti Enterprises Limited	Bharti Enterprises (Holding) Private Limited	Cedar Support Services Limited	Bharti Wal-Mart Private Limited	Centum Learning Limited	Total
Royalty (including Service Tax)	-	-	-	1.12	-	-	-	1.12
Issue of Share Capital	-	-	-	-	-	-	-	-
Sale of Asset	-	-	-	-	-	0.04	-	0.04
Security deposit transferred	-	-	-	-	-	-	-	-
Sub Lease Income (including Service Tax)	0.37	0.00	-	-	2.60	-	-	2.98
Interest on Unsecured Loan	-	-	-	-	-	-	-	-
Amount Recoverable								
- Trade Receivables	0.15	0.00	-	-	-	-	-	0.15
- Advances	0.01	0.01	-	-	-	-	-	0.01
Amount Payable								
- Trade Payables	1.59	-	0.44	0.32	5.14	310.64	0.26	318.39
- Unsecured Loans	-	-	-	-	349.00	-	-	349.00
Share Application Money Pending Allotment	-	-	-	-	19.68	-	-	19.68

As per our report of even date
For NGS & Co.LLP
Chartered Accountants
Ashok A. Trivedi
Partner
Membership No.2472
Mumbai
22 June 2016

For and on behalf of Board of Directors
C.P. Toshniwal
Chief Financial Officer

MANAGEMENT DISCUSSION AND ANALYSIS

You should read the following discussion in conjunction with the sections entitled “Financial Information of our Company” and “Risk Factors” on pages 153 and 8, respectively. This discussion and analysis contains forward-looking statements and involves various risks and uncertainties and our actual results may differ materially from those anticipated in these forward-looking statements as a result of any number of factors, including those set forth in this section and in the section entitled “Risk Factors” and “Forward-Looking Statements on pages 8 and 6, respectively. Unless otherwise stated, our financial information used in this section has been derived from Audited Financial Statements.

The following discussion should be read in conjunction with our audited financial statements as of and for the financial year ended March 31, 2016, 2015, financial period ended March 31, 2014, and year ended December 31, 2012 and 2011 and the schedules and notes thereto, which appear elsewhere in this Information Memorandum and are prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 (the “1956 Act”) (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 (the “2013 Act”) in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act / 2013 Act, as applicable.

For the purpose of this section, unless the context requires otherwise, references to “Fiscal Year 2016” “Fiscal Year 2015”, “Fiscal Year 2014”, are to the financial year ended March 31 of the relevant year, “Fiscal Year 2014”, are to the financial period of fifteen months ended March 31, 2014 and “Fiscal Year 2012” and “Fiscal Year 2011” are to the financial year ended December 31 of the relevant year, and references to “year/period” are to the financial year /period of our Company. As the Fiscal Year 2014 was for a period of 15 months commencing from January 1, 2013 and ending on March 31, 2014, reference to financial year 2013 do not appear in this MDA.

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, results of operations or financial condition.

Overview

Our Company was originally incorporated as Bharti Retail Private Limited on February 7, 2007. Further, the name of our Company was changed to Bharti Retail Limited vide the necessary resolution dated April 24, 2009 and obtained fresh certificate of incorporation on May 21, 2009. Pursuant to the provisions of Composite Scheme of Arrangement the name was further changed to its present name Future Retail Limited vide its special resolution dated November 18, 2015 under the Companies Act, 2013 and obtained fresh certificate of incorporation pursuant to change of name dated May 25, 2016 from RoC.

Prior to effectiveness of the Scheme, our Company was part of Bharti Enterprises, one of India’s leading business groups. Our Company was established in the year 2007 and started its retail operations in 2008. , owned and operated neighbourhood supermarket stores called easyday and compact hypermarket stores called easyday Market.easyday stores are one-stop shopse, that cater to every family’s day-to-day needs. They bring together a wide range of relevant goods, high quality products and great in-store experience and service – all under one roof. Our supermarkets offer attractive offers and prices on a wide range of everyday grocery, personal care, household need products including fresh fruits, vegetables, dairy products, meat and poultry. In our Hypermarkets, in addition to everyday food & grocery products we have an exciting range of apparel, electronics, kitchen ware, toys & stationary, etc. making it a complete one stop shop for all your monthly needs. Currently, we operate more than 200 stores under easyday format across more than 100 cities, with strong presence in key markets like Delhi NCR, Haryana, Himachal Pradesh, , Punjab, Rajasthan, Uttarakhand and Uttar Pradesh states.

Pursuant to the Scheme, our Company is now a part of the Future Group, promoted by Mr. Kishore Biyani. Pursuant to the Scheme, the Retail Business Undertaking of Future Enterprises Limited was vested into Our Company and Retail Infrastructure Business of our Company was vested into the Future Enterprises Limited accordingly, now our Company is an integrated multi-format retail company with presence across food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics. We focus inter alia on consumption-led businesses in India and operate through group companies’ retail stores in various formats across food, fashion apparels, accessories and footwear, general merchandise, home improvement, consumer durables and electronics. We intend to cater to various segments of the consumer spending space in India by providing consumers with options and quality at competitive prices.

Consequently, we have a pan India presence with 738 stores in more than 210 cities in India as of March 31, 2016 and total retail space of approximately 12.97 million sq. ft. Post Scheme, the various formats viz Big Bazaar, Food Bazaar, fbb, Foodhall, easyday, KB’s Conveniently Yours (including KB’s Fariprice), Home Town and eZone are part our Company and as on March 31, 2016, we have 218 Big Bazaar stores, 10 Food Bazaar stores, 51 fbb stores, 4 Foodhall stores, 43 Home Town stores, 92 eZone stores and 208 easyday and 112 KB’s Conveniently Yours (including KB’s Fariprice)stores. The early mover advantage has not only helped us develop a wide network of stores across India in various formats but also establish brand equity for our Company as well as for our various formats. Further, our retail format business is supported by

various other businesses operated by group companies and through its group companies in various ventures including branded fashion, food and FMCG, insurance, warehousing and logistics, media, textiles and online retailing.

Our retail formats primarily comprise of value business and home business. In our value business, our formats include, (i) “Big Bazaar”, a hypermarket format that combines the “see – touch – feel” of Indian bazaars with the choice and convenience of modern retail; (ii) “Food Bazaar”, a supermarket which offers the convenience of pre-packed vegetables and fruits to the consumers and also retains the Indian’s preference of “see – touch – feel” created by displaying the products, FMCG and daily use products; (iii) “fbb”, an affordable fashion destination; (iv) “Foodhall”, a premium supermarket; and (v) “easyday” “KB’s Conveniently Yours” and “KB’s Fairprice”, convenient stores which offers the pre-packed vegetables and fruits to the consumers, FMCG and daily use products. In our home business, we operate (i) “Home Town”, a one-shop destination for home improvement; and (ii) “eZone”, a consumer durable and electronics chain.

For the financial year ended March, 31 2016, our total revenue was Rs. 6844.96 crore. Further, our Profit Before Tax was Rs. 14.55 crore and Profit After Tax was Rs. 14.55 crore on standalone basis, for the financial year ended March 31, 2016.

Significant Accounting Policies

Basis of Preparation

For FY 2015 to 2016

The financial statements of our Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). Our Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

For FY 2014

The financial statements of our Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). Our Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. The financial statements have been prepared on an accrual basis and under the historical cost convention.

For FY 2012

The financial statements of our Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). Our Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

For FY 2011

The financial statements have been to comply in all material respects with the Notified accounting standards by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies have been consistently applied by our Company and are consistent with those used in the previous year except for change in accounting policy disclosed below.

Summary of significant accounting policies

Changes in accounting policy (appearing only in FY 2015 and FY2012)

Method of inventory valuation (For FY 2015)

In the current year, our Company has changed method of valuation of Inventory at retail stores from retail inventory method to valuation of inventory at Cost on weighted average basis. The management believes that such change will result better presentation of financial position. In view of practical difficulties faced due to large volume of items, the impact of such change could not be disclosed in the financial statements.

Presentation and disclosure of financial statements (For FY 2012)

During the year ended December 31, 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to our Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI

does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. Our Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

Use of estimates

For FY 2012 to FY 2016

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

For FY 2011

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements and the result of operations during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates.

Tangible fixed assets & Depreciation

Tangible Asset

For FY 2016

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

For FY 2012 to 2015

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

For FY 2011

Fixed assets are stated at cost, less accumulated depreciation. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for the intended use. Borrowing costs related to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation

For FY 2015 to 2016

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Our Company has used the following rates to provide depreciation on its fixed assets. The life of the assets is based on technical assessment by the management which is either same or lower than the life indicated in Schedule II of the Companies Act, 2013. The life of assets is given below:

Assets	Life as per Management	Life as per Schedule II
Plant and Machinery	5 years	15 years
Office Equipments		
- Mobiles	2 years	5 years
- Others	5 years	5 years
Furniture and Fixtures	7 to 10 years	10 years
Computers		

Assets	Life as per Management	Life as per Schedule II
- Servers and networks	5 years	6 years
- End user devices, such as, desktops, laptops, etc.	3 years	3 years
Leasehold improvements		
- Electrical Installations and Equipment	10 years	10 years
- Leasehold improvements	lease term or 15 years, whichever is lower	lease term or 15 years, whichever is lower

For FY 2014

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. Our Company has used the following rates to provide depreciation on its fixed assets.

Assets	Rates (Straight line method)
Plant and Machinery	20%
Office Equipments	
- Mobiles	50%
- Others	20%
Furniture and Fixtures	10% to 14.29%
Computers	
- Server and Networks	20%
- End user devices, such as, desktops, laptops etc.	33.33%
Leasehold improvements	
- Electrical Installations and Equipment	10%
- Leasehold improvement	lease term or 15 years, whichever is lower

For FY 2012

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. Our Company has used the following rates to provide depreciation on its fixed assets.

Assets	Rates (Straight line method)
Plant and Machinery	20%
Office Equipments	
- Mobiles and other Communication Equipments	50%
- Others	10%
Furniture and Fixtures	14.29%
Computers	20%
Leasehold improvements	lease term or 15 years, whichever is lower

For FY 2011

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. Our Company has used the following rates to provide depreciation on its fixed assets.

Assets	Rates on the basis of life estimated by our Company	Schedule XIV Rates (SLM)
Plant and Machinery	20%	4.75%
Office Equipments		
- Mobiles and other Communication Equipments	50%	4.75%
- Others	10%	4.75%
Furniture and Fixtures	14.29%	6.33%
Computers	20%	16.21%

Leasehold Improvements are being amortised over the lease term or 15 years whichever is lower.

Assets individually costing Rs. 5,000 or less are fully depreciated over a period of 12 months from the date put to use. (For FY 2011 to FY 2016)

Wherever the life is different from as indicated in Schedule II, the same is based on technical assessment done by technical people (For FY 2015 to FY 2016)

Further the scrap value is considered as Nil. (For FY 2015)

Intangible assets & Amortization

For FY 2016

Intangible assets are stated at acquisition cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on straight line basis over their estimated useful economic life not exceeding ten years.

For FY 2015

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. Our Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds five years, our Company amortises the intangible asset over the best estimate of its useful life. Such intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

For FY 2011 to FY 2015

Software is stated at cost of acquisition and includes all attributable costs of bringing the software to its working condition for its intended use.

For FY 2011

Software is being amortised over the life of software or 5 years whichever is lower.

Leases

For FY 2016

Leases where significant portion of risk and reward of ownership are retained by the Lessor are classified as operating leases and lease rental thereof are charged to the Statement of Profit and Loss as per the terms of agreement on straight line basis .

Where our Company is lessee

For FY 2011 to FY 2015

Finance leases, which effectively transfer to our Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

For FY 2015

A leased asset is depreciated on a straight-line basis over the useful life of asset. However, if there is no reasonable certainty that our Company will obtain the ownership by the end of the lease term, the capitalized leased asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

For FY 2012 to FY 2014

A leased asset is depreciated on a straight-line basis over the useful life of asset or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. However, if there is no reasonable certainty that our Company will obtain the ownership by the end of the lease term, the capitalized leased asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.

For FY 2011 to FY 2015

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

For FY 2011

If there is no reasonable certainty that our Company will obtain the ownership by the end of the lease item, capitalized lease assets are depreciated over the shorter of the estimated useful life of the asset or lease term.

Where our Company is the lessor

For FY 2011 to FY 2015

Leases in which our Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, our Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

For FY 2012 to FY 2015

Leases in which our Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

For 2011

Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Borrowing costs

For FY 2011 to FY 2016

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

For FY 2012 to FY 2015

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

For FY 2011

Borrowing Costs consist of interest and other costs that an entity incurs in connection with the borrowing funds.

Impairment of tangible and intangible assets

For FY 2016

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

For FY 2012 to FY 2015

Our Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, our Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.

For FY 2012

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

For FY 2011

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

Investments

For FY 2012 to FY 2016

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

For FY 2012 to FY 2015

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

For FY 2012 to FY 2015

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

For FY 2011

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

Inventories (Valued at lower of cost and net realisable value)

For FY 2016

Inventories of traded goods are valued at lower of cost or net realizable value. Finished Goods and Work-in-Progress include cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are computed on weighted average basis.

For FY 2015

Inventories of Traded goods are valued at lower of cost and net realisable value. Cost of Traded goods and Stores & supplies inventory is determined on weighted average cost basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

For FY 2014

Inventories of Traded goods at retail stores are valued by the retail method of accounting on weighted average basis at lower of cost and net realisable value.

Inventories of Traded goods and Stores & supplies at warehouse is valued at lower of cost and net realisable value. Cost of Traded goods and Stores & supplies inventory is determined on weighted average cost basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

For FY 2012

Inventories of Traded goods are valued by the retail method of accounting on weighted average basis at the lower of cost or Net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

Inventories of Consumable at warehouse is valued at purchase cost. Cost of consumable inventory is determined on weighted average cost basis.

For FY 2011

Inventories are valued by the retail method of accounting on weighted average basis at lower of cost and net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

Revenue recognition

For FY 2016

Revenue is recognised to the extent that it is probable that the economic benefits will flow to our Company and the revenue can be reliably measured. Sales are recognised when significant risk and rewards of ownership of the goods have passed to the buyer which coincides with delivery and are recorded net of trade discounts VAT and Sales Tax. Revenue from services are recognised as they are rendered based on agreements/arrangements with the concerned parties and recognised net of service tax (If applicable). Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable rate. Dividend income is recognised when right to receive is established

For FY 2011 to FY 2015

Revenue is recognized to the extent that it is probable that the economic benefits will flow to our Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

For FY 2012 to FY 2015

Our Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to our Company. Hence, they are excluded from revenue.

For FY 2011 to FY 2015

Income from services

Income from services includes:

Income from sub-leasing which is recognised in the Statement of Profit and Loss Account on a straight-line basis over the lease term.

Income from services are recognized on accrual basis as per the terms of agreement as and when such services are rendered. Our Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to our Company. Hence, it is excluded from revenue.

Interest

For FY 2012 to 2015

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

For FY 2011

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Insurance Claims

Insurance claims are accounted only when there is a reasonable certainty of its ultimate collection.

Foreign currency translation

For FY 2016

Transactions in foreign currencies are recorded at the prevailing rates of exchange on the date of transaction. Monetary items denominated in foreign currencies, are restated at the prevailing rates of exchange at the balance sheet date. All gains and losses arising out of fluctuations in exchange rates are accounted for in the statement of Profit and Loss. Exchange differences on forward contracts entered into for hedging foreign exchange fluctuation risk in respect of an underlying asset/liability, are recognised in the statement of profit and loss in the reporting period in which the exchange rate changes. Premium/Discount on foreign exchange contracts are recognised as an expense/income over the life of the contract.

For FY 2011 to FY 2015

Foreign currency transactions and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of our Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.

Retirement and other employee benefits

For FY 2016

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognised at the present of the amounts payable determined using actuarial valuation techniques. Actuarial gain and loss in respect of post employment and other long term benefits are charged to Statement of Profit and Loss.

For FY 2012 to 2015

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the reporting period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.

Our Company operate one defined benefit plan for its employees. The cost of providing benefits under Gratuity plan is determined on the basis of an actuarial valuation done using projected unit credit method at the end of each financial year. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. Our Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Our Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting period end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. Our Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Liability for long term incentive plan are provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

For FY 2011

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the reporting period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation done using projected unit credit method at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year end.

Liability for long term incentive plan are provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year.

Actuarial gains/losses are immediately taken into profit and loss account and are not deferred.

Income taxes

For FY 2016

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual/ reasonable certainty that the asset will be realised in future.

For FY 2012 to FY 2015

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current period and reversal of timing differences for the earlier periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where our Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, our Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. Our Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities.

For FY 2011

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where our Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each Balance Sheet date, our Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. Our Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Earnings / (Loss) Per Share

For FY 2012 to 2016

Basic earnings / (Loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings / (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Provisions, Contingent Liabilities and Contingent Assts

For FY 2016

A provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised, but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements

For FY 2012 to 2015

A provision is recognized when our Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of our Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Our Company does not recognize a contingent liability but discloses its existence in the financial statements.

For FY 2011

A provision is recognized when our Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Cash and cash equivalents

For FY 2011 to 2015

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Measurement of EBITDA

For 2015

Our Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. Our Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, our Company does not include depreciation and amortization expense, finance costs and tax expense.

For 2012 to 2014

As permitted by the guidance note on the Revised Schedule VI to the companies Act, 1956 our Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of statement of profit and loss. Our Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, our Company does not include depreciation and amortization expense, finance costs and tax expense.

Material developments subsequent to last financial year.

1. The Hon'ble High Court of Judicature at Bombay, vide order dated March 4, 2016 has approved the Composite Scheme of Arrangement for demerger and transfer of Retail Business Undertaking of FEL into our Company and demerger and transfer of Retail Infrastructure Business Undertaking of our Company into FEL. In accordance with the Scheme, Retail Business Undertaking of FEL was demerged from FEL and vested with our Company and Retail Infrastructure Business Undertaking of our Company was demerged and vested with FEL with effect from the Appointed Date viz. October 31, 2015 pursuant to Section 391 to 394 of the Companies Act, 1956 read with Sections 100 to 104 of the Companies Act, 1956 and Section 52 of Companies Act 2013;

The aforesaid order of the Hon'ble High Court of Judicature at Bombay was filed by our Company with the Registrar of Companies ("ROC"), Maharashtra, Mumbai on May 1, 2016 which is the Effective Date of the Scheme; Effect of the Scheme has already been considered in the Financial Statements of the Company for the year ended March 31, 2016.

2. Pursuant to the Scheme becoming effective on May 1, 2016, franchise arrangement entered into by FEL on February 1, 2016, with Future Consumer Enterprise Limited to manage the retail business operations of KB's Fairprice, Big Apple and KB's Conveniently Yours, has been transferred as part of the Retail Business Undertaking of FEL to our Company.

Factors Affecting our Results of Operations

A number of general factors affected our Company's financial performance during each of Fiscal Year 2011, Fiscal Year 2012, Fiscal Year 2014, Fiscal Year 2015 and Fiscal 2016. These factors may affect our Company's financial performance in the future, and include:

- General economic condition and the condition and performance of the retail market of India;
- Our business is subject to seasonal and cyclical volatility;
- Changes in applicable regulatory schemes;
- Variations in prices of the products; and
- Competition from other retail business group.

RESULTS OF OPERATIONS

The following table sets forth select financial data from our profit and loss statement for the Fiscal Years 2011, 2012, 2014, 2015 and 2016 by amount and as a percentage of our total income during the periods indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any other future period.

(Rs. in Crores)

Particulars	2016	% of Revenue	2015	% of Revenue	2014	% of Revenue	2012	% of the Revenue	2011	% of Revenue
	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%
Revenue from Operations	6,844.96	99.77	1,779.42	96.21	2,343.12	85.25	1,578.30	99.81	1,019.59	99.82
Other Income	15.51	0.23	70.03	3.79	9.49	0.35	3.06	0.19	1.80	0.18
Exceptional Items					395.84	14.40				
Total income from Operations	6,860.47	100.00	1,849.45	100.00	2,748.45	100.00	1,581.35	100.00	1,021.39	100.00
Purchase of stock-in-trade	5,254.86	76.60	1,562.80	84.50	2,289.15	83.29	1,531.14	96.82	1,068.88	104.65
Changes in inventories	(189.74)	-2.77	8.09	0.44	(66.95)	-2.44	(2.88)	-0.18	(82.69)	-8.10
Employee benefits expense	329.28	4.80	161.53	8.73	172.63	6.28	121.17	7.66	105.62	10.34
Finance Costs	49.75	0.73	20.23	1.09	70.68	2.57	18.25	1.15	0.03	0.00
Depreciation and amortisation	36.76	0.54	44.10	2.38	60.71	2.21	36.56	2.31	23.90	2.34
Other Expenditures	1,365.01	19.90	431.91	23.35	536.85	19.53	415.22	26.26	299.98	29.37
Total Operating Expenses	6,845.92	99.79	2,228.67	120.50	3,063.06	111.45	2,119.45	134.03	1,415.72	138.61
Profit/(Loss) before Tax	14.55	0.21	(379.21)	-20.50	(314.61)	-11.45	(538.10)	-34.03	(394.32)	-38.61
Tax Expenses	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) after Tax	14.55	0.21	(379.21)	-20.50	(314.61)	-11.45	(538.10)	-34.03	(394.32)	-38.61
EPS per equity share Basic and Diluted	0.66		(2.71)		(5.42)		(10.18)		(10.33)	

Review of Financial Performance of our Company

The financial performance for the fiscal year FY 2016 is not comparable with the previous fiscal years 2015, 2014, 2012 and 2011 for the reasons given hereunder.

- Pursuant to the Scheme fiscal year FY 2016 consists of, financial operations for period commencing from April 01, 2015 till October 30, 2015 of FRL of entire business comprising of Retail Business Undertaking and Retail Infrastructure Business Undertaking;
- financial operations commencing from October 31, 2015 till March 31, 2016 of Remaining Business of FRL (comprising of Retail Business Undertaking of FRL);
- financial operations commencing from October 31, 2015 till March 31, 2016 of Retail Business Undertaking of FEL.

Financial Year ended March 31, 2016 compared to Financial Year ended March 31, 2015

Total Income from Operations: - Our Company's Sales and Other Operating Income has increased from Rs. 1849.45 Crores in previous financial year to Rs. 6860.47 Crores with YOY growth of 271% for the financial year ended March 31, 2016. Exceptional sales growth is due to scheme of arrangement of FEL with our Company.

Employee benefits expense: - Our Company's Employee benefits expense has increased from Rs. 161.53 Crores in previous financial year to Rs. 329.28 Crores for the financial year ended March 31, 2016. Exceptional increase in expenses is due to scheme of arrangement of FEL with our Company.

Other Expenditure: - Our Company's Other Expenditures has increased from Rs. 431.91 Crores in previous financial year to Rs. 1365.01 Crores for the financial year ended March 31, 2016. Exceptional increase in expenses is due to scheme of arrangement of FEL with our Company.

Profit before Tax: - Profit Before Tax (including exceptional items) of our Company for financial year ended March 31, 2016 stood at Rs. 14.55 Crores as compared to Loss of Rs. 379.21 Crores during the previous financial year is due to scheme of arrangement of FEL with our Company..

Interest: - Interest & Financial charges outflow has increased from Rs. 20.23 Crores incurred in previous financial year of 2014-15 to Rs. 49.75 Crores for financial year ended March 31, 2016. The increase in interest and financial charges is on account of increased borrowings due to scheme of arrangement of FEL with our Company. and to accelerate it's growth and expansion.

Net Profit: - Net Profit (including exceptional items) of our Company for financial year ended March 31, 2016 stood at Rs. 14.55 Crores as compared to Loss of Rs. 379.21 Crores in the previous financial year with an increase of Rs. 393.76 Crores and with YOY increase of 104% over the previous financial year.

Financial year ended March 31, 2015 compared to financial period ended March 31, 2014

YOY growth is not comparable because Financial Period March 31, 2014 was a 15 months period as compared to Financial Year March 31, 2015 which was a 12 months period.

Sales: - Our Company's Sales and Other Operating Income has decreased from Rs. 2748.45 Crores in previous financial period to Rs. 1849.45 Crores with YOY growth of -33% for the financial year ended March 31, 2015.

Employee benefits expense: - Our Company's Employee benefits expense has decreased from Rs. 172.63 Crores in previous financial period to Rs. 161.53 Crores for the financial year ended March 31, 2015.

Other Expenditure: - Our Company's Other Expenditures has decreased from Rs. 536.85 Crores in previous financial period to Rs. 431.91 Crores for the financial year ended March 31, 2015.

Profit/Loss before Tax: - Loss before Tax (including exceptional items) of our Company for financial year ended March 31, 2015 stood at Rs. 379.21 Crores as compared to Loss of Rs. 314.61 Crores during the previous financial period.

Interest: - Interest & Financial charges outflow has decreased from Rs. 70.68 Crores incurred in previous financial period to Rs. 20.23 Crores for financial year ended March 31, 2015.

Net Profit/Loss: - Net Loss (including exceptional items) of our Company for financial year ended March 31, 2015 stood at Rs. 379.21 Crores as compared to Loss of Rs. 314.61 Crores in the previous financial period with an increase of Rs. 64.60 Crores and with YOY increase of 21% over the previous financial period.

Additional Information

a) Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.

There have been no unusual or infrequent events or transactions that may be described as "unusual" or

"Infrequent" and may have taken place during the last three years, except as disclosed in this Information Memorandum.

b) Significant economic changes that materially affected or are likely to affect income from continuing operations;

Except as described herein and in "Risk Factors", there have been no significant economic changes that could affect our income from continuing operations.

c) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;

Except as described in this Information Memorandum in general and "Risk Factors" and this section in

particular, to the best of our knowledge and belief, there are no known trends or uncertainties that have or had or are expected to have any material adverse impact on our revenues or income from continuing operations.

d) Future changes in relationship between costs and revenues, in case of events such as future increase in employee cost or material costs or prices that will cause a material change are known;

Other than as described in this section and the sections “Risk Factors” and “Our Business”, to our knowledge, there are no known factors which will materially impact the future relationship between our costs and revenues.

e) The extent to which material increases in net sales or revenue are due to increased sales volume,

introduction of new products or services or increased sales prices;

The “Results of Operations” above discusses any increases or decreases in our revenues for Fiscal Year 2016 compared to Fiscal Year 2015 and Fiscal Year 2014 due to, among other factors, increased sales volume, introduction of new products and/or increased sales prices, as applicable to our business and our results of operations for the periods discussed.

f) Total turnover of each major industry segment in which the issuer operated;

Our Company predominantly operates in a single segment and hence no separate industry segment is required to be reported under Indian GAAP.

g) Status of any publicly announced new products or business segment;

We have not announced and do not expect to announce in the near future any new products or business segments.

h) The extent to which business is seasonal;

The retail consumer spending is heavily dependent on the economy and, to a large extent, on various festive occasions. Any mismatch between our forecasts, our planning and the actual purchase by customers can impact us adversely, leading to excess inventory and requiring us to resort to higher markdown and thus lower margins in order to clear such inventory. Consumer preferences are susceptible to change with change in fashion and trends, and their service level expectations too can change from time to time.

i) Any significant dependence on a single or few suppliers or customers;

To our knowledge, apart from the details provided in the “Risk Factors” we do not depend on any particular supplier or customer.

j) Competitive conditions.

We operate in a competitive environment. For further details, please refer to the discussions of our competition in the section titled “Risk Factors” beginning on page 8 and chapter titled “Our Business” beginning on page 69 of this Information Memorandum.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

The details of the outstanding litigation or proceedings involving our Company, Promoters, Group Companies and Directors are described in this section.

Disclosure of litigation involving our Company:

Except as disclosed below there are no (i) criminal proceedings involving our Company, (ii) actions taken by regulatory or statutory authorities involving our Company, (iii) tax proceedings (in a consolidated manner), and (iv) other matters involving our Company which are identified as material in terms of the materiality policy (as disclosed herein below).

Further, except as disclosed below, there are no (i) matters involving our Company and all other persons, whose outcome could have material adverse effect on the position of our Company, (ii) matters initiated against our Company for economic offences, (iii) acts of material frauds committed against our Company in the last five years, and if so, the action taken by the Company, (iv) default and non-payment of statutory dues by our Company, if any, (v) inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last five years against our Company, (vi) matters involving our Company pertaining to violations of securities law, (vii) matters filed against our Company which are in nature of winding up petition.

Given the nature and extent of operations of our Company, the outstanding litigation involving our Company which exceed an amount which is the lower of 1% of the total revenue and net worth as per the audited standalone financial statements of our Company as of and for the Fiscal 2016 would be considered material for our Company. The total revenue and the net worth of our Company as of and for the Fiscal 2016, was Rs. 6,860.47 crores and Rs. 1,478.19 crores, respectively. Accordingly, we have disclosed all outstanding litigation involving our Company where (i) the aggregate amount involved exceeds Rs.14.78 crores (being an amount which is lower of 1% of the total revenue and 1% of the net worth of our Company as per the audited consolidated financial statements of our Company as of and for the Fiscal 2016) individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed 14.78 crores; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

Our Board has also approved that dues owed by our Company to the small scale undertakings and other creditors exceeding 1% of the total dues owed to the small scale undertakings and other creditors would be considered as material dues for our Company and accordingly, we have disclosed consolidated information of outstanding dues owed to small scale undertakings and other creditors, separately giving details of number of cases and amount for all dues where each of the dues exceed Rs. 22.09 crores (being approximately 1% of total dues owed by our Company to the small scale undertakings and other creditors as of March 31, 2016).

For details of the manner of disclosure of litigation involving our Promoter, see “Outstanding Litigation and Material Developments – Litigation involving our Promoter” on page 210. Further, for details of the manner of disclosure of litigation involving our Group Companies, see “Outstanding Litigation and Material Developments – Litigation involving our Group Companies” on page 218. For details of the manner of disclosure of litigation involving our Directors, see “Outstanding Litigation and Material Developments – Litigation involving our Directors” on page 210.

I. Litigations involving our Company (Future Retail Limited)

A. Cases filed against our Company:

1) Criminal Cases:

1. The Amit Purthi (the “**Complainant**”) has filed a complaint under sections 156 (3) read with Sections 273, 420, 467, 468 and 471 of Indian Penal Code in the court of Judicial Magistrate First Class, Hisar in relation to sale of expired food products, against Bharti Retail Limited, Easyday, Dabra Road, Camery Road, Hisar. The Complainant has alleged that sale of expired food products and overcharging above MRP. Accordingly upon the directions of the concerned court an FIR bearing no. 407/2014 was lodged with P.S. Civil Line, Hisar. The matter is currently pending.
2. The Amit Pruthi (the “**Complainant**”) has filed a complaint under sections 156(3) read with sections 273, 420, 467, 468, & 471 of Indian Penal Code in the court of Judicial Magistrate First Class, Hisar a Complaint u/s. 156(3) read with Sections 273, 420, 467, 468, & 471 of Indian Penal Code, P.S.-Civil Line, Hisar against Bharti Retail Limited, Easyday, Dabra Road, Camery Road, Hisar. The Complainant has alleged that basis of advertising Uttam quality at Mandi Rates. Accordingly upon the directions of the concerned court an FIR bearing no. 287/2015 was lodged with P.S. Civil Line, Hisar. The matter is currently pending.

3. The Amit Pruthi (the “**Complainant**”) has filed a complaint under sections 156(3) read with sections 418, 420 & 120 B of Indian Penal Code in the court of Judicial Magistrate First Class, Rohtak against Bharti Retail Limited, Easyday, Sagar Villa, Delhi Road, Rohtak. The Complainant has alleged that for selling products over and above MRP. Accordingly upon the directions of the concerned court an FIR bearing no. 241/2015 was lodged with P.S. Urban Estate, Rohtak, Haryana. The matter is currently pending.

2) **Civil Cases:**

1. M/s Adigad Properties P. Limited (the “**Plaintiff**”) has filed a suit before the Court of Hon’ble Civil Judge, Junior Division, Pune, a Special Civil Suit for Specific performance, Damages and other consequential reliefs against M/s Aradhya Developers & Ors.. In its suit, the Plaintiff has put forth a claim of over Rs. 150.00 crores against Defendant No. 1 and 2 alleging that Defendant No. 1 and 2 i.e. M/s Aradhya Developers and M/s Radha Krishna Developers despite having received an advance payment of Rs. 3.39 crores from the Plaintiff, have failed to discharge various duties and obligations which they were bound to do so by virtue of three agreements of sales all dated 10/12/2008 executed by and between the Plaintiff and Defendant No. 1 and 2 w.r.t. the property i.e. plot of land admeasuring 6000 sq. mtr. In Sector 25 Nigdi, situated at Village Nigdi, Taluka Haveli, District Pune within Pimpri Chinchwad New Town Development Authority, Nigdi, Pune - 411044. The Plaintiff has contended that the Defendant No. 1 and 2 and the Plaintiff executed the above mentioned three agreements of sale all dated 10/12/2018 and wherein it was agreed by the Defendant No. 1 and 2 that the unit which has been agreed to be purchased by the Plaintiff shall not be adversely effected. The Plaintiff has also impleaded Bharti Retail Limited as a party to the proceeding as Defendant No. 3 because of its reasonable apprehension that the Defendant No. 1 and 2 are exchanging proposal with Defendant No. 3 for entering into an agreement of sell or grant of lease of the entire area to be constructed, including the area agreed to be given to the Plaintiff by the Defendant No. 1 and 2. The matter is currently pending.
2. Arbitration Proceedings under the Arbitration and Conciliation Act, 1996 has been initiated by Indivision India Partners (‘Claimant’) against Future Enterprises Limited (FEL) and Future Media (India) Limited (FMIL) (the ‘Respondents’) for alleged breaches by the Respondents of the Shareholders Agreement entered between the Claimant and the Respondents. The Claimant has made claims before the Arbitral Tribunal and sought reliefs, inter alia, in terms of award directing (i) mandatory and permanent injunctions against FEL for protection of the rights of FMIL including extension of those rights in various formats demerged by FEL (ii) recovery of Rs.19.07 Cr. with respect to the agreements entered by FEL with FMIL without the consent of the Claimant (alleged) (iii) permanent injunctions restraining FEL to carry on business which competes with the business of FMIL. Other reliefs sought by the Claimant are not quantified yet but prayed for subsequent quantification. The matter is pending.

3) **Direct Taxes:**

Five Direct tax matters involving our Company are pending before the Commissioner of Income Tax (Appeals) involving an aggregating to ₹0.70 crores in relation to disallowance of 16.85 crores made by Assessing Officer. The matters are currently pending.

4) **Indirect Taxes**

Nine Indirect tax proceedings involving our Company are pending before various forums such as the High Court of Bombay, Deputy Commissioner of Sales tax, Additional Commissioner, Commissioner of Sales tax and APMC involving an aggregating to ₹42.66 crores in relation to input VAT disallowance, misclassification of certain items made, Mandi fees and service tax. The matters are currently pending.

B. Cases against the Employees

1) **Criminal Cases**

1. The State of Punjab (the “**Complainant**”) filed an FIR under section 379 and 406 of Indian Penal Code, P.S. City Fazilka against Store Manager Dhananjay Singh & Ors. It has been alleged that the accused was involved in theft in connivance with security guard. The matter is pending.
2. The State of Haryana (the “**Complainant**”) filed an FIR under section 353 & 186 of Indian Penal Code, P.S. Pehowa against Store Manager Kapil Kumar on his alleged misbehaviour with government official. The matter is pending.
3. The State of Punjab (the “**Complainant**”) filed an FIR under section 51/63 of Copy Right Act & 420 Indian Penal Code, P.S. Lahori Gate, Patiala against Store manager Pradyumn Gurtu alleged for playing music without license (PPL License). The matter is pending.

4. The State of Madhya Pradesh (the “**Complainant**”) filed an FIR under section 509, 506, 504 & 34 of Indian Penal Code, P.S. Vijaynagar, Indore against Store Manager Yash Namadev, Asst. Protection Manager Sunish Tripathi & Smt. Jyotsna Jayaswal alleged that insult of modesty women by the Easyday employee. The matter is pending.
5. The State of Uttar Pradesh (the “**Complainant**”) filed an FIR under section 29(2) of Insecticide Act, P.S. Sikandra, Agra against Store Manager Vishal alleged that store was selling Insecticide without having a valid insecticide license. The matter is pending.
6. The State of Madhya Pradesh (the “**Complainant**”) through Food Safety officer filed a complaint before Chief Judicial Magistrate, Indore vide case No-18315/2011 against Gurpreet Singh, Vishal Sobti & Easyday Store under Food Safety Act wherein it has been alleged that sample of Penne Pasta, Singhada Atta and Black Pepper found misbranded. The matter is currently pending.
7. The State of Uttarakhand through Food Safety officer (the “**Complainant**”) has filed a complaint before Additional Distt Magistrate, Haridwar vide case No-14/2012 against Debashis Mohanty, Mukesh Rawal & Bharti Retail Limited under Food Safety Act wherein it has been alleged by Complainant that sample of Nature Fresh Acti Lite Refined Sun Flower Oil found misleading. The matter is currently pending.
8. The State of Haryana through Food Safety Officer filed a complaint before Additional Deputy Commissioner, Panchkula on basis of sample No-PKL/DO/101/2012 against Nitin Khanna & Easyday under Food Safety Act, wherein it has been alleged by Complainant that sample of Farex Wheat Rice Fruit was found misbranded. The matter is currently pending.
9. The Bharti Retail Limited (the “**Petitioner**”) filed an appeal before the Food Safety Tribunal against Easyday, Mansa vide order dated 11/6/2014 and imposed a penalty of Rs. 2,00,000 food safety officer alleged that Paneer cottage cheese declared misbranded. The matter is currently pending.
10. The State of Himachal Pradesh through Food Safety officer filed before Additional Deputy Commissioner, Solan a complaint on basis of sample No-10/ADC/FSSA/2013 against Shankar Singh under Food Safety Act and wherein it has been alleged by the Complainant that the sample of Swiss Role Winkies was found misbranded. The matter is currently pending.
11. The State of Uttar Pradesh through Food Safety officer filed before ADM, Ghaziabad, a complaint bearing no. 98/2013 against Danish Sharma & Bharti Retail Limited under Food Safety Act and wherein it has been alleged by the Complainant that the sample of Premium Table Spread Nutralite was found misbranded. The matter is currently pending.
12. The State of Uttarakhand through Food Safety officer filed a complaint before Additional Distt Magistrate, Udham Singh Nagar bearing case No-51/2013 against Vidhur Khanna under Food Safety Act wherein it has been alleged that sample of Pure Ghee (Amul) was found misbranded. The matter is currently pending.
13. The State of Uttarakhand through Food Safety officer filed a complaint before Additional Distt Magistrate, Nanital bearing case No-51/2013 against Amit Srivastava & Nominee/ Director under Food Safety Act wherein it has been alleged that sample of Soya Paneer was found misbranded. The matter is currently pending.
14. The State of Punjab through Food Safety officer filed a complaint before Additional Deputy Commissioner, Patiala bearing sample No-14/RVK/Patiala/2012 against Rakesh Kumar & Nominee/ Director under Food Safety Act wherein it has been alleged that sample of Himalyana Cheese was found misbranded. The matter is currently pending.
15. The State of UP through Food Safety officer filed a complaint before ADM, Ghaziabad bearing Case No-7 of 2013 against Ankush Chopra, Nominee and Bharti Retail Limited under Food Safety Act wherein it has been alleged that sample of Blended Edible Vegetable Oil was found misbranded. The matter is currently pending.
16. The State of UP through Food Safety officer filed a complaint before ADM, Meerut bearing Case No-79 of 2013 against Jatin Chabra and Bharti Retail Limited under Food Safety Act wherein it has been alleged that sample of Great Value Honey was found misbranded. The matter is currently pending.
17. The Bharti Retail Limited (the “**Appellant**”) has filed an appeal before District and Sessions Judge, Lucknow against order dated January 30, 2015 passed by the ADM, Barabanki in Case No. 42 of 2014 lodged by the Food safety Officer, Barabanki. The Food Safety Officer had complained about misbranding of Cream Onion Chips. In its order dated January 30, 2015, the concerned court had imposed a penalty of Rs. 2,00,000 upon Bharti Retail Limited. The matter is currently pending.
18. Bharti Retail Limited (the “**Appellant**”) has filed before District & Sessions Judge, Gwalior, an appeal against order dated December 27, 2014 passed by the ADM, Gwalior in Case No. 51 of 2013 lodged by the Food safety Officer,

Gwalior wherein the Food Safety Officer had complained about misbranding of Urad Vadi Masala. In its order dt. December 27, 2014, the concerned court had imposed a penalty of Rs. 2,15,000 upon Bharti Retail Limited. The matter is currently pending

19. The State of UP through Food Safety officer filed a complaint before ADM, Agra bearing Case No-2 of 2014 against Pradyumn Gurtu and Bharti Retail Limited under Food Safety Act wherein it has been alleged that sample of jaggery was declared misbranded. The matter is currently pending.
20. The Bharti Retail Limited (the “**Appellant**”) has filed before District & Sessions Judge, Lucknow, an appeal against order dated January 30, 2015 passed by the ADM, Barbanki in Case No. 153 of 2014 lodged by the Food safety Officer, Barabanki wherein the Food Safety Officer had complained about misbranding of Moong Vadi. In its order dated January 30, 2015, the concerned court had imposed a penalty of Rs. 2,00,000 upon Bharti Retail Limited. The matter is currently pending.
21. The State of Haryana through Food Safety officer filed a complaint before ADC, Panchkula bearing sample report PKL/DO/335/2014 against Yashpal Singh & Mahesh Pandey under Food Safety Act wherein it has been alleged that sample of Pasturized Full Cream Milk was declared Substandard. The matter is currently pending.
22. The State of UP through Food Safety officer filed a complaint before ADM, Bijnour bearing Case No-05 of 2014 against Amit Kumar & Manager/Director under Food Safety Act wherein it has been alleged that sample of Matar Channa was declared misbranded. The matter is currently pending.
23. The State of Punjab through Food Safety officer filed a complaint before ADC, Patiala bearing Case No-496 of 2013 against Ranjit Singh under Food Safety Act wherein it has been alleged that sample of Nutralite Premium table Spread was declared misbranded. The matter is currently pending.
24. Bharti Retail Limited (the “**Appellant**”) has filed before District & Sessions Judge, Meerut Saharanpur an appeal against order dated September 22, 2015 passed by the ADM, Saharanpur in Case No. 97 of 2015 lodged by the Food safety Officer, Saharanpur wherein the Food Safety Officer had complained about misbranding of Snickers Miniatures Brand Milk Chocolate. In its order dated September 22, 2015, the concerned court had imposed a penalty of Rs. 3,00,000 upon Bharti Retail Limited. The matter is currently pending.
25. The State of Haryana through Food Safety officer filed a complaint before ADC, Sonipat bearing report No-129/June/2014 against Bhupesh Paliwal & Easyday under Food Safety Act wherein it has been alleged that sample of Coriander Easymax was declared sub-standard. The matter is currently pending.
26. The State of Haryana through Food Safety officer filed a complaint before ADC, Sonipat bearing report No-128/June/2014 against Bhupesh Paliwal & Easyday under Food Safety Act wherein it has been alleged that sample of Mango pickle was declared sub-standard. The matter is currently pending.
27. The State of UP through Food Safety officer filed a complaint before ADM, Lucknow bearing case No-9850/2014 against Amol Seth & Easyday under Food Safety Act wherein it has been alleged that sample of Delicious Cashew was declared misbranded. The matter is currently pending.
28. The State of Haryana through Food Safety officer filed a complaint before ADC, Faridabad bearing case No-35/2015 against Anant Sinha & Bharti Retail Limited under Food Safety Act wherein it has been alleged that sample of Black Papper was declared unsafe and now matter has been transferred to CJM Court, Faridabad vide case no-548/2015. The matter is currently pending.
29. The State of UP through Food Safety officer filed a complaint before ADM, Bulandsahar bearing case No-693/2015 against Bhupal Singh, BRL & Zee Foodex under Food Safety Act wherein it has been alleged that sample of Matar Channa was declared misbranded. The matter is currently pending.
30. The State of UP through Food Safety officer filed a complaint before ADM, Noida bearing case No-320/2015 against Sivam Gupta & BRL under Food Safety Act wherein it has been alleged that sample of Pasturized Full Cream Milk (Amul Gold) was declared misbranded. The matter is currently pending.
31. The State of Haryana through Food Safety officer filed a complaint before ADC, Hissar bearing sample No-HSR/DO/2014 against Mohd. Arif under Food Safety Act wherein it has been alleged that sample of Nestle Skimmed Milk was declared misbranded. The matter is currently pending.
32. The State of UP through Food Safety officer filed a complaint before ADM, Bareilly bearing case No-21300/2016 against Harsvardhan under Food Safety Act wherein it has been alleged that sample of Easy Choice matar Channa was declared misbranded. The matter is currently pending.

33. The State of UP through Food Safety officer filed a complaint before ADM, Ghaizabad bearing case No -4387/2015 against Ashwani Mishra & BRL under Food Safety Act wherein it has been alleged that sample of Tendo (Tender Coconut Water) was declared misbranded. The matter is currently pending.
34. The State of Uttarakhand through Food Safety officer filed a complaint before CJM, Dehradun bearing case No -66/2016 against Sandeep Kukshal & Nestle India Ltd. under Food Safety Act wherein it has been alleged that sample of Maggi 2 Minutes Noodles was declared misbranded and unsafe. The matter is currently pending.
35. The State of UP through Food Safety officer filed a complaint before ADM, Agra bearing case No -199/2015 against Asif Khan & Brijnandan Enterprises Pvt. Ltd. under Food Safety Act wherein it has been alleged that sample of Jaggeri was declared misbranded. The matter is currently pending.
36. The State of UP through Food Safety officer filed a complaint before ADM, Agra bearing case No -92/2015 against Sunil Kumar & Sterling Grocery Pvt. Ltd. under Food Safety Act wherein it has been alleged that sample of Black Salt –edible common Salt was declared misbranded. The matter is currently pending.
37. The State of Punjab through Food Safety officer filed a complaint before ADC, Ludhiana bearing case No -140/2015 against Nancy under Food Safety Act wherein it has been alleged that sample of Top Raman Noodles was declared misbranded and misleading. The matter is currently pending.
38. The State of Punjab through Food Safety officer filed a complaint before ADC, Ludhiana bearing case No -141/2015 against Nancy under Food Safety Act wherein it has been alleged that sample of Masala Noodles was declared misbranded and misleading. The matter is currently pending.
39. The State of Punjab through Food Safety officer filed a complaint before ADM, Ludhiana bearing case No -142/2015 against Nancy under Food Safety Act wherein it has been alleged that sample of Yipee Noodles was declared misbranded and misleading. The matter is currently pending.
40. The State of Punjab through Food Safety officer filed a complaint before ADM, Ludhiana bearing case No -143/2015 against Nancy under Food Safety Act wherein it has been alleged that sample of Yipee Noodles was declared misbranded and misleading. The matter is currently pending.
41. The State of Punjab through Food Safety officer filed a complaint before ADM, Ludhiana bearing case No -143/2015 against Nancy under Food Safety Act wherein it has been alleged that sample of Knorr Noodles was declared misbranded and misleading. The matter is currently pending.
42. The State of GNCT of Delhi through Food Safety officer filed a complaint before ADM, Kanjhawala, Delhi bearing case No -20/2016 against Vinod Kumar Sharma & Ors. under Food Safety Act wherein it has been alleged that sample of Yipee Masala Noodles was declared misbranded. The matter is currently pending.
43. The State of GNCT of Delhi through Food Safety officer filed a complaint before ADM, Ghaizabad bearing case No -546/2016 against Bharti Retail Limited under Food Safety Act wherein it has been alleged that sample of Creamy Wafer Biscuit (Tasty Treat) was declared misbranded. The matter is currently pending.
44. The State of UP through Food Safety officer filed a complaint before ADM, Agra bearing case No -42/2016 against Easyday, Sanjay Palace, Agra under Food Safety Act wherein it has been alleged that sample of Maggi Hungroo was declared sub-standard. The matter is currently pending.

C. Cases filed by our Company:

1) Criminal Cases:

- 1) The petitioner Dhananjay Singh has filed a quashing petition bearing no -7857/2012 u/s 482 of Cr.P.C. arising out of FIR bearing no -24/2012 filed by complainant Sh. Raj Kumar, P.S. City, Fazalika (Punjab) Under Section -379/406 of Indian Penal Code. The petition was filed for quashing petition filed against Dhananjay Singh in relation to theft of goods kept with security guard. The matter is currently pending.
- 2) The State of Rajasthan has pursuant to complaint filed by Bharti Retail Limited through Shamsher Singh, lodged an FIR bearing no. 73/2012 against Vijay Ajmera & Ors. It has been alleged that the mall authority is not allowing withdrawal of goods from the Easyday store located at Pink Square Mall, Jaipur. The matter is currently pending.
- 3) The Petitioner Sh. Raj Kumar Jain has filed before Hon'ble High Court of Chandigarh, quashing petition bearing -32879/2014 challenging and quashing the motivated FIR bearing No -407/2014 (against BRL & its Director) and wherein it has alleged that sale of expired food products and overcharging above MRP. The matter is currently pending.

- 4) The Petitioner Bharti Retail Limited through its authorized signatory has filed before Hon'ble High Court of Chandigarh, quashing petition bearing no.12716/2015 challenging and quashing the motivated FIR bearing no. 287/2015 (against BRL & its director) and wherein it has been alleged that that basis of advertising Uttam quality at Mandi Rates. The matter is currently pending.
- 5) The Petitioner Bharti Retail Limited through its authorized signatory has filed before Hon'ble High Court of Chandigarh, quashing petition bearing no. 19813/2015challenging and quashing the motivated FIR bearing no. 241/2015 (against BRL & its director) and wherein it has been alleged thatselling products over and above MRP. The matter is currently pending.
- 6) The Petitioner Bharti Retail Limited through its authorized signatory has filed before Hon'ble High Court at Telangana, quashing petition bearing no. 17476/2015challenging and quashing the motivated FIR bearing no. 542/2015 (against BRL & its director) and wherein it has been alleged thatcontract has not been fulfilled by the company. The matter is currently pending.
- 7) The State of Haryana has pursuant to complaint filed by Bharti Retail Limited through Store Manager, lodged an FIR bearing no. 652/2014 against Krishan Kumar Team Member of Asset Protection team under sections 380 and wherein it has been alleged that he has store the money from the Easyday Store located at Hisar Road, Hansi. The matter is currently pending.

II. Cases Against our Promoters and Directors

Our individual Promoter and our Directors

Except as disclosed below, there are no pending (i) criminal litigation, (ii) actions taken by regulatory or statutory authorities involving our individual Promoter and our Directors, (iii) matters involving our individual Promoter and our Directors pertaining to securities violation, and (iv) tax proceedings (in a consolidated manner).

Our Board has determined that all outstanding litigation involving our individual Promoter and our Directors where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company, would be considered as material for our Company.

Our Corporate Promoter

Due to the nature of diverse business undertaken by our corporate Promoter, they are involved in various litigation filed in India and overseas from time to time.

Accordingly, except as disclosed below there are no (i) outstanding litigation filed against our corporate Promoters where the aggregate amount involved exceeds Rs. 14.78 crores (being less than 1% of total revenue and 1% of the net worth of our Company as of and for the Fiscal 2016); (ii) outstanding litigation where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed Rs. 14.78 crores; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

Additionally, except as disclosed below there are no (i) outstanding criminal proceedings involving our corporate Promoter, (ii) actions taken by regulatory or statutory authorities which are currently under litigation and are outstanding have been disclosed in this section; (iii) violations of securities laws; and (iv) litigation or legal action pending or taken by any ministry or government department or statutory authority against our corporate Promoters during the last five years have been disclosed in this section.

A. Cases involving Kishore Biyani:

1) Criminal Cases

- 1) The Local Health Authority, Ahmedabad Municipal Corporation has filed a criminal case on May 27, 2009 bearing case no. 2357 of 2009 before the 6th Court of the Metropolitan Magistrate, Ahmedabad against Mr. Anil S Kaltari, PRIL, Mr. Kishore Biyani, Mr. Ghanshyam Biyani and Mr. Sandip Modi in the capacity of Directors of the Company, in respect of a product supplied at the Company's retail outlet at Ahmedabad. The public analyst allegedly found the product to be misbranded as it did not conform to the standards and provisions of the rules 32 [b] and [e] of Prevention of Food Adulteration Rules, 1955 and it was misbranded as per section 2 (ix) (k) of the Prevention of Food Adulteration Act, 1954. The matter is currently pending.
- 2) The Local Health Authority, Municipal Corporation of Indore has filed a criminal case (No. 20668 of 2008) before the First Class Judicial Magistrate, Indore against all the Directors of the Company including Shri Kishore Biyani as well. The sample of the product namely "N-Joi", seized by the Municipal Corporation of Indore, from the Company's store was found to contain a synthetic food colour "ponceau 4R", on a test conducted by the public

analyst. There was no declaration on the label of the sample pack to this effect and hence it has been alleged that there has been a violation of Rule 24 and proviso (b) of Rule 32 of the Prevention of Food Adulteration Rules, 1955. It is also alleged that the product was misbranded as per section 2(ix) (j) & (k) of the Prevention of Food Adulteration Act, 1954. The Company has filed a criminal miscellaneous petition before the High Court of Madhya Pradesh Indore Bench under section 482 of Criminal Procedure Code for quashing the Complaint and the High Court has granted exemption to all the directors of the Company till the final disposal of the case in the lower court. The matter is currently pending in the Lower Court.

- 3) The Local Health Authority, Municipal Corporation of Indore has filed a criminal case (No. 28669 of 2008) before the Special Judicial Magistrate, Indore against all the Directors of the Company including Shri Kishore Biyani as well. The samples of the products Viz. "Fresh & Pure Toast Biscuits" seized by the Municipal Corporation of Indore, from the Company's store was found to be misbranded on a test conducted by the public analyst. It is also alleged that the product was adulterated and misbranded and thus a Criminal Complaint is lodged under section 7(i) along with section 16 (1)(a)(i) of the Prevention of Food Adulteration Act, 1954. The Company has filed a criminal miscellaneous petition before the High Court of Madhya Pradesh Indore Bench under section 482 of Criminal Procedure Code for quashing the Complaint. And further the High Court has granted exemption to all the directors of the Company till the final disposal of the case in the lower court. The matter is currently pending in the Lower Court.
- 4) The Local Health Authority, Municipal Corporation of Kamrup, Guwahati has filed a criminal case (No. 4557/2008) before the Chief Judicial Magistrate, Kamrup, Guwahati against Mr. Kishore Biyani & others, in relation to adulteration of food products. The sample of "Kalazira" seized by the Municipal Corporation of Kamrup, Guwahati from Big Bazaar at City Square, G.S. Road, Guwahati was found to be polished with hydrocarbon oil which is not permitted as per Prevention of Food Adulteration Act, 1954. It was also found that the sample contained excessive numbers of living insects. Hence, violation of Rule 50 of the Prevention of Food Adulteration Rules, 1955 and offence under sections 7 and 16 of the Prevention of Food Adulteration Act, 1954 is accused. The Directors have filed a writ petition before the High Court of Guwahati and a stay has been granted in favour of Directors pursuant to its order dated November 24, 2010. By order dated November 18, 2013 the Hon'ble High Court of Guwahati has allowed the revision application and setting aside the order of issuing process against the petitioner/accused. It has been further ordered that the CJM Kamrup shall be at liberty to hold appropriate enquiry in accordance with the amended provision of section 202 of Cr.P.C. and thereafter, if satisfied, shall proceed further to issue process. The matter is currently pending.
- 5) The Local Health Authority, Municipal Corporation of Kamrup, Guwahati has filed a criminal case (No. 4556/2008) before the Chief Judicial Magistrate, Kamrup, Guwahati against Mr. Kishore Biyani and others in relation to adulteration of food products. The sample of "Pure Cow Ghee" collected by the Municipal Corporation of Kamrup, Guwahati from Food Bazaar at D. T. Tower, G.S. Road, Guwahati, was found to be artificially coloured using "Beta Carotene". It was also found that the sample contained excessive numbers of living insects. It has been alleged that there has been a violation of Rules 5 and 26 of the Prevention of Food Adulteration Rules, 1955 and an offence under the Prevention of Food Adulteration Act, 1954 has been committed. The Directors have filed a writ petition before the High Court of Guwahati and a stay has been granted in favour of Directors pursuant to its order dated November 24, 2010. By order dated November 18, 2013 the Hon'ble High Court of Guwahati has allowed the revision application and setting aside the order of issuing process against the petitioner/accused. It has been further ordered that the CJM Kamrup shall be at liberty to hold appropriate enquiry in accordance with the amended provision of section 202 of Cr.P.C. and thereafter, if satisfied, shall proceed further to issue process. The matter is currently pending.
- 6) The Local Health Authority, Udaipur filed a criminal case (No. 69 of 2010) before the Asst. Chief Judicial Magistrate No. 1 of Udaipur against Mr. Chetan Dave, Mr. Gopikishan Biyani, Mr. Kishore Biyani, Mr. Rakesh Biyani, Mr. Vedprakash Arya, FVRL, Mr. Rajesh Kamani, Mr. Milind Bhai Sitwala and M/s Bhagwati Floors and Foods Pvt. Ltd. alleging that the sample of "Maida" collected from the Big Bazaar was found to be misbranded as per the report of the public analyst and hence an offence under section 2 (ix) (k) of Prevention of Food Adulteration Act, 1954 and Rule 32 (c) of PFA Rules, 1955 has been committed. The matter is currently pending.
- 7) Mr. Dilip Madhavji Thakkar has filed a private criminal case no. 40276 of 2010 against Embassy Property Developers Ltd., Shri Kishore Biyani & 6 others before the Judicial Magistrate's First Class No. 7, Pune under section 341 r/w/ section 34 of I.P.C., wherein the Complainant alleges that the Accused who had acquired the adjoining land, has purposely created hindrance to him to enter and exit from his land premises, and thereby in furtherance of common intention wrongfully restraining him, so as to obstruct him from proceeding to and from the direction of his owned plot of premises. The matter is currently pending.
- 8) The Food Inspector, Thane ("**Complainant**") filed a criminal complaint bearing number 1184 of 2010 before the Judicial Magistrate, First Class, Vashi, Navi Mumbai against Mr. Kishore Biyani and others ("**Accused**"). The Complainant alleged that the sample of 'Power Horse' energy drink collected from Food Bazaar, City Centre, Vashi was found to be not conforming to the standards and provisions of the Prevention of Food Adulteration Act, 1954.

Hence, the Complainant filed the present complaint alleging violation of Rules 39 and 42 of the Prevention of Food Adulteration Rules, 1955. The matter is currently pending.

- 9) The Inspector of legal Metrology has filed a criminal case. No. 525/2012 has been filed before the 2nd Add First Class Judicial Magistrate against Kishore Biyani and 14 others, at Mangalore. Alleging that the REEBOK Shoes were had additional sticker with different MRP's. An appeal has been filed on behalf of all the Directors and FVRL vide Cr.P.C.No.73 /2012 in C.C. No. 525/12 before Sessions Court to set aside impugned order dated June 23, 2012 passed by the J.M.F.C Mangalore by summoning the Petitioners to appear before court at Mangalore. The Sessions Court had stayed the proceedings before the lower court Cr.R.P was dismissed. Criminal Petition has been filed before Hon'ble High Court at Bangalore Bearing No. Cr.P. 2606/2013, We prayed for quashing the inCC.525/12, Interim Stay has been granted & Notice has been issued to Legal Metrology. The matter is currently pending
- 10) The Inspector of legal Metrology has filed a criminal case. No. 526/2012 has been filed before the 2nd Add First Class Judicial Magistrate by Inspector of legal Metrology against Kishore Biyani and 14 others, at Mangalore. Alleging that the Knighthood Shoes were had additional sticker with different MRP's. An appeal has been filed on behalf of all the Directors & FVRL Vide Cr.P.C. No.74/2012 in C.C. No. 526/12 before sessions Court to set aside impugned order dated June 23, 2012 passed by the J.M.F.C Mangalore by summoning the Petitioners to appear before court at Mangalore. The Sessions Court had stayed the proceedings before the lower court Cr.R.P was dismissed. Criminal Petition has been filed before Hon'ble High Court at Bangalore Bearing No. Cr.P. 2608/2013, We prayed for quashing the inCC.526/12, Interim Stay has been granted & Notice has been issued to Legal Metrology. The matter is currently pending.
- 11) The Inspector of legal Metrology has filed a criminal case. No. 527/2012 has been filed before the 2nd Add First Class Judicial Magistrate by Inspector of legal Metrology against Kishore Biyani and 14 others, at Mangalore. Alleging that two packages of ROXX styling mug had additional sticker of date of manufacture/packed month and year. An appeal has been filed on behalf of all the Directors & FVRL Vide Cr.P.C. No.75/2012 in C.C. No. 527/12 before sessions Court to set aside impugned order dated June 23, 2012 passed by the J.M.F.C Mangalore by summoning the Petitioners to appear before court at Mangalore. The Sessions Court had stayed the proceedings before the lower court Cr.R.P was dismissed. Criminal Petition has been filed before Hon'ble High Court at Bangalore Bearing No. Cr.P. 2605/2013, We prayed for quashing the inCC.527/12, Interim Stay has been granted & Notice has been issued to Legal Metrology. The matter is currently pending.
- 12) The Inspector of legal Metrology has filed a criminal case. No. 528/2012 has been filed before the 2nd Add First Class Judicial Magistrate against Kishore Biyani and 14 others, at Mangalore. Alleging that two pre-packed packages of care mate, soft facial tissues net content of 400 sheets had MRP has been declared on additional sticker. An appeal has been filed on behalf of all the Directors & FVRL Vide Cr.P.C. No.76/2012 in C.C. No. 528/12 before sessions Court to set aside impugned order dated June 23, 2012 passed by the J.M.F.C Mangalore by summoning the Petitioners to appear before court at Mangalore. The Sessions Court had stayed the proceedings before the lower court Cr.R.P was dismissed. Criminal Petition has been filed before Hon'ble High Court at Bangalore Bearing No. Cr.P. 2609/2013, We prayed for quashing the inCC.528/12, Interim Stay has been granted & Notice has been issued to Legal Metrology. The matter is currently pending.
- 13) The Inspector of legal Metrology has filed a criminal case. No. 529/2012 has been filed before the 2nd Add First Class Judicial Magistrate against Kishore Biyani and 14 others, at Mangalore. Alleging that two pre-packed packages of Wipro Smart light, Cool day light, fluorescent lamp of buy 2 get 1 free MRP Rs.300, date of manufactured/packed month and year and customer care telephone number is not declared. An appeal has been filed on behalf of all the Directors & FVRL Vide Cr.P.C. No.77/2012 in C.C. No. 529/12 before sessions Court to set aside impugned order dated June 23, 2012 passed by the J.M.F.C Mangalore by summoning the Petitioners to appear before court at Mangalore. The Sessions Court had stayed the proceedings before the lower court Cr.R.P was dismissed. Criminal Petition has been filed before Hon'ble High Court at Bangalore Bearing No. Cr.P. 2607/2013, We prayed for quashing the in CC.529/12, Interim Stay has been granted & Notice has been issued to Legal Metrology. The matter is currently pending.
- 14) A Senior Labour Inspector 14th Circle (the "**Complainant**") has filed a case CR No.57/2012-13 under Section 20 (2) of the Minimum Wages Act before Labour Officer against Sri Kishore Biyani, and Store Manager in relation to non payment of minimum wages. The matter is currently pending.
- 15) The Food Safety Officer got sampled "Tasty Treat Corn Flakes" on date 30.12.2011 from KB Fair Price shop at E - 195, Naraina Vihar, Delhi which was later declared sub standard as it contained extraneous matters vide report dated January 11, 2012 of Public Analyst. The Food Safety Office in his complaint bearing no. F.No.15/ADM/SW/2012/38241 filed before ADM, KAPASHERA, DELHI has implicated Rajesh Sanga and Nine other persons including FVRL, PRIL, FCEL, Mr. Kishore Biyani, Mr. Rakesh Biyani and Mr. Sanjay Rathi as accused persons. The matter is currently pending.
- 16) Asst. Labour Officer Hyderabad has filed a criminal case under Contract Labour Act in STC No.03/2013 in Chief Metropolitan Magistrate Court – XII against Kishore Biyani and Store Manager. Criminal Petition No.2904/2013 has

been filed by Kishoreji & Silas Paul against Labour Officer before Hon'ble High Court of Andhra Pradesh seeking relief of quashing the S.T.C 03/2013 filed by Labour officer before trial court. The matter is currently pending.

- 17) Asst. Labour Officer Hyderabad has filed a criminal case under Minimum Wages Act in STC No.04/2013 in Chief Metropolitan Magistrate Court – XII against Kishore Biyani and Store Manager. Criminal Petition No.2905/2013 has been filed by Kishoreji & Silas Paul against Labour Officer before Hon'ble High Court of Andhra Pradesh seeking relief of quashing the S.T.C 04/2013 filed by Labour officer before trial court. The matter is currently pending.
- 18) Asst. Labour Officer Hyderabad has filed a criminal case under Shops And Establishment Act in STC No.05/2013 in Chief Metropolitan Magistrate Court – XII against Kishore Biyani and Store Manager. Criminal Petition No.3079/2013 has been filed by Kishoreji & Silas Paul against Labour Officer before Hon'ble High Court of Andhra Pradesh seeking relief of quashing the S.T.C 05/2013 filed by Labour officer before trial court. The matter is currently pending.
- 19) The Mr. D.M Chitnis (labour inspector), filed criminal Complaint 9 (6), 82(2), 24 of Contract Labour (Regulation and Abolition) Act against PRIL, Sh. Kishore Biyani and Mr. Molikbhai V.Panchal. The complaint is filed for failure in compliance despite receiving notice from Labour officer. Kishore ji is also party. The matter is currently pending.
- 20) Shri Kumar (Proprietor of "Nari Sringar"-SIS Vendor) filed an application u/s 156(3) of CR.P.C. before Nagpur Judicial Magistrate Court (2) recorded as Complaint Case No.2334/2014 to issue direction upon the Police to register FIR against 1. Pantaloon Retail India Limited, through its Managing Director Shri Kishore Biyani and 2. Shri Manish Gupta, Branch Manager in respect to offence punishable under section 406, 420 and 379 of IPC. After hearing and verifying document the concerned Magistrate Court observed that the dispute between applicant and accused persons is civil in nature. Accordingly the application was rejected on 13.08.2014. Thereafter the complainant filed a Revision application bearing Cri. Rev. Case No.240/14, before Nagpur District Session Court for setting aside the order of the lower court and prayed to allow the said prayer made u/s 156(3) Cr. P.C. The hearing of the application is pending. By an agreement dated 11.04.2004 said complainant was allotted 100 Sq.Ft. area on the Second Floor of the Landmark Building for running his business for a period of one year. He had paid Rs.2,50,000 as security deposit. By a letter dated 20.07.2006, signed by Manish Gupta (Branch Manager-Authorized Signatory) the vendor was called upon to vacate the premises within one month from the receipt of that letter. According to the complaint, the accused took law in their hand and dispossessed applicant by stealing articles and goods belonging to applicant kept in the said space.
- 21) Adl. Controller of Metrology and Director Consumer Affairs, Jaipur filed one complaint before Additional Dist. Collector, Kota (City), Kota Rajasthan, against Mr. Kishore Biyani, Mr. Jaivardhan (SM) and FRL, u/s 39 (1) standard of Weight and measure act 1957, Rule 4 read with rule 6 (1) of packaged commodity for deficiency in label declaration and charging Rs. 8 more than printed price etc. The matter is currently pending.

B. Cases involving Future Corporate Resource Limited ("FCRL")

Case against FCRL

1) Direct Taxes:

Four Direct tax matters involving Future Corporate Resource Limited are pending before the Commissioner of Income Tax (Appeals) and ITAT involving an aggregating to Rs. 44.44 crores in relation to disallowance under section 14 (a) and order under section 263 made by AO and CIT respectively. The matters are currently pending.

Case filed by FCRL

2) Other Cases

1. A civil proceeding is filed by Future Corporate Resource Limited (FCRL) against the Avitech Private Limited (APL) and the amount involved in the said matter is Rs.52.09 crores. FCRL has prayed before the Hon'ble Bombay High Court for the aforementioned amount and interest @ 20% per annum from the date of filing the suit till payment or realization thereof. Hon'ble High Court has passed an order for appointment of Receiver and Formal attachment of the 16 properties of respondent (APL) mortgage against the loan, out of 16 properties Hon'ble Court receiver has done the formal attachment of 2 properties and identify 1 property rest of the properties are unidentified. We are in process of mentioning before the Hon'ble court to pass an order for appointment of representative of respondent who will identify the pending properties enabling court receiver to complete the formal attachment procedure.

Recently, after the appointment respondents representative we have done the formal attachment of another 05 more properties. As of now, out of 16 properties we have taken formal possession of 07 Properties till date and we are in process of taking formal possession of remaining properties and simultaneously pressing before the Hon'ble court to

pass an order for physical possession of the formal attached Properties and auction thereof. The matters are currently pending

C. PIL Industries Limited

Against the Company

Direct Tax Cases

Six Direct tax matters involving PIL Industries Limited are pending before the various forums such as ITAT and CIT (A), involving an aggregate amount of ₹8.21 crores, in relation to disallowance by AO of ₹71.47 crores. These matters are currently pending.

Cases filed by PIL Industries Limited

1) Civil Cases:

A civil proceeding filed by PIL Industries Limited (“PIL”) against the Deccan Chronicle Holdings Limited (DCHL) and the amount involved in the said matter is Rs.125.01 crores. PIL has prayed before the Hon’ble Bombay High Court for the aforementioned amount and interest @ 20% per annum from the date of filing the suit till payment or realization thereof.

Hon’ble High Court has passed an order for appointment of Receiver and Formal attachment of the 16 properties of respondent (DCHL) mortgage against the loan, out of 16 properties Hon’ble Court receiver has done the formal attachment of two properties and identify 1 property rest of the properties are unidentified. We are in process of mentioning before the Hon’ble court to pass an order for appointment of representative of respondent who will identify the pending properties enabling court receiver to complete the formal attachment procedure.

Further, as per the Order of the Hon’ble Bombay High Court Representative of the Defendant is Appointed to identify the properties and subsequently we have done formal attachment of five properties.

However, Court receiver has submitted the report to Hon’ble High Court that the remaining Properties are already attached or in possession of Statutory authorities and are not able to attach the same. The matter is pending

D. RYKA Commercial Ventures Private Limited

Direct Tax Cases

One Direct tax matters involving RYKA Commercial Ventures Private Limited are pending before CIT(A) in relation to disallowance on account of Diminution of value of Shares and under sections 14A r.w.r 8D by AO of ₹9 crores for the Assessment year 2013-14. These matters are currently pending.

E. Gargi Business Ventures Private Limited

Direct Tax Cases

Two Direct tax matters involving Gargi Business Ventures Private Limited are pending before the CIT(A) involving an aggregate amount of ₹0.02 crores, in relation to disallowance by AO of ₹0.09 crores for the Assessment year 2012-13 and 2013-14. These matters are currently pending.

F. Manz Retail Private Limited

Direct Tax Cases

Ten Direct tax matters involving Manz Retail Private Limited are pending before ITAT and CIT(A), Mumbai,, involving an aggregate amount of Rs. 11.10 crores, in relation to disallowance by AO of Rs. 44.82 crores. These matters are currently pending.

G. Cases involving Rakesh Biyani:

1) Criminal Cases

1. The Local Health Authority, Municipal Corporation of Kamrup, Guwahati has filed a criminal case (No. 4557/2008) before the Chief Judicial Magistrate, Kamrup, Guwahati against Mr. Kishore Biyani & others, in relation to adulteration of food products. The sample of “Kalazira” seized by the Municipal Corporation of Kamrup, Guwahati from Big Bazaar at City Square, G.S. Road, Guwahati was found to be polished with hydrocarbon oil which is not permitted as per Prevention of Food Adulteration Act, 1954. It was also found that the sample contained excessive numbers of living insects. Hence, violation of Rule 50 of the Prevention of Food Adulteration Rules, 1955 and

offence under sections 7 and 16 of the Prevention of Food Adulteration Act, 1954 is accused. The Directors have filed a writ petition before the High Court of Guwahati and a stay has been granted in favour of Directors pursuant to its order dated November 24, 2010. The matter is currently pending. By order dated 18.11.2013 the Hon'ble High Court of Guwahati has allowed the revision application and setting aside the order of issuing process against the petitioner/accused. It has been further ordered that the CJM Kamrup shall be at liberty to hold appropriate enquiry in accordance with the amended provision of section 202 of Cr.P.C. and thereafter, if satisfied, shall proceed further to issue process. The matter is currently pending.

2. The Local Health Authority, Municipal Corporation of Kamrup, Guwahati has filed a criminal case (No. 4556/2008) before the Chief Judicial Magistrate, Kamrup, Guwahati against Mr. Kishore Biyani & others in relation to adulteration of food products. The sample of "Pure Cow Ghee" collected by the Municipal Corporation of Kamrup, Guwahati from Food Bazaar at D. T. Tower, G.S. Road, Guwahati, was found to be artificially coloured using "Beta Carotene". It was also found that the sample contained excessive numbers of living insects. It has been alleged that there has been a violation of Rules 5 and 26 of the Prevention of Food Adulteration Rules, 1955 and an offence under the Prevention of Food Adulteration Act, 1954 has been committed. The Directors have filed a writ petition before the High Court of Guwahati and a stay has been granted in favour of Directors pursuant to its order dated November 24, 2010. The matter is currently pending. By order dated 18.11.2013 the Hon'ble High Court of Guwahati has allowed the revision application and setting aside the order of issuing process against the petitioner/accused. It has been further ordered that the CJM Kamrup shall be at liberty to hold appropriate enquiry in accordance with the amended provision of section 202 of Cr.P.C. and thereafter, if satisfied, shall proceed further to issue process. The matter is currently pending.
3. The Local Health Authority, the Municipal Corporation of Indore has filed a criminal case against the Directors and Lathesh Rajguru and Punit Bhatia, the store managers of Big Bazaar, Indore before the First Class Judicial Magistrate, Indore alleging breach of Rule 24 and proviso (b) of Rule 32 of the Prevention of Food Adulteration Rules, 1955 as the sample of food item, namely, "N-Joi" collected from Big Bazaar, Indore contained a synthetic food colour "ponceau 4R" and there was no declaration on the label of the sample to this effect. It is also alleged that the product was misbranded in violation of section 2(ix) (j) & (k) of the Prevention of Food Adulteration Act, 1954. The Director have filed a criminal miscellaneous petition before the High Court of Madhya Pradesh (Indore Bench) under section 482 of Criminal Procedure Code for quashing the said criminal complaint and the High Court has granted exemption to all Directors from personal appearance till the final disposal of the matter before the First Class Judicial Magistrate. The matter is currently pending.
4. The Local Health Authority, the Municipal Corporation of Indore has filed a criminal case against the Directors before the Special Judicial Magistrate, Indore alleging adulteration and misbranding of 'Fresh & Pure Toast Biscuits' in violation of section 7(i) read with section 16(1)(a)(i) of the Prevention of Food Adulteration Act, 1954. The Directors have filed a criminal miscellaneous petition before the High Court of Madhya Pradesh (Indore Bench) under section 482 of Criminal Procedure Code for quashing the said criminal case and the High Court has granted exemption to all Directors from personal appearance till the final disposal of the case before the Special Judicial Magistrate. The matter is currently pending.
5. The Local Health Authority (Food Inspector), Udaipur has filed a criminal case before the Additional Chief Judicial Magistrate No. 1, Udaipur against Chetan Dave, Kishore Biyani, Rakesh Biyani, Big Bazaar, Udaipur (a unit of Future Retail Limited) and others alleging that the sample of "Maida" collected from Big Bazaar, Udaipur, was found to be misbranded as per the report of the public analyst and alleged an offence under section 2(ix)(k), 7 and 16 of the Prevention of Food Adulteration Act, 1954 and Rule 32(c) of the Prevention of Food Adulteration Rules, 1955. The matter is currently pending.
6. The Food and Drug Administrator (M.S.) Inspector, Thane has filed a criminal complaint against Kishore Biyani, Rakesh Biyani, Food Bazaar, City Centre, Vashi (a unit of Future Retail Limited) and others before the Judicial Magistrate, First Class, Vashi, Navi Mumbai alleging that the sample of 'Power Horse' energy drink collected from Food Bazaar, City Centre, Vashi was found to be in violation of the standards and provisions of the Prevention of Food Adulteration Act, 1954 and consequent alleged violation of rule 39 and 42 of the Prevention of Food Adulteration Rules, 1955. The matter is currently pending.
7. Inspector of Legal Metrology has filed a criminal case before the First Class Judicial Magistrate, 2nd Court Mangalore, against Kishore Biyani, Rakesh Biyani, Vijay Biyani, S. Doreswamy, Anil Harish, Baladeshpande, Vijay Kumar Chopra, Future Retail Limited and others (collectively, the "accused") alleging that two pre-packages of Reebok shoes manufactured by Reebok India Company (with maximum retail price Rs. 1,990 and Rs. 2,999, respectively) with size of the shoes and maximum retail price declared on additional sticker, which constitutes an offence under the sections 18(1) and 31 of the Legal Metrology Act, 2009 and Rule 4 and 6(3) of the Legal Metrology (Packaged Commodities) Rules, 2011 and is punishable under section 36(1) and 31 of the Legal Metrology Act, 2006. The First Class Judicial Magistrate passed an order dated February 16, 2012 summoning the accused to appear on June 20, 2012. The accused have filed a revision petition before the Court of II Additional District and Sessions Judge, Mangalore against Inspector of Legal Metrology seeking (i) entire file with respect to

the criminal case filed before the First Class Judicial Magistrate, and (ii) set aside order dated February 16, 2012 and proceedings in the said matter. The Court of II Additional District and Sessions Judge pursuant to its order dated March 4, 2013 dismissed the petitions by confirming the order dated February 16, 2012 and remanding the matter to the First Class Judicial Magistrate. Subsequently, the accused filed a criminal petition before the High Court of Karnataka against the State of Karnataka challenging the order dated March 4, 2013, seeking quashing of order dated February 16, 2012 and proceedings in the said matter. Pursuant to its order dated April 26, 2013, the High Court of Karnataka has granted a stay against the order dated February 16, 2012. The matter is currently pending.

8. Inspector of Legal Metrology has filed a criminal case before the First Class Judicial Magistrate, 2nd Court Mangalore, against Kishore Biyani, Rakesh Biyani, Vijay Biyani, S. Doreswamy, Anil Harish, Baladeshpande, Vijay Kumar Chopra, Future Retail Limited and others (collectively, the “**accused**”) alleging that two pre-packages of Knighthood shoes (size 8 and 9) market retail price Rs. 1,999 customer care telephone number was not declared and maximum retail price, date of manufactured / packed month and year were declared on additional sticker, which constitutes an offence under the sections 18(1) and 31 of the Legal Metrology Act, 2009 and Rule 4, 6(1)(a), 6(d) and 6(2) of the Legal Metrology (Packaged Commodities) Rules, 2011 and is punishable under section 36(1) and 31 of the Legal Metrology Act, 2006. The First Class Judicial Magistrate passed an order dated February 16, 2012 summoning the accused to appear on June 20, 2012. The accused have filed a revision petition before the Court of II Additional District and Sessions Judge, Mangalore against Inspector of Legal Metrology seeking (i) entire file with respect to the criminal case filed before the First Class Judicial Magistrate, and (ii) set aside order dated February 16, 2012 and proceedings in the said matter. The Court of II Additional District and Sessions Judge pursuant to its order dated March 4, 2013 dismissed the petitions by confirming the order dated February 16, 2012 and remanding the matter to the First Class Judicial Magistrate. Subsequently, the accused filed a criminal petition before the High Court of Karnataka against the State of Karnataka challenging the order dated March 4, 2013, seeking quashing of order dated February 16, 2012 and proceedings in the said matter. Pursuant to its order dated April 26, 2013, the High Court of Karnataka has granted a stay against the order dated February 16, 2012. The matter is currently pending.
9. Inspector of Legal Metrology has filed a criminal case before the First Class Judicial Magistrate, 2nd Court Mangalore, against Kishore Biyani, Rakesh Biyani, Vijay Biyani, S. Doreswamy, Anil Harish, Baladeshpande, Vijay Kumar Chopra, Future Retail Limited and others (collectively, the “**accused**”) alleging that two packages of ROXX styling mug had additional sticker of date of manufacture/packed month and year, which constitutes an offence under the sections 18(1) and 31 of the Legal Metrology Act, 2009 and Rule 4 and 6(3) of the Legal Metrology (Packaged Commodities) Rules, 2011 and is punishable under section 36(1) and 31 of the Legal Metrology Act, 2006. The First Class Judicial Magistrate passed an order dated February 16, 2012 summoning the accused to appear on June 20, 2012. The accused have filed a revision petition before the Court of II Additional Sessions Judge, Mangalore against Inspector of Legal Metrology seeking (i) entire file with respect to the criminal case filed before the First Class Judicial Magistrate, and (ii) set aside order dated February 16, 2012 and proceedings in the said matter. The Court of II Additional Sessions Judge pursuant to its order dated March , 2013 dismissed the petitions by confirming the order dated February 16, 2012 and remanding the matter to the First Class Judicial Magistrate. Subsequently, the accused filed a criminal petition before the High Court of Karnataka against the State of Karnataka challenging the order dated March 4, 2013, seeking quashing of order dated February 16, 2012 and proceedings in the said matter. Pursuant to its order dated April 26, 2013, the High Court of Karnataka has granted a stay against the order dated February 16, 2012. The matter is currently pending.
10. Inspector of Legal Metrology has filed a criminal case before the First Class Judicial Magistrate, 2nd Court Mangalore, against Kishore Biyani, Rakesh Biyani, Vijay Biyani, S. Doreswamy, Anil Harish, Baladeshpande, Vijay Kumar Chopra, Future Retail Limited and others (collectively, the “**accused**”) alleging that two pre-packed packages of care mate, soft facial tissues, net content of 400 sheets which were collected had maximum retail price declared on additional sticker, which constitutes an offence under the sections 18(1) and 31 of the Legal Metrology Act, 2009 and Rule 4 and 6(3) of the Legal Metrology (Packaged Commodities) Rules, 2011 and is punishable under section 36(1) and 31 of the Legal Metrology Act, 2006. The First Class Judicial Magistrate passed an order dated February 16, 2012 summoning the accused to appear on June 20, 2012. The accused have filed a revision petition before the Court of Sessions Judge, Mangalore against Inspector of Legal Metrology seeking (i) entire file with respect to the criminal case filed before the First Class Judicial Magistrate, and (ii) set aside order dated February 16, 2012 and proceedings in the said matter. The Court of Sessions Judge pursuant to its order dated March 4, 2013 dismissed the petitions by confirming the order dated February 16, 2012 and remanding the matter to the First Class Judicial Magistrate. Subsequently, the accused filed a criminal petition before the High Court of Karnataka against the State of Karnataka challenging the order dated March 4, 2013, seeking quashing of order dated February 16, 2012 and proceedings in the said matter. Pursuant to its order dated April 26, 2013, the High Court of Karnataka has granted a stay against the order dated February 16, 2012. The matter is currently pending.
11. Inspector of Legal Metrology has filed a criminal case before the First Class Judicial Magistrate, 2nd Court Mangalore, against Kishore Biyani, Rakesh Biyani, Vijay Biyani, S. Doreswamy, Anil Harish, Baladeshpande, Vijay Kumar Chopra, Future Retail Limited and others (collectively, the “**accused**”) alleging that two pre-packages of Wipro smart light, classic, 15watt, cool day light, compact fluorescent lamp of buy 2 get 1 free, maximum retail

price of ₹ 300, date of manufactured / packed month and year and customer care telephone number was not declare, which constitutes an offence under the sections 18(1) and 31 of the Legal Metrology Act, 2009 and Rule 4, 6(1)(a), 6(d) and 6(2) of the Legal Metrology (Packaged Commodities) Rules, 2011 and is punishable under section 36(1) and 31 of the Legal Metrology Act, 2006. The First Class Judicial Magistrate passed an order dated February 16, 2012 summoning the accused to appear on June 20, 2012. The accused have filed a revision petition before the Court of II Additional District and Sessions Judge, Mangalore against Inspector of Legal Metrology seeking (i) entire file with respect to the criminal case filed before the First Class Judicial Magistrate, and (ii) set aside order dated February 16, 2012 and proceedings in the said matter. The Court of II Additional District and Sessions Judge pursuant to its order dated March 4, 2013 dismissed the petitions by confirming the order dated February 16, 2012 and remanding the matter to the First Class Judicial Magistrate. Subsequently, the accused filed a criminal petition before the High Court of Karnataka against the State of Karnataka challenging the order dated March 4, 2013, seeking quashing of order dated February 16, 2012 and proceedings in the said matter. Pursuant to its order dated April 26, 2013, the High Court of Karnataka has granted a stay against the order dated February 16, 2012. The matter is currently pending.

12. The Food Safety Officer, has filed a criminal complaint before Additional District Magistrate against Kishor Biyan, Rakesh Biyani, Future Retail Limited, K.B.S. Fairprice (a unit of FVRL (Now Known as Future Retail Limited) and others alleging that the sample of “Tasty Treat Corn Flakes” collected from K.B.S. Fairprice, New Delhi was found to be substandard as per the report of the public analyst and alleged an offence under sections 26(2)(ii), 3(1)(zf)(C)(i), 3(1)(c) and 52 of the Food Safety and Standards Act, 2006. The matter is currently pending.

H. Cases involving Rajan Mittal:

1) Criminal Cases

1. The Petitioner Sh. Raj Kumar Jain has filed before Hon’ble High Court of Chandigarh, quashing petition bearing -32879/2014 challenging and quashing the motivated FIR bearing No-407/2014 (against BRL & its Director) and wherein it has alleged that sale of expired food products and overcharging above MRP. The matter is currently pending.
2. The Petitioner Bharti Retail Limited through its authorized signatory has filed before Hon’ble High Court of Chandigarh, quashing petition bearing no. 12716/2015 challenging and quashing the motivated FIR bearing no. 287/2015 (against BRL & its director) and wherein it has been alleged that that basis of advertising Uttam quality at Mandi Rates. The matter is currently pending.
3. The State of MP through Food Safety officer filed a complaint before CJM, Indore bearing case No-15630/2011 against Sandeep Singh, Inderjit Walia, Manik Hiru Jhangiani under PFA Act wherein it has been alleged that sample of Butter Coconut Cookies & Mixed Choco Cookies was declared misbranded. Summon has issued and same has been challenged by Sh. Inderjit Walia through vide petition No-993/2012 before High Court Bench at Indore and same has been dismissed vide order dated 18/12/2014 and the same has been challenged before Hon’ble Supreme Court at Delhi through SLP No-802/2015 and same has been dismissed vide order dated 24/9/2015 and now another quashing petition filed by Sh. Manik Hiru through vide petition no-10611/2015 and same has dismissed vide order dated 13/5/2016. The matter is currently pending.
4. DDA has filed two complaints alleging that by installation of a RSU in a residential property without the advance permission of DDA, the accused have acted in contravention of the DDA Act. Quashing petitions were filed, wherein the High Court stayed the proceedings before the trial court. Matter is at the final arguments stage. The matter is currently pending.

I. Cases involving other previous Directors and Others:

1. The State of Haryana through Food Safety officer filed a complaint before CJM, Panipat bearing case No-83/2011 against Tushar Khanna & MD/Nominee under PFA Act wherein it has been alleged that sample of Chana Dal containing living & dead insects was declared adulterated. The matter is currently pending.
2. The State of Haryana through Food Safety officer filed a complaint before CJM, Panipat bearing case No-84/2011 against Tushar Khanna & MD/Nominee under PFA Act wherein it has been alleged that sample of rice containing living & dead insects was declared adulterated. The matter is currently pending.
3. The State of MP through Food Safety officer filed a complaint before CJM, Indore bearing case No-15630/2011 against Sandeep Singh, Inderjit Walia, Manik Hiru Jhangiani under PFA Act wherein it has been alleged that sample of Butter Coconut Cookies & Mixed Choco Cookies was declared misbranded. Summon has issued and same has been challenged by Sh. Inderjit Walia through vide petition No-993/2012 before High Court Bench at Indore and same has been dismissed vide order dated 18/12/2014 and the same has been challenged before Hon’ble Supreme Court at Delhi through SLP No-802/2015 and same has been dismissed vide order dated 24/9/2015 and now another

quashing petition filed by Sh. Manik Hiru through vide petition no-10611/2015 and same has dismissed vide order dated 13/5/2016. The matter is currently pending.

4. The State of Madhya Pradesh through Food Safety officer filed a complaint before ADM, Gwalior bearing case No-115/2015 against Parmod Sanodiya, Gaurav Chauhan, Deepak Sharma, Pushpendra Yadav, Inderjit Walia, Devendra Khanna & Manoj Kumar Kohli under Food Safety Act wherein it has been alleged that sample of Moong Vadi Masala was declared misbranded. The matter is currently pending.
5. State of MP through Food Safety Officer has filed a case against Sandeep Singh, Inderjeet Walia, Rajan Bharti Mittal, Manik Hiru Jhangiani - complaint filed by food safety officer through case No-18702/2011 before CJM Court, Indore on basis of sample report of Ajwain cookies and Mixed Choco cookies declared misbranded and summon has been issued against all the directors and a quashing petition no- 8266/2014 has been filed by the one of director and same has been allowed vide order dated August 17, 2015. The matter is currently pending.
6. State of Punjab through Food Safety Officer has filed a case against Meenu Sharma & MD/Nominee/Director- Case filed by Food Safety officer vide case no- 42/2011 and same has pending before Hon'ble CJM Court, Patiala and complaint filed on basis of report Jaggeri declared adulterated found foul smell in Jaggeri. The matter is currently pending.
7. State of Punjab through Food Safety Officer has filed a case against Pradyumn Gurtu & Nominee/ MD- Case filed by Food Safety officer vide case no- 44/2012 in relation to foul smell in ginger. The case is pending before Hon'ble CJM Court, Patiala and complaint filed on basis of report found foul smell in ginger. The matter is currently pending.
8. State of Karnataka through Legal Metrology officer Vs. Satya Kumar, Raj Jain & Rajan Bharti Mittal, Godrej & P&G. - complaint filed by Legal metrology officer and per filed his complaint that Mandatory declaration not on package of Godrej Ezee Liquid, Panteene Shampoo, Adidas T Shirt. Director filed revision petition before Hon'ble Distt & Session Judge, Mysore vide revision petition no-CRL.R.P/291/2012 and proceeding has been stayed before Lower court, Mysore. The matter is currently pending.

III. Litigations involving our Group Companies:

Due to the nature of diverse business undertaken by our Group Companies, they are involved in various litigation filed in India and overseas from time to time.

Accordingly, except as disclosed below there are no (i) outstanding litigation filed against our Group Companies where the aggregate amount involved exceeds Rs. 14.78 crores (being less than 1% of total revenue and 1% of the net worth of our Company as of and for the Fiscal 2016); (ii) outstanding litigation where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed Rs. 14.78 crores; and (iii) other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

Additionally, except as disclosed below there are no (i) outstanding criminal proceedings involving our Group Companies, (ii) actions taken by regulatory or statutory authorities which are currently under litigation and are outstanding have been disclosed in this section; (iii) violations of securities laws; and (iv) litigation or legal action pending or taken by any ministry or government department or statutory authority against Group Companies during the last five years have been disclosed in this section.

Litigation involving Future Enterprises Limited

Cases filed against Future Enterprises Limited:

1) Criminal Cases:

1. The Local Health Authority, Baroda filed a criminal case (No.01 Of 2010) before the First Class Judicial Magistrate, Municipal Court, Baroda against Big Bazaar, Seven Seas Mall, Nominee Mr. Vinay Garg - Manager Seven Seas Mall, Baroda, and owner of SIS Mr. Hariharan Motilal Agarwal alleging that the sample of "Gulkand Mukhwas" collected from the said Big Bazaar was found to be adulterated and misbranded as per the report of the public analyst and hence an offence under section 2 (ai) (j) and section 2 (ix) (k) of Prevention of Food Adulteration Act, 1954 & Rule 29, Rule 44 (AAA), Rule 32 (b) (2) (i) and Rule 32 (b) (2) (ii) of PFA Rules, 1955 with section 7 (i) (ii) (v) has been committed. The report of Central Laboratory Maysor is awaited. The matter is currently pending.
2. The Local Health Authority, Baroda filed a criminal case (No.02 Of 2010) before the First Class Judicial Magistrate, Municipal Court, Baroda against Big Bazaar, Seven Seas Mall, Nominee Mr. Vinay Garg - Manager Seven Seas Mall, Baroda, and owner of SIS Mr. Hariharan Motilal Agarwal alleging that the sample of "Mava Mukhwas"

collected from the said Big Bazaar was found to be adulterated and misbranded as per the report of the public analyst and hence an offence under section 2 (ai) (j) and section 2 (ix) (k) of Prevention of Food Adulteration Act, 1954 & Rule 29, Rule 44 (AAA), Rule 32 (b) (2) (i) and Rule 32 (b) (2) (ii) of PFA Rules, 1955 with section 7 (i) (ii) (v) has been committed. The report of Central Laboratory Mysoris awaited. The matter is currently pending.

3. The Local Health Authority, Ahmedabad Municipal Corporation has filed a criminal case on 27th May 2009 bearing caseno. 2357 of 2009 before the 6th Court of the Metropolitan Magistrate, Ahmedabad against Mr. Anil S Kaltari, PRIL, Mr. Kishore Biyani, Mr. Ghanshyam Biyani and Mr. Sandip Modi in the capacity of Directors of the Company, in respect of a product supplied at the Company's retail outlet at Ahmedabad. The public analyst allegedly found the product to be misbranded as it did not conform to the standards and provisions of the rules 32 [b] and [e] of Prevention of Food Adulteration Rules, 1955 and it was misbranded as per section 2 (ix) (k) of the Prevention of Food Adulteration Act, 1954. The matter is currently pending.
4. The Local Health Authority, Municipal Corporation of Ranchi has filed criminal cases (Nos. 41 to 44 of 2008) before the Chief Judicial Magistrate, Ranchi against Assistant Manager –Commercial, in relation to adulteration and misbranding of food items namely "Toordal", "Chana Dal", "Chana Besan" and "Chana Sattu". The samples of the said food items collected by the Municipal Corporation from Big Bazaar at Ranchi were found to be adulterated and misbranded as opposed to the requirements of the Prevention of Food Adulteration Rules, 1955. It has been alleged that an offence under section 16 of the Prevention of Food Adulteration Act, 1954 has been committed. The matter is currently pending.
5. The Local Health Authority, Municipal Corporation of Indore has filed a criminal case (No. 20668 of 2008) before the First Class Judicial Magistrate, Indore against all the Directors of the Company. The sample of the product namely "N-Joi", seized by the Municipal Corporation of Indore, from the Company's store was found to contain a synthetic food colour "ponceau 4R", on a test conducted by the public analyst. There was no declaration on the label of the sample pack to this effect and hence it has been alleged that there has been a violation of Rule 24 and proviso (b) of Rule 32 of the Prevention of Food Adulteration Rules, 1955. It is also alleged that the product was misbranded as per section 2(ix) (j) & (k) of the Prevention of Food Adulteration Act, 1954. The Company has filed a criminal miscellaneous petition before the High Court of Madhya Pradesh Indore Bench under section 482 of Criminal Procedure Code for quashing the Complaint and the High Court has granted exemption to all the directors of the Company till the final disposal of the case in the lower court. Now the matter is currently pending in the Lower Court.
6. The Local Health Authority, Municipal Corporation of Indore has filed a criminal case (No. 28669 of 2008) before the First Class Judicial Magistrate, Indore against all the Directors of the Company. The samples of the products Viz. Fresh & Pure Toast Biscuits seized by the Municipal Corporation of Indore, from the Company's store was found to be misbranded on a test conducted by the public analyst. It is also alleged that the product was adulterated and misbranded and thus a Criminal Complaint is lodged under section 7(i) along with section 16 (1)(a)(i) of the Prevention of Food Adulteration Act, 1954. The Company has filed a criminal miscellaneous petition before the High Court of Madhya Pradesh Indore Bench under section 482 of Criminal Procedure Code for quashing the Complaint. And further the High Court has granted exemption to all the directors of the Company till the final disposal of the case in the lower court. Now the matter is currently pending in the Lower Court.
7. The Local Health Authority, Municipal Corporation of Kamrup, Guwahati has filed a criminal case (No. 4557/2008) before the Chief Judicial Magistrate, Kamrup, Guwahati against Mr. Kishore Biyani & others, in relation to adulteration of food products. The sample of "Kalazira" seized by the Municipal Corporation of Kamrup, Guwahati from Big Bazaar at City Square, G.S. Road, Guwahati was found to be polished with hydrocarbon oil which is not permitted as per Prevention of Food Adulteration Act, 1954. It was also found that the sample contained excessive numbers of living insects. Hence, violation of Rule 50 of the Prevention of Food Adulteration Rules, 1955 and offence under sections 7 and 16 of the Prevention of Food Adulteration Act, 1954 is accused. The Directors have filed a writ petition before the High Court of Guwahati and a stay has been granted in favour of Directors pursuant to its order dated November 24, 2010. The matter is currently pending. By order dated 18.11.2013 the Hon'ble High Court of Guwahati has allowed the revision application and setting aside the order of issuing process against the petitioner/accused. It has been further ordered that the CJM Kamrup shall be at liberty to hold appropriate enquiry in accordance with the amended provision of section 202 of Cr.P.C. and thereafter, if satisfied, shall proceed further to issue process. The matter is currently pending.
8. The Local Health Authority, Municipal Corporation of Kamrup, Guwahati has filed a criminal case (No. 4556/2008) before the Chief Judicial Magistrate, Kamrup, Guwahati against Mr. Kishore Biyani & others in relation to adulteration of food products. The sample of "Pure Cow Ghee" collected by the Municipal Corporation of Kamrup, Guwahati from Food Bazaar at D. T. Tower, G.S. Road, Guwahati, was found to be artificially coloured using "Beta Carotene". It was also found that the sample contained excessive numbers of living insects. It has been alleged that there has been a violation of Rules 5 and 26 of the Prevention of Food Adulteration Rules, 1955 and an offence under the Prevention of Food Adulteration Act, 1954 has been committed. The Directors have filed a writ petition before the High Court of Guwahati and a stay has been granted in favour of Directors pursuant to its order dated

November 24, 2010. The matter is currently pending. By order dated 18.11.2013 the Hon'ble High Court of Guwahati has allowed the revision application and setting aside the order of issuing process against the petitioner/accused. It has been further ordered that the CJM Kamrup shall be at liberty to hold appropriate enquiry in accordance with the amended provision of section 202 of Cr.P.C. and thereafter, if satisfied, shall proceed further to issue process. The matter is currently pending.

9. The Local Health Authority, Udaipur filed a criminal case (No. 69 of 2010) before the Asst. Chief Judicial Magistrate No. 1 of Udaipur against Mr. Chetan Dave, Mr. Gopikishan Biyani, Mr. Kishore Biyani, Mr. Rakesh Biyani, Mr. Vedprakash Arya, FVRL, Mr. Rajesh Kamani, Mr. Milind Bhai Sitwala and M/s Bhagwati Floors and Foods pvt. Ltd. alleging that the sample of 'Maida' collected from the Big Bazaar Udaipur was found to be misbranded as per the report of the public analyst and hence an offence under section 2 (ix) (k) of Prevention of Food Adulteration Act, 1954 & Rule 32 (c) of PFA Rules, 1955 has been committed. The matter is currently pending.
 10. The Food Inspector, Thane ("Complainant") filed a criminal complaint bearing number 1184 of 2010 before the Judicial Magistrate, First Class, Vashi, Navi Mumbai against Mr. Kishore Biyani and others ("Accused"). The Complainant alleged that the sample of 'Power Horse' energy drink collected from Food Bazaar, City Centre, Vashi was found to be not confirming to the standards and provisions of the Prevention of Food Adulteration Act, 1954. Hence, the Complainant filed the present complaint alleging violation of rule 39 and 42 of the Prevention of Food Adulteration Rules, 1955. The matter is currently pending.
 11. A Senior Labour Inspector 14th Circle has filed a case CR No.57/2012-13 under Section 20 (2) of the Minimum Wages Act before Labour Officer against Sri Kishore Biyani, and Store Manager. The matter is currently pending.
 12. The Food Safety Officer got sampled "Tasty Treat Corn Flakes" on date 30.12.2011 which was later declared sub standard as it contained extraneous matters vide report dt. 11.01.2012 of Public Analyst. The Food Safety Office in his complaint bearing no.F.No.15/ADM/SW/2012/78 dated 07.01.2013 filed before Adm, Kapashera, Delhi has implicated Rajesh Sanga and Nine other persons including FVRL, PRIL, FCEL, Mr. Kishore Biyani, Mr. Rakesh Biyani and Mr. Sanjay Rathi as accused persons.
 13. The Mr. D.M Chitnis (labour inspector), filed criminal Complaint bearing no 520 of 2013 under section 9 (6), 82(2), 24 OF contract Labour Abolishment Act against PRIL, Sh. Kishore Biyani and Mr. Molikbhai V.Panchal. matter is for failure in compliance despite receiving notice from Labour officer. Kishore ji is also party. The matter is currently pending.
 14. The Food Safety Office, Ambala has lodged a Complaint bearing no. 42/28.11.2014 with the Adjudicating Officer-Cum-ADC, Ambala against Sh. Udyan Shukla, Store Manager, Big Bazaar, Rai Market, Ambala, Haryana on the basis of analysis report wherein the sample of Navratra Kuttu Mixture lifted from Big Bazaar, Rai Market, Ambala has been found to be misbranded as the net weight & best before were not written per the FSS Act. Accordingly, summons has been issued to Sh. Udyan Shukla, Store Manager. The matters are currently pending.
 15. The Designated Officer, FSDA, Varanasi vide Notice bearing Memo No. 251/Food Report/2015 Dated: 01.10.2015 has forwarded the report of food analyst whereby the sample of Urad Papad (Sardarni Papad Wale Brand) lifted from Big Bazaar, Sigra, Varanasi has been declared as violating Reg. No. 2.2.2(7,4,6,2,8,9,10) of FSS (Packaging & Labelling) Regulations, 2011 as label affixed on the product has not declared net wt, green veg. symbol, complete manufacturer's address, ingredients, Lot No., packing date & best before. Hence this Notice with liberty to file an appeal against the above said Analysis Report if so desired. The matters are currently pending.
 16. Adl. Controller of Metrology and Director Consumer Affairs, Jaipur filed one complaint before Additional Dist. Collector, Kota (City), Kota Rajasthan, against Mr. Kishore Biyani, Mr. Jaivardhan (SM) and FRL, u/s 39 (1) standard of Weight and measure act 1957, Rule 4 read with rule 6 (1) of packaged commodity for deficiency in label declaration and charging Rs. 8 more than printed price etc. The matter is currently pending.
- That one Bal Mukund, Food Safety Officer, GNCT of Delhi has filed a complaint case before ADM-Cum-Adjudicating Officer, North-West District, Kanjhawala, Delhi, against Sh. Sachin Verma & Ors. However since copy of challan is not received hence further details are awaited. The matters are currently pending.
17. That the Food Safety Officer, Bareilly (U.P.) has filed a complaint case before ADM-Cum-Adjudicating Officer, Bareilly (U.P.), against Sh. Chandra Shekhar. However since copy of challan is not received hence further details are awaited. The matters are currently pending.
 18. The Food Inspector, Gwalior had instituted a case bearing No. 7197/2011 against Shivanand Jha & Others under provisions of the then Prevention of Food Adulteration Act (PFA). Recently only Non Bailable warrant in the name of FVRL was received at Big Bazaar, DD Mall, Gwalior & the matter came to our knowledge. Procurement of documents relating to the case is under process, hence further details are unavailable at the moment. The matters are currently pending.

19. State of Rajasthan through Food Inspector Mr. Anil Bhardwaj filed one Food Safety matter (Case No. 23/15 food safety) before Adjudicating officer and ADM Udaipur against Ketav Vyas, FRL, and Naveen Agrawal (Agency), M/s Marico Ltd and Shree Krishna Wani for offence Under regulation 2.2.5 (i) FSSAI. One sample of Saffola Salt taken from BB Udaipur, found Misbranded. Store Karta and FRL Party. The matter is currently pending.
20. The Complainant Mr. Sanjay Kumar Singh, Food Safety Officer, Varanasi has filed the present complaint case bearing no. 67 / 2016 before ADM (City)-Cum-Adjudicating Officer, District-Varanasi on the basis of Report of the Food Analyst, Lucknow which held that the sample of Papad Urad (Sardarji Papadwale Brand) lifted from Big Bazaar, I.P. Grand, Gulab Bagh, Sigra, Varanasi have been found violating the provisions of FSS (Packaging & Labelling) Regulation, 2011 since label declarations are not mentioned as per norm laid down in this regard, hence this complaint case.
21. The State of Punjab through Food Safety Officer, Bathinda has instituted a Complaint Case bearing no. 4342/reader/ADC dt. 08.03.2016 against Big Bazaar, Mittal Mall, Goniana Road, Bathinda through Raghvendra Pandey and wherein Big Bazaar has been directed to appear on 11.04.2016 for further proceedings. Copy of the Complaint is awaited. The matters are currently pending.
22. The Complainant Mr. Bharat Kumar Kanojia, Food Safety Officer, UT, Chandigarh has filed the present complaint case bearing no. 12 / 2016 dt. 17.02.2016 before District Magistrate-Cum-Adjudicating Officer, UT, Chandigarh on the basis of Report of the Food Analyst which held that the sample of Sunfeast Yippee Noodles Magic Masala lifted from M/s Big Bazaar, ELANTE MALL, Plot No. 178 & 178-A, Phase-I, Indl. Area, Chandigarh have been found containing MSG but the same is not mentioned in the list of ingredient and also No MSG Added is declared on the label, thus it is Misbranded & Misleading under FSS Act, hence this complaint case.
23. The Complainant Mr. Bharat Kumar Kanojia, Food Safety Officer, UT, Chandigarh has filed the present complaint case bearing no. 13 / 2016 dt. 17.02.2016 before District Magistrate-Cum-Adjudicating Officer, UT, Chandigarh on the basis of Report of the Food Analyst which held that the sample of Knorr Chinese Hot & Spicy Noodles lifted from M/s Big Bazaar, Elante Mall, Plot No. 178 & 178-A, Phase-I, Indl. Area, Chandigarh have been found containing MSG but the same is not mentioned in the list of ingredient and also No MSG Added is declared on the label, thus it is Misbranded & Misleading under FSS Act, hence this complaint case. The matters are currently pending.
24. The Complainant Mr. Bharat Kumar Kanojia, Food Safety Officer, UT, Chandigarh has filed the present complaint case bearing no. 08 / 2016 before District Magistrate-Cum-Adjudicating Officer, UT, Chandigarh on the basis of Report of the Food Analyst which held that the sample of Nissin Top Ramen Super Noodles Masala lifted from M/s Big Bazaar, ELANTE MALL, Plot No. 178 & 178-A, Phase-I, Indl. Area, Chandigarh have been found containing MSG but the same is not mentioned in the list of ingredient and also No MSG Added is declared on the label, thus it is Misbranded & Misleading under FSS Act, hence this complaint case. The matters are currently pending.
25. Two employees Mr. Abhilash and Mr. Ali of Big Bazaar Thrissur Kerala were charged under Section 59 of Food safety and Standards Act 2006 for the sale of unsafe food for consumption. The case was filed before the Chief Judicial Magistrate Court, Thrissur, Kerala as ST 537/2016. The matters are currently pending.
26. Yippee Noodles were taken from Big Bazaar Kompally, Andhra Pradesh and the same was found to be misbranded. Case filed against the Department manager, Store Manager and FRL under Section 26(2)(ii) of Food safety and Standards Act 2006 as RC No. 1186/2016 before the Adjudicating Officer and Joint Collector of Ranga Reddy District, Hyderabad. The matters are currently pending.
27. The Local Health Authority (Maharashtra State) Nanded has filed a Criminal Case (No. 140 / 2011) before the 4th Chief Judicial Magistrate's First Class Nanded against Mr. Atul Koli, Mr. Chandra Prakash Toshniwal, Mr. Rajesh Kalyani, Mr. Sanjay Rathi and M/s. Big Bazaar (A division of Future Value Retail Limited) Nanded, alleging that the Sample of "**Rawa**" collected from Big Bazaar was found to be consists of abundant living and dead grubs, insects, as per the report of the public analyst and hence an offence under section 7(i) along with 2(ia)(a), 2(ia)(m) and 2(ia)(f) of Prevention of Food Adulteration Act, 1954. The matter is currently pending.
28. The Local Health Authority (Maharashtra State) Nanded has filed a Criminal Case (No. 118 / 2011) before the 4th Chief Judicial Magistrate's First Class Nanded against Mr. Atul Koli, Mr. Chandra Prakash Toshniwal, Mr. Rajesh Kalyani, Mr. Sanjay Rathi and M/s. Big Bazaar (A division of Future Value Retail Limited) Nanded, alleging that the Sample of "**Black Pepper**" collected from Big Bazaar was found to contain with Mineral Oil, as per the report of the public analyst and hence does not conform to the Standards of Peeper Black (Whole) Prevention of Food Adulteration Rules, 1955. The matter is currently pending.
29. The Local Health Authority (Maharashtra State) Nanded has filed a Criminal Case (No. 176 / 2011) before the Chief Judicial Magistrate's Nanded against Mr. Atul Koli, Mr. Chandra Prakash Toshniwal, Mr. Rajesh Kalyani, Mr. Sanjay Rathi and M/s. Big Bazaar (A division of Future Value Retail Limited) Nanded, alleging that the Sample of "**Black Chana**" i.e. **Gram (Whole)** collected from Big Bazaar was found to be Misbranded because the contents of

damaged grains was found to be beyond the permissible limit as per the report of the public analyst and hence an offence under section 7(i) along with 2(ia)(a), 2(ia)(m) of Prevention of Food Adulteration Act, 1954.. The matter is currently pending.

30. The Criminal Case no. 2232/2010 filed in the Court Of Chief Judicial Magistrate, at Jaipur, by State Of Rajasthan against Varun Kant and Big Bazaar under Environment Protection Act. Authority seized plastic carry bags as in state of Rajasthan the Plastics carry bags are prohibited. The matter is currently pending.
31. The Local Health Authority Raipur Chhattisgarh filed a criminal case no. Food / SKM/ 2011/ 3209 – 14 dated 28.08.11 against Future Value Retail Ltd. & others alleging that the Fresh & Pure Desi Ghee collected from the Big Bazaar City Mall Raipur on 04.01.11 was found adulterate as per Public Analyst Raipur. Hence a notice was served, wherein the parties were asked to appear on 14.09.11. Initially it was filed before CJM Court, now it has been transferred to JMFC RAIPUR (Smt.Shyamavati Maravi). Saikat did not appear before the court till date, as such W/A issued against him. Punish after getting the bail remained absent for a long period, now representing through advocate. The matter is currently pending.
32. A Summon has been served on Future Value Retail Limited regarding alleged adulteration of rice (Loose) variety along with Fresh and Pure Ghee collected by the Food Inspector from City centre Raipur under PFA Act, wherein FVRL has been asked to appear on 30.09.2011 before the CJM Court, Raipur. The accused are 1. Mr. Saikat Mukherjee, ASM Big bazaar, City Centre, 2. Mr. Punis George SM, Big bazaar, City Centre, 3. FVRL, 4. Mr. .K. Gupta, Nominee of Messrs Umang Diary Ltd, 5. Umang Diary Ltd. All the accused have made their appearance on 30.09.2011."The Food Safety Officer, Directorate of PFA, Govt of NCT of Delhi has filed a complaint case bearing CC No. 192/2011 before the Court of Hon'ble Sh. Raghbir Singh, ACMM, New Delhi against (1)Sh. Parveen Chand (Vendor-cum-Store Manager), (2) Sh. Damodar Mall (Whole-time Director of accused no.3) & (3) M/S FVRL (Vendor Company) as a sample of "RICE" that was picked up **from** M/S KB's Fair Price (A unit of M/S Future Value Retail Ltd), Shop No. F-226, Mansarovar Garden, New Delhi-110 015 was found to be adulterated on analysis. Later, summons were issued to all the three alleged accused persons named therein i.e. (1) Sh. Parveen Chand, (2) Sh. Damodar Mall & (3) M/S FVRL for their appearance before the Court of Hon'ble **Sh.** Raghbir Singh, ACMM, Patiala House Courts, New Delhi. Whereas an Exemption Application was moved on behalf of Mr. Damodar Mall which was allowed by the court. All the alleged Accused in the proceedings had moved a Petition under Section 482 Cr. P.C. **before the** High Court of Delhi for quashing of SUMMONING ORDERS passed by the lower court above. The matter is currently pending.
33. One Criminal complaint no 01/2011 bearing no. 133 of Cr. P. C title "State of Rajasthan V/s Jitendra Barot (Manager B.B)", has filed by concerned police authority at A.D.M. City (Udaipur) Rajasthan. It alleged that "Neighbors of BB Complained against Manager (BB) alleging that the Generator Set and water Pump installed in the territory of Big Bazaar Causing heavy noise and pollution, causing damage to the environment and Human Being. The matter is currently pending.
34. One criminal Case bearing no. Cri Case no 4743/2011 has been filed by Labour inspector against Future Value Retail Limited and shashank Tiwari" in lack of compliances as per Bonus Act. Only summons received. The matter is currently pending.
35. One criminal Case bearing no. Cri Case no 4742/2011 has been filed by Labour inspector against Future Value Retail Limited and shashank Tiwari" in lack of compliances as per minimum Wages Act. Only summons **received**. The matter is currently pending.
36. The Complaint bearing no. - 239/2011 has been filed before ACJM -I, Agra **by** the Food Inspector, Agra against our employees Shiv Tyagi and Sameer Vajpayee wherein it has been alleged that the sample of Lal Mirch Powder was found to be misbranded. Hence this Complaint. The matter is currently pending.
37. The Complaint bearing no. - 240/2011 has been filed before ACJM -I, Agra by the Food Inspector, Agra against M/s FVRL & Anr. Wherein it has been alleged that the sample of Garam Masala Powder was found to be misbranded. Hence this Complaint. The matter is **currently pending**.
38. The Food & Drug Administration (M.S.) through its Inspector Shri. D.B. Kadge has filed a criminal case (No. 256 Of 2011) before the Chief Judicial Magistrate, Thane Court, Thane against Parag P. Dalvi (Store Manager), Mr. C.P. Toshniwal, Mr. Sanjay R. Rathi, Mr. Rajesh Kalyani & M/s. Big Bazaar Maxus Mall, Ground Floor, Tembha Hospital, Bhayinder (W), Dist:Thane alleging that the sample of "Cow's Pure Ghee " (Shraddha) purchased from the said Big Bazaar was found to be does not confirm to the standards of Ghee as per Prevention of Food Adulteration Rules, 1955 as per the report of the public analyst and hence an contravened section 7(i) r/w section 2(ia)(a), 2(ia)(m) punishable under Section 16 and 17 of Prevention of Food Adulteration Act, 1954 and Rules 1955. Contravened Section 7(iii) R/w Rule 50 of PFA Rules, 1955 r/w rule 5 of Maharashtra PFA Rules 1962 punishable under Section 16 & 17 of PFA Act 1954 & Rules 1955. Contravened Section 7(v) R/w section 14 –A of PFA Act 1954 punishable under section 16 & 17 of PFA Act, 1954 & Rules 1955. The matter is currently pending.

39. The Complaint has been instituted by the State through Food Inspector vide complaint no. 1584 of 2012 against Sanjeev Sarin & Vectors Food Specialties Limited alleging that Sunfeast Special butter cookies biscuit sampled on 23.03.2011 from the Food Bazaar store, Kanpur South X Mall has been found adulterated as per the report of Public Analyst. Hence the Complaint. The matter is currently pending.
40. The Food Safety Office has vide notice no. No./PA/ADM(SOUTH)/2013/330 DT. 22.04.2013 issued to Sh. Kameshwar Singh (Nominee) of Food Bazaar, Select City Walk, Saket, Delhi wherein the complainant has alleged that the HIT Vanilla Biscuits sampled from the store failed the food analysis and declared misbranded as it did not contain declaration as to nutritional information. Hence this complaint. The matter is currently pending.

2) Civil Cases:

1. An Arbitration Petition has been filed on December 26, 2011 by Laxmi Pat Surana before the High Court of Calcutta in ordinary original civil jurisdiction, against Pantaloon Retail India Ltd. & Ors. seeking an order that PRIL and ors. shall be directed to show cause as to why they should not be directed to furnish security to the extent of a sum of Rs. 22,62,61,023 and asking the attachment of money lying in the bank of respondents along with other frivolous claims through prayer of ad interim order. Other Respondents no. 2 to 4 is Agre Properties and Services Ltd (APSL), Future Mall Management Ltd. and Future Value Retail Ltd. Due to the Scheme of arrangement sanctioned by the High Court of Bombay vide its order dated 24/08/2010 inter alia the mall assets management undertaking of PRIL was merged into Agre Properties and Services Limited (APSL). Moreover, Hon'ble High Court of Calcutta issued order to deposit a certain amount as security before the Court but the same has been challenged before the Appellate Court and the effect of the previous order is stayed. In appeal the stay was vacated and Security by way of Bank Guarantee of Rs. 6.5 crore was provided by APSL. Now, the matter is referred for arbitration and Mr. Surana has filed his claim before the sole Arbitrator and the counter claim to be filed by Agre Properties and Services Limited. PRIL had made necessary application to the Sole Arbitrator to exclude their name from the proceedings since they have no interest in the matter in any manner whatsoever. Arbitration proceedings have been begun and Mr. Surana has filed his Particulars of claim of Rs. 255,80,42,215 before the sole Arbitrator. APSL also filed a counter claim of Rs. 3,62,58,28,608/- against the claim filed by sole Arbitrator. PRIL and FVRL had filed separate application to the Sole Arbitrator to exclude them from the proceedings since they have no interest in the matter in any manner whatsoever. Mr. Surana filed Rejoinder, Affidavit of Evidence-In-Chief and List of Documents alongwith Emails before the sole Arbitrator. A Bank Guarantee of 6.5 crores drawn on Bank Of India, bearing no. 0160IFI BG 130010 dated 02/02/2013 payable at Kolkata, which is given earlier are now renewed & valid till 24/04/2016. The matter is currently pending.
2. Adv. Chandra Kishore Jaiswal from Hyderabad filed a Public Interest Litigation bearing no. PIL 322 of 2015 in the nature of Writ of Mandamus against Chief Secretary representing State of Telengana, Principal Secretary Youth Affairs, Telengana, Gouri Shankar, MD, M/s GSG Constructions Pvt. Ltd., Banjara Hills, Hyderabad and Pantaloon Retail India Limited (PRIL) Represented by Shri. Kishore Biyani, MD, as respondents 1 to 4 respectively directing the Respondent No.2 to initiate Revenue Recovery Proceedings against the Consortium of the Respondent No.3 for non paying the due rental amounts of Rs.2554.88 Lakhs as on 03-03-2012 and further due rental amounts from 27-03-2014 till the date of resuming possession from the consortium of Respondent No.3, by initiating the criminal proceedings against the respondents No.3, 4 and concerned officials who 2nd time handed over the project site to the consortium of the Respondent No.3 and to pass any other suitable for which the Public Property will be safeguarded for the original purpose for which it is meant in the circumstances of the case, to meet the ends of justice. The matters are currently pending.
3. Arbitration Proceedings under the Arbitration and Conciliation Act, 1996 has been initiated by Indivision India Partners ('Claimant') against Future Enterprises Limited (FEL) and Future Media (India) Limited (FMIL) (the 'Respondents') for alleged breaches by the Respondents of the Shareholders Agreement entered between the Claimant and the Respondents. The Claimant has made claims before the Arbitral Tribunal and sought reliefs, inter alia, in terms of award directing (i) mandatory and permanent injunctions against FEL for protection of the rights of FMIL including extension of those rights in various formats demerged by FEL (ii) recovery of Rs.19.07 Cr. with respect to the agreements entered by FEL with FMIL without the consent of the Claimant (alleged) (iii) permanent injunctions restraining FEL to carry on business which competes with the business of FMIL. Other reliefs sought by the Claimant are not quantified yet but prayed for subsequent quantification. The matter is pending.

3) Direct Taxes:

Eight Direct Tax matters involving our Company are pending before various forums such as CIT (Appeals) and ITAT involving an aggregate amount of Rs. 123.34 crores, in relation to inter alia partial disallowance of expense claimed against exempt income under section 14A of Income Tax Act, capital receipts which have been treated as revenue, expenses claimed under circular transaction involving administration expense, finance expense and peak credit card charges, credit card charges claimed under section 40(a)(ia) of Income Tax Act, Forfeiture on Transfer of Equity Warrant, interest claimed under section 36(1)(iii) of Income Tax Act and transportation & handling charges claimed as per the Income Tax Act.

4) **Indirect Taxes:**

Thirty Five Indirect tax proceedings involving Future Enterprises Limited are pending before various forums such as the Deputy Commissioner of Sales tax, Additional Commissioner and Commissioner of Sales tax, Special Commissioner of VAT, Directorate of Commercial taxes and Tribunal Banks involving an aggregating to Rs.13.64 crores in relation to input VAT disallowance, lower pricing and extra VAT charge. The matters are currently pending.

5) **Criminal Cases filed against employees of the Company: (Future Enterprise Limited)**

1. A private criminal case bearing no. 55/2011 has been filed by Mr. Dushyant Singh against Arindam Guha before Deepak Wasan, MM-I, Rohini Courts, wherein the Complainant alleged that Mr. Arindam Guha slapped him and abused him with intention to pressurize him to quit the job while he was Store Manager, BB, Netaji Subhash Place, Delhi. We had preferred a revision against the summoning order dt. 22.11.2010 which was not allowed and hence we have filed a petition u/s 482 of Cr.P.C. before the Hon'ble Delhi High Court for setting aside the order dated 7.12.2013 passed by Mr. Virender Kumar Goel, additional sessions judge, fast track court/Rohini, Delhi and to quash the summoning order dated 22.11.2010 passed by the trial court in c.c.no. 55/01 of 2010 titled "Dushyant Singh vs. Arindam Guha." The matter is currently pending.
2. A FIR (FIR no. 3073/14/ PS Hadapsar, Pune/ Dattaroa Lakshmanrao Mundhe V/s Shashank Ramdas Chandekar) registered against SM, BB Amanora Mall (u/s 2 of prevention of insult of national honour act 1971) for intentionally displaying the Indian national flag with the saffron down. The matter is under investigation by investigation officer.
3. State of Delhi has filed a Criminal C.R. no. 16/2009, wherein Mr. Gautam Joshi, who is Store Manager of BB Wazipur is wrongfully implicated and brought before Sp. Rly. Magistrate, Delhi for bail, wherein the Complainant allegations that due to store negligence, the complainant's daughter's middle finger was chopped causing grievous injury to her. The matter is currently pending.
4. On 14.12.10 around 7.30 PM the complainant visited BB Store at food mart mall Kharvelnagar to purchase certain products, at the time of her exit the censor machine installed at the exit gate beeped and for which the security guard on duty stopped her from proceeding further. The complainant claims that one kid's garment was accidentally left in her trolley which she offered to pay or return but she was taken to the 2nd floor of the store where she was allegedly assaulted, abused in filthy language and compelled to undress for body search by the manager and staff of BB store. The case was reported to the Mahila PS BBSR on 16.12.2010. Mahila PS Case No. 193/2010, GR Case No. 3507/2010. The current case is between Smt. Kumari Samal V/S 1. Pradip Kumar Panida (staff continuing service) 2. Ajit Kumar Sahoo (staff left) 3. Gulam Abdul (staff continuing service) 4. Pradip Nayak (staff left) 5. Rajesh Gupta (staff left). Trial Started > evidence Charge Sheet filed U/S 342, 354, 294, 34 of IPC. The matter is currently pending.

6) **Other Violation Cases**

In case of one of our Group companies, viz FEL, SEBI had passed an adjudication order dated October 13, 2011 against FEL in relation to failure to redress investor grievances and file reports within the stipulated period. In accordance with the SEBI Circular no. EFD/ED/Cir-I/2007 dated April 20, 2007, FEL had filed consent application dated March 12, 2012 (the "Consent Application"). Pursuant to the Consent Application, and the recommendations of the High Powered Advisory Committee, FEL settled the proceedings through consent mechanism upon payment of Rs. 6.50 lacs in respect of settlement charges and Rs 1 lakh in respect of legal expenses incurred by SEBI. In this regard, a consent order was passed by SEBI on December 5, 2012. We cannot assure you that FEL may not be subject to such penalty or any action against them in the future.

Cases filed by Future Enterprises Limited ("FEL"):

1) **Criminal Cases:**

1. FEL has filed a criminal complaint before the Economic Offences Wing against Prakash Khanduri, Mithun Sahal, Futermal Jain, Gopal Jain, Praveen, A.P. Mahesh Co-operative Bank Limited and its officials, Sahebrao Deshmukh Co-operative Bank Limited and its officials and Apna Sahakari Bank Limited and its officials. The Company alleges that the accused persons got cheques issued by the Company in the name of its vendors by making false entries in the system and got the cheques issued by creating fake accounts in the name of the vendors with the above said banks in collusion with the officials of the banks. The amount involved in this case is Rs. 5,288,416.47. In this matter Mithun Sahal, Futermal Jain and Praveen is arrested by EOW officers and they had been produced before the Court and after keeping them in Police Custody, they have been released on bail. The last absconding Accused Mr. Prakash Khanduri was arrested on 05.08.2009 from Sahar International Air Port, Mumbai, and the bail application made by him before the lower court was duly rejected by the lower Court. Further the appeal made before the Hon'ble Sessions Court of Mumbai against the rejection of bail was also duly turned down by the Hon'ble Sessions Court. Later on Hon'ble High Court granted bail and charge sheet is filed by Police before the Court. A Witness Summons now issued by the Hon'ble 47th Court, Esplanade (Killa Court) Mumbai in the said matter bearing Case No.

978/PW/2009 in CR. No. 91/2007 of EOW. And now hearing in the instant case will begin. The matter is currently pending.

2. FEL has filed a criminal case (CC No.786/2007) before Second Additional Chief Metropolitan Magistrate, Nampally, Hyderabad against Mohd. Mahboob Ali-proprietor of Max Mobiles in relation to dishonor of three different cheques issued by Mahboob for an aggregate amount of Rs. 169,781. The said cheques were issued by the accused towards the payment of various mobile phones purchased by him from Big Bazaar located in Hyderabad on credit. The complaint has been filed under section 138 of the Negotiable Instruments Act, 1881. The Company has claimed a compensation aggregating to twice the total amount mentioned in the said cheques, in addition to the punishment to be imposed on the accused. The matter is currently pending.
3. FRL (erstwhile PRIL) through its Authorized Representative has filed the present criminal complaint against its former employee Mr. Jitendra Shukla who was employed as Site Supervisor-Modular Kitchen, Home Town, Ambience Mall, Gurgaon. Mr. Jitendra Shukla had committed serious financial irregularities by receiving the amounts paid by the customers in lieu of the purchases made by them from the Home Town, Ambience Mall, Gurgaon & misappropriated the said amount for his personal use. After his misdeeds were unearthed by the company, Mr. Jitendra Shukla accepted his mistake & promised to pay back the amounts misappropriated; however, the cheques total amounting to Rs. 2,71,269 he offered to the company got 'bounced' on being presented in the bank for encashment & hence this criminal complaint has been filed by FRL against Mr. Jitendra Shukla. The matters are currently pending.
4. A theft has been occurred at our BB LIC store Kolkata on March 20, 2014. The total value of the stolen article was approx. Rs. 3478428. We have lodged a complaint (FIR) before the new market PS on the same day U/S 380 of IPC. The police recovered the stolen article. A case has been started against an outsource security staff vide case no. 98/2014 by new market PS dated 20.03.14. We have received the stolen article from court on March 31, 2014. The matter is currently pending.
5. The Company (FRL) filed one FIR (498/2014 (p.s. vaishali nagar)/ under sections 408, 420 and 120B of IPC/ state V/sankit kumar and others (Ankit Kumar bohra, Mahesh, Aashish Parashar) / FRV (BB) through Mukesh Sharma). Two of our cashier with one of our Ex Store manager fraud with company by misrepresentation and change mode of payment from cash to "GV". Total Loss Rs. 38,80,000. Matter is pending in MM, 14 (jaipur). The matters are currently pending.
6. A Theft occurred at BB-Vapi between approx. 23:00 hrs of Date: 08/03/2015 to 10:00 hrs of Date 09.03.2015. Out of 2 Safe, thieves open 1 safe & approx theft amt is Rs 10,278,43. FEL has lodged a complaint (FIR / C.R.No. 19/15) before the PS Dunga (Valsad) on the same day Sections 457 and 380 of IPC. The matter is currently pending.
7. FEL filed an FIR no 175/15 against unknown person and after investigation Police arrested one House Keeping Staff named as Vikas Kumar, working at the said store and registered the instant case at Patna J M Court in relation to theft of goods from store. The matters are currently pending.
8. Sri Rajib Saha was attacked by some unknown miscreant on 03.05.2015 at around 11.30 P M while returning to his home after closing the BB store at Bailey Road Patna. Said Rajib Saha had suffered serious injury on his head and body. We have filed an FIR 247/15 on 04.05.15 at Shastri Nagar P S Patna 800014. Police investigation is in progress. The matters are currently pending.
9. A theft of Mobiles phones has occurred at Ezone Store at R.city Mall, 1st floor, Ghatkopar west, wherein three high end pieces of Samsung make was stolen from display panel and thus FIR has lodged bearing number 132/2015 against the Accused. The Accused in the instant case was arrested by Police latter on and two sets of Samsung mobile was recovered from them. Thereafter we moved an application for Return of Property and got the said set of mobile in our custody. The matters are currently pending.
10. FRL (through Mr. Bhavin Thakor) filed one FIR (FIR NO. 148/15) before PS division A, Baruch, (Bhavin bhai (FRL) V/s Yakub bismillah Pathan and Others (4), u/s 420, 468, 481, 114, for Sellong Coupons and low quality product door to door, by the name of Big Bazaar. The case is currently pending.
11. Future Retail Limited initiated Sec.138 of Negotiable Instrument Act case against SDK group before 16th A.C.M.M Bangalore. SDK group has issued a cheque for Rs.2,50,000 toward payment arrears of rent and same got dishonored, after issuance of notice SDK group failed to pay the said amount hence case has been filed. The matter is currently pending.

Litigation involving Future Lifestyle Fashions Limited

Cases filed against Future Lifestyle Fashions Limited:

1) Criminal Cases:

1. The Local Health Authority, Baroda filed a criminal case (CRIMINAL CASE No. 06 /2010) before the First Class Judicial Magistrate, Municipal Court, Baroda against Central Mall, Nominee Mr. Ashok Khurana -Mall Manager Central Mall, Baroda, and owner of SIS Mr. Hariharan Motilal Agarwal and alleging that the sample of "Special Green Mukhwas" collected from the said Central Mall was found to be adulterated and misbranded as per the report of the public analyst and hence an offence under section 2 (ai) (j) and section 2 (ix) (k) of Prevention of Food Adulteration Act, 1954 & Rule 29, Rule 44 (AAA), Rule 32 (b) (2) (i) and Rule 32 (b) (2) (ii) of PFA Rules, 1955 with section 7 (i) (ii) (v) has been committed. The Summons received now received and matter is in the stage of Tameel of Other Accuses.

2) Indirect Taxes:

1. One Indirect tax matters involving Future Lifestyle Fashions Limited are pending before the Dy Commissioner of Sales Tax, Madhya Pradesh involving an aggregate amount of ₹0.06 crores, in relation to availment of Input tax Credit disallowance. The matters are currently pending.

Cases filed by Future Lifestyle Fashions Limited:

1) Criminal Cases:

1. Company has filed a criminal case (P.C.R. NO 950 to 955/2012) Private Complaint Register (P.C.R). before XIV Additional Chief Metropolitan Magistrate, Bangalore against Pratham Fashions in relation to dishonor of six different cheques issued by Mr. Umesh, the proprietor of Pratham Fashions, for an aggregate amount of Rs. 8,48,075. The said cheques were issued by the accused towards the payment of readymade apparels purchased by him from Indus League located in Bangalore on credit. The complaint has been filed under section 138 of the Negotiable Instruments Act, 1881. The Company has claimed a compensation aggregating to twice the total amount mentioned in the said cheques, in addition to the punishment to be imposed on the accused. The matter is currently pending.
2. Company filed one FIR bearing no. 5/2016 (PS Aadarsh Nagar, Jaipur), Section 408 IPC, against one of the cashier/employee Candra Mohan Jain who involve in theft by billing in lower/ zero price. FIR filed through Mr. Mukesh Sharma (for FLFL) and in the process of investigation.

Litigation involving Future Consumer Enterprise Limited

Cases filed against Future Consumer Enterprise Limited:

1) Criminal Cases:

1. A criminal complaint No.113 of 2010 has been filed against Future Agrovat Limited and others by Food Inspector Shri Ram Pratap Singh before Addl Chief Metropolitan Magistrate, New Delhi, with respect to contravention of Prevention of Food Adulteration Act, 1955 and Rules made thereunder for supplying adulterated Arhar Dal store situated at Foota Road, Shahadra, New Delhi. The matter is pending
2. A criminal complaint No.1/51 of 2010 has been filed against Future Value Retail Limited and others by Food Inspector through the Directorate of P.F.A. before Addl Chief Metropolitan Magistrate-2, New Delhi, with respect to contravention of Prevention of Food Adulteration Act, 1955 and Rules made thereunder for supplying adulterated products at store located at A-6/8 Paschim Vihar, Delhi - 63. The matter is pending
3. A criminal complaint No.4691 of 2009 has been filed against Future Agrovat Limited and others by P.F.A. Department before Metropolitan Magistrate, Patiyala House, with respect to contravention of Prevention of Food Adulteration Act, 1955 and Rules made thereunder alleging that sample of Arhar Dal collected from a KBFP store at Vikas Puri, Delhi was adulterated.. The matter is pending
4. A criminal complaint has been filed against Director of Future Value Retail Limited and others by P.F.A. Department before Metropolitan Magistrate at Patiyala House, with respect to contravention of Prevention of Food Adulteration Act, 1955 and Rules made thereunder. A quashing petition has been filed by Director of Future Value Retail Limited and others in High Court at Delhi. The matter is pending.
5. Delhi Development Dept.(Insecticides) has filed Complaint No. 357/1/13 against Future Value Retail Limited and others in Metropolitan Magistrate, Rohini under Insecticides Act alleging that the sample of Mortein Power Guard collected from a KBFP store at Rohini -7 was Substandard/ Misbranded. The matter is pending

6. Food Safety Officer has filed a complaint No. 15/ADM/SW/2012/78 of 2011 in ADM Court, Delhi against Future Value Retail Limited and others under Food Safety & Standard Act 2006 and rules thereto alleging that the sample of Kellogg's Corn Flaks collected from a KBFP Store at Naraina Vihar was substandard. The matter is pending
7. Food Safety Standard Officer has filed a complaint No. ADM/SW/2012/12966 of 2011 in ADM Court, Delhi against Future Value Retail Limited and others under Food Safety & Standard Act 2006 and rules thereto alleging that the sample of Tasty Treat collected from a KBFP Store at Naraina Vihar was substandard. The matter is pending.
8. Food Safety Standard Officer has filed a complaint No. 14/ADM/SW/2012/8023 in ADM Court, Delhi against Store manager Badan Chauhan & others under Food Safety & Standard Act 2006 and rules thereto alleging that the sample of corn flakes collected from a KBFP Store at Narayan Vihar was substandard. The matter is pending.
9. Food Safety Officer has filed a complaint No. ADM/PFA/2014/4409-4412 in ADM Court against the Company under Food Safety & Standard Act 2006 and rules thereto alleging that the sample of Veg Hakka Noodles taken from the KBCY Store at Hudsan Lane was found mis-branded since the label of the product had a declaration 'No Added MSG'. The matter is pending.
10. Food Safety Officer has filed a complaint No. CC NO. 53/07 in ACMM Court Patiyala House against Express Retail Services Private Limited and others under Food Safety & Standard Act 2006 and rules thereto alleging that the sample of Gram Masala taken from the Store at East Patel Nagar was found mis-branded. The matter is pending
11. FSSAI has filed case no. MTR/08/2015-16 against Future Agrovat Limited under The FSSR (Packing and labelling) 2.2.1.(4), Section 26 (2) (V) and Section 58 in relation to sample drawn on 28.04.2015 of Maida (Golden Harvest daily) from Big bazaar Mathura. The matter is pending

2) **Direct Taxes:**

Six Direct tax matters involving Future Consumer Enterprise Limited are pending before various forums such as the Commissioner of Income Tax (Appeals) and High Court involving an aggregating to ₹20.18 crores in relation to disallowance under section 14 (A) and u/s 143(3) by AO. The matters are currently pending.

3) **Indirect Taxes:**

Nine Indirect tax matters involving Future Consumer Enterprise Limited are pending before various forums such as CESTAT, the Joint Commissioner of Sales Tax, Dy Commissioner of Sales Tax, Commissioner of Commercial Tax, Sales Tax Inspector, Assistant Commissioner commercial tax, involving an aggregate amount of ₹1.81 crores, in relation to demand u/s 18(4) and various penalty orders. The matters are currently pending.

Cases filed by Future Consumer Enterprise Limited:

1) **Criminal Cases:**

1. Future Value Retail Limited has filed complaint no. 24/1/2012 in Rohini Court Delhi against Mr. Amit Arora in-charge of KBFP store in Kirari seeking recovering for huge shrinkage at the store. The matter is pending.
2. The Company has filed a criminal case No. CC 95/1/2015 at Delhi against Ashish Nanda for recovery of outstanding amount towards dishonour of cheque issued by him. The matter is pending.
3. A criminal application no. RST/31/2016 has been filed by Future Agrovat limited (A amalgamated with FCEL) in High Court, Mumbai against order of session court, Mumbai in matter of confiscation order 01st November, 2012 of Controller of rationing under Essential Commodity Act, 1955. The matter is pending.
4. A Criminal application no. 17199/2015 has been filed by Future Agrovat Limited in Chief Judicial Magistrate, Bangalore against R.P. Enterprise under section 138 of The Negotiable Instrument Act, 1881 as cheque issued for an amount of Rs. 259,916 was dishonored. The matter is pending.
5. A Criminal application no. 18619/2015 has been filed by Future Agrovat Limited in Chief Judicial Magistrate, Bangalore against Swarna Marketing under section 138 of The Negotiable Instrument Act, 1881 as cheque issued for an amount of Rs. 207,811 was dishonored. The matter is pending.
6. A Criminal application no. 17200/2015 has been filed by Future Agrovat Limited in Chief Judicial Magistrate, Bangalore against V.P. Enterprise under section 138 of The Negotiable Instrument Act, 1881 as cheque issued for an amount of Rs. 277,230 was dishonored. The matter is pending.
7. A Criminal application no. 6998/2015 has been filed by Future Agrovat Limited in Chief Judicial Magistrate, Bangalore against K.I.M.S. Hospital canteen under section 138 of The Negotiable Instrument Act, 1881 as cheque issued for an amount of Rs. 145,388 was dishonored. The matter is pending.

8. A Criminal application no. 16481/2013 has been filed by Future Agrovat Limited in Chief Judicial Magistrate, First class Belapur against Keshav Enterprise under section 138 of The Negotiable Instrument Act, 1881 as cheque issued for an amount of Rs. 59,215 was dishonored. The matter is pending.

Litigation involving Galaxy Entertainment Corporation Limited

1) Direct Taxes:

One Direct tax matters involving Galaxy Entertainment Corporation Limited are pending before the Assistant Commissioner of Income Tax involving an aggregatating to ₹0.13 crores in relation to disallowance made by AO. The matters are currently pending.

2) Indirect Taxes:

Five Indirect tax matters involving Galaxy Entertainment Corporation Limited are pending before various forums such as the Joint Commissioner of Sales Tax, Dy Commissioner of Sales Tax, DGFT, involving an aggregate amount of ₹16.49 crores, in relation to year 2003-04, 2008-09, 2011-12 and 2015-16. The matters are currently pending.

Litigation involving Future Market Network Limited

1) Direct Taxes:

Two Direct tax matters involving Future Market Network Limited are pending before the Income Tax authority involving an aggregatating to ₹13.02 crores in relation to AY 2012-13 and 2013-14. The matters are currently pending.

Other Group Companies

Future Human Development Limited

Direct Tax Cases

Two Direct tax matters involving Future Human Development Limited are pending before CIT(A) for the Assessment year 2012-13 and 2013-14. The matters are currently pending.

Akar Estate Finance Private Limited

Direct Tax Cases

Two Direct tax matters involving Akar Estate Finance Private Limited are pending before the Income Tax officer involving an aggregate amount of ₹0.22 crores, in relation to disallowance of ₹2.79 Cr made by AO. The matters are currently pending.

Central Departmental Stores Private Limited

Direct Tax Cases

One Direct tax matters involving Central Departmental Stores Private limited are pending before CIT(A) involving an aggregate amount of ₹0.02 crores, in relation to addition of ₹0.049 Cr made by AO on account of house property income. The matters are currently pending.

Weavette Business Ventures Limited (fka Future Idea Realtors India Ltd)

Direct Tax Cases

Three Direct tax matters involving Weavette Business Ventures Limited are pending before CIT(A), involving an aggregate amount of ₹0.10 crores, in relation to disallowance by AO of ₹0.53 crores for the Assessment year 2010-11, 2012-13 and 2013-14. These matters are currently pending.

Bansi Mall Management Company Private Limited

Direct Tax Cases

Two Direct tax matters involving Bansi Mall Management Company Private Limited are pending before the CIT (A) and ITAT, involving an aggregate amount of ₹3.48 crores, in relation to income for the Assessment year 2010-11 and 2012-13. These matters are currently pending.

Dhanshree Fashions Private Limited

Direct Tax cases

One Direct tax matters involving Dhanshree Fashions Private Limited are pending before CIT(A) in relation to disallowance by AO of ₹ 0.03 crores for the Assessment year 2013-14. The matters are currently pending.

Utsav Mall Management Company Private Limited

Direct Tax Cases

One Direct tax matters involving Utsav Mall Management Company Private Limited are pending before CIT(A) in relation to disallowance by AO of ₹ 0.001 crores for the Assessment year 2013-14. These matters are currently pending.

Nimbi Jodha Trading & Finvest Private Limited

Direct Tax Cases

One Direct tax matters involving Nimbi Jodha Trading & Finvest Private Limited are pending before CIT(A), in relation to disallowance by AO of ₹ 0.002 crores for the Assessment year 2012-13. These matters are currently pending.

Future Ideas Company Limited

Direct Tax Cases

Two Direct tax matters involving Future Ideas Company Limited are pending before the Commissioner of Income Tax(Appeals), in relation to disallowance by AO of ₹ 0.98 crores u/s 14A for the Assessment year 2011-12, 2012-13 and 2013-14. These matters are currently pending.

Vayuputra Realty Private Limited

Direct Tax Cases

Two Direct tax matters involving Vayuputra Realty Private Limited are pending before ITAT and CIT(A), involving an aggregate amount of ₹ 0.08 crores, in relation to disallowance by AO of ₹ 0.22 crores for the Assessment year 2011-12 and 2013-14. These matters are currently pending.

Suhani Trading and Investment Consultants Private Limited (STICPL)

Direct Tax Cases

One Direct tax matters involving Suhani Trading and Investment Consultants Private Limited are pending before CIT(A), involving an aggregate amount of ₹ 1.19 crores, in relation to disallowance by AO of ₹ 2.83 crores for the Assessment year 2012-13. This matter is currently pending.

Iskrupa Mall Management Company Private Limited

Direct Taxes Cases

Two Direct tax matters involving Iskrupa Mall Management Company Private Limited are pending before the CIT(A), involving an aggregate amount of ₹ 0.11 crores, in relation to disallowance by AO of ₹ 8.17 crores for the Assessment year 2012-13 and 2013-14. These matters are currently pending.

Indirect Tax Cases

Four Indirect tax matters involving Iskrupa Mall Management Company Private Limited are pending before Service Tax officer, involving an aggregate amount of ₹ 1.41 crores. The matters are currently pending.

Mahabal Realty Private Limited

Direct Tax Cases

One Direct tax matters involving Mahabal Realty Private Limited are pending before CIT(A), in relation to disallowance by AO of ₹ 0.001 crores for the Assessment year 2013-14. These matters are currently pending.

Planet Traders Limited

Direct Tax Cases

Three Direct tax matters involving Planet Traders Limited are pending before ITAT and CIT(A), involving an aggregate amount of ₹ 0.05 crores, in relation to disallowance by AO of Rs. 0.05 crores for the Assessment year 2010-11, 2011-12 and 2012-13. These matters are currently pending.

Outstanding dues to Creditors

Our Company does not owe any small scale undertakings of any amount exceeding ₹ 22 crore as of March 31, 2016. There are no disputes with such entities in relation to payments to be made to them.

Our Company does not owe any creditor (other than small scale undertakings) of any amount exceeding ₹ 22 crore as of March 31, 2016. There are no disputes with such entities in relation to payments to be made to them.

As there are no small scale undertaking and such other creditors as of March 31, 2016 to whom amount exceeding ₹ 22 crore is due, no information is required to be made available on the website of our Company.

Material Developments

For details of material developments post March 31, 2016, see “Management’s Discussion and Analysis” on page 190.

GOVERNMENT APPROVALS AND LICENSES

We are required to obtain approvals under the provisions of various laws and regulations and obtain registrations or approvals under them for conducting our business which include shops and establishment licenses, trade licenses, health licenses, food and safety standards licenses, 365 days licenses and other applicable approvals. The requirement for such approvals for a particular store may vary based on factors such as the format of the store, legal requirement in the state in which the store is situated, the merchandise being sold at the store and whether a demand has been made by the relevant authority. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

We have set out below an indicative list of material approvals obtained by our Company. The indicative approvals set out below are obtained by our Company, as applicable, for the purposes of undertaking their business. In the event, some of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we shall apply for their renewal:

Licenses /Zone	East	North	South	West
Big Bazaar				
365 Days License	✓	✓	✓	✓
FSSAI License	✓	✓	✓	✓
Health License	✓	✓	✓	✓
Store and Establishment License	✓	✓	✓	✓
Trade License	✓	✓	✓	✓
easyday				
365 Days License		✓		
FSSAI License		✓		✓
Store and Establishment License		✓		✓
Trade License		✓		
Fashion @ BB				
365 Days License	✓	✓	✓	✓
Store and Establishment License	✓	✓	✓	✓
Trade License	✓	✓	✓	
Food Bazaar				
365 Days License		✓	✓	
FSSAI License		✓	✓	✓
Health License		✓		✓
Store and Establishment License		✓	✓	✓
Trade License		✓	✓	✓
eZone				
365 Days License	✓	✓	✓	
Store and Establishment License	✓	✓	✓	✓
Trade License	✓	✓	✓	✓
Home Town				
365 Days License	✓		✓	✓
Store and Establishment License	✓	✓	✓	✓
Trade License	✓	✓	✓	

We have set out below, details of pending applications filed for renewal of certain expired approvals relating to our format stores which have expired:

A. Big Bazaar

Zone	Nature of license / approval	Applied	In Process of Application	Issuing Authority
East	365 Days License	5	0	Labour Authority of State

Zone	Nature of license / approval	Applied	In Process of Application	Issuing Authority
North	Store and Establishment License	2	0	Labour Authority of State
	Trade License	16	5	Municipal Corporation
	FSSAI	6	4	Food Safety and Standards Authority India
	365 Days License		1	Labour Authority of State
	Store and Establishment License	2	1	Labour Authority of State
	Trade License		7	Municipal Corporation
	FSSAI	4	0	Food Safety and Standards Authority India
South	365 Days License	1	0	Labour Authority of State
	Store and Establishment License		1	Labour Authority of State
	Trade License	15	0	Municipal Corporation
West	365 Days License	4	0	Labour Authority of State
	Health License	2	0	Health Department
	Store and Establishment License		1	Labour Authority of State
	FSSAI	2	0	Municipal Corporation
Total		59	20	

B. easyday

Zone	Nature of license / approval	Applied	In Process of Application	Issuing Authority
North	365 Days License	82	11	Labour Authority of State
	Store and Establishment License	15	0	Labour Authority of State
	Trade License	32	1	Municipal Corporation
	FSSAI	2	0	Food Safety and Standards Authority India
Total		131	12	

C. Fashion @ BB

Zone	Nature of license / approval	Applied	In Process of Application	Issuing Authority
East	365 Days License	1	0	Labour Authority of State
	Store and Establishment License	1	0	Labour Authority of State
	Trade License		3	Municipal Corporation
South	365 Days License	1	0	Labour Authority of State
	Trade License	5	0	Municipal Corporation
West	365 Days License	1	0	Labour Authority of State
	Store and Establishment License		1	Labour Authority of State
Total		9	4	

D. Food Bazaar/FoodHall

Zone	Nature of license / approval	Applied	In Process of Application	Issuing Authority
South	Trade License	3	0	Municipal Corporation
Total		3	0	

E. eZone

Zone	Nature of license / approval	Applied	In Process of Application	Issuing Authority
East	Store and Establishment License	1	0	Labour Authority of State
	Trade License	3	0	Municipal Corporation
South	Trade License	3	1	Labour Authority of State
West	Store and Establishment License	1	0	Labour Authority of State
Total		8	1	

F. Home Town

Zone	Nature of license / approval	Applied	In Process of Application	Issuing Authority
East	Store and Establishment License	1	0	Labour Authority of State
	Trade License		2	Municipal Corporation
North	Trade License	1		Municipal Corporation
South	Store and Establishment License		2	Labour Authority of State
	Trade License	1	0	Municipal Corporation
West	365 Days License	2	0	Labour Authority of State
Total		5	4	

SECTION VII – REGULATORY AND STATUTORY DISCLOSURES

Authority for the Scheme

The Hon'ble High Court of Judicature at Bombay, vide its order dated March 4, 2016, has sanctioned the Composite Scheme of Arrangement between Future Enterprises Limited and the Company and their respective creditors and shareholders.

For more details relating to the Scheme and demerger please refer to the chapter titled “*Salient Features of the Scheme*” beginning on page 36 of this Information Memorandum.

In accordance with this Scheme under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 / Companies Act, 2013, the Retail Business Undertaking of FEL stands transferred and vested into the Company and further Retail Infrastructure Business Undertaking of the Company stands transferred and vested into FEL with effect from October 31, 2015 (Appointed Date).

In accordance with the Scheme, the Equity Shares of the Company issued pursuant to the Scheme shall be listed and admitted to trading on BSE and NSE. Such listing and admission for trading is not automatic and is subject to fulfilment by the Company of listing criteria of BSE and NSE and also subject to such other terms and conditions as prescribed by BSE and NSE at the time of application by the Company seeking listing.

Prohibition by SEBI

Our Company, its Promoters, its Directors, Promoter Group entities and other companies promoted by Promoters or Group Companies and natural persons behind our corporate Promoters and companies with which the directors of our Company are associated, as directors or promoters, have not been prohibited from accessing the capital market under any order or directions passed by SEBI.

Eligibility Criteria

There being no initial public offering or rights issue of securities, the eligibility criteria in terms of Chapter III and other provisions of SEBI Regulations are not applicable. SEBI has vide its circular SEBI/CFD/SCRR/01/2009/03/09 dated September 3, 2009 and circular SEBI/CIR/CFD/DIL/5/2013 dated February 4, 2013, and circular SEBI/CIR/CFD/DIL/8/2013 dated May 21, 2013 (the “**SEBI Circular**”) has subject to certain conditions permitted unlisted issuer companies to make an application for relaxing from the strict enforcement of Rule 19 (2) (b) of SCRR.

Our Company has submitted this Information Memorandum, containing information to BSE and NSE and making disclosure of such information available in line with disclosure requirement to public through their websites viz. www.bseindia.com and www.nseindia.com. Our Company has made the said Information Memorandum available on its website viz www.futureretail.co.in. Our Company will publish an advertisement in the newspapers containing details in accordance with applicable SEBI circular. The advertisement shall contain specific reference to the availability of this Information Memorandum on the Company's website.

Identification as willful defaulter by RBI

Our Company, Promoters, Promoter Group, Group Companies, the relatives (as per Companies Act, 2013) of Promoters and other companies promoted by Promoters, Group Companies have not been identified as wilful defaulters by Reserve Bank of India or other authorities.

None of our Directors are in any manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any such entity.

General Disclaimer from the Company

Our Company accepts no responsibility for statement made otherwise than in this Information Memorandum or in the advertisements to be published in terms of SEBI Circular SEBI/CFD/SCRR/01/2009/03/09 dated September 3, 2009 and circular SEBI/CIR/CFD/DIL/5/2013 dated February 4, 2013, and circular SEBI/CIR/CFD/DIL/8/2013 dated May 21, 2013, or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner

Jurisdiction

Exclusive jurisdiction for the purpose of this Information Memorandum is with the competent courts/authorities in Mumbai, India.

In principle approval and Disclaimer Clause of BSE

As required, a copy of this Information Memorandum has been submitted to BSE. The BSE has through its letter bearing no. DCS/AMAL/LP/24(f)/157/2015-16 dated September 15, 2015 has approved the said Scheme under Clause 24(f) of the Listing Agreement and by virtue of that approval the BSE's name in this Information Memorandum has been incorporated on which our Company's securities are proposed to be listed.

The BSE does not in any manner

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- Warrant that the Company's securities will be listed or will continue to be listed on the BSE; or
- Take any responsibility for the financial or other soundness of this Company, its Promoter, its management or any scheme or project of this Company;

It should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the BSE.

Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

In principle approval and Disclaimer Clause of NSE

As required, a copy of this Information Memorandum has been submitted to NSE. The NSE has through its letter no. NSE/LIST/42719 dated September 15, 2015 has approved the said Scheme under Clause 24(f) of the Listing Agreement and by virtue of that approval the NSE's name in this Information Memorandum has been incorporated on which the Company's securities are proposed to be listed.

The NSE does not in any manner

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- Warrant that the Company's securities will be listed or will continue to be listed on the NSE; or
- Take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of this Company;

It is to be distinctly understood that the aforesaid permission given by NSE should not in any be deemed or construed that this Information Memorandum has been cleared or approved by NSE.

Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Filing

Copies of this Information Memorandum have been filed with the BSE and NSE.

Listing

Applications will be made to BSE and NSE for permission to deal in and for an official quotation of the Equity Shares of our Company. Our Company has nominated BSE Limited as the Designated Stock Exchange for the aforesaid listing of the Equity shares. Our Company shall ensure that all steps are taken for the completion of necessary formalities for listing and commencement of trading at the BSE and NSE.

Demat Credit

Our Company has executed Tripartite Agreements with the Registrar and the Depositories i.e. NSDL and CDSL for admitting its securities in demat form and ISIN allotted to the Company's Equity Shares is INE 752P01016. Equity shares have been allotted to those shareholders who have provided necessary details to the Company and/or who were holding their shares in

Future Enterprises Limited in demat form as on the Record Date i.e. May 12, 2016. The demat shares have been credited to the demat accounts of the shareholders by CDSL on June 10, 2016 and NSDL on June 11, 2016.

Dispatch of share certificates

Pursuant to the Scheme, on May 18, 2016, our Company has issued and allotted its Equity Shares to eligible shareholders of Future Enterprises Limited on the Record Date and our Company has dispatched share certificate(s) to those shareholders holding shares in Future Enterprises Limited in physical form on June 15, 2016 and June 16, 2016

Expert Opinions

Save as stated elsewhere in this Information Memorandum, Our Company not obtained any expert opinions.

Particulars Regarding Previous Public or Rights Issues

Our Company has not made any previous public or rights issue of securities, except as disclosed in chapter titled “Capital Structure” on page 42.

Commission and brokerage on previous issues

Since our Company has not issued shares to the public in the past, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since its inception.

Companies under the same management

There are no companies under the same management within the meaning of Section 370(1B) of the erstwhile Companies Act, 1956 other than the ones disclosed elsewhere in this Information Memorandum.

Promise vis-à-vis performance

Our Company

This is for the first time the Company is getting listed on the Stock Exchange and has not made any prior public or rights issue of securities.

Group Companies

FEL had made a rights issue of equity shares and Class B (Series 1) having a face value of Rs. 2 each in January, 2015. Issue of 14,93,02,369 equity shares of face value Rs. 2 each of for cash at a price of Rs. 103 (including a premium of Rs. 101 per equity share) aggregating to Rs. 1,537.81 crore on a rights basis to the eligible equity shareholders of FEL in the ratio of 5 equity share for every 8 fully paid-up equity shares and 99,47,227 equity shares of Class B (Series 1) of face value Rs. 2 each of FEL (the “**Class B Shares**”) for cash at a price of Rs. 50.25 (including a premium of Rs. 48.25 per Class B Share) aggregating to Rs. 49.98 crore on a rights basis to the eligible Class B shareholders of in the ratio of 5 Class B shares for every 8 fully paid-up Class B Shares. Total proceeds from the issue of equity shares and Class B Shares aggregated up to Rs. 1,587.80 crore. The objects of the issue was for repayment/ pre-payment, in full or part, of certain borrowings availed by FEL and for general corporate purposes. FEL has utilized the net proceeds arising out of the Issue for the stated objects.

Outstanding debentures or bonds and redeemable preference shares and other instruments issued by our Company

There are no outstanding debentures or bonds and redeemable preference shares and other instruments issued by our Company except for OCDs as provided in the section “Capital Structure” on page 42 and as per details mentioned in this Information Memorandum

Outstanding Preference Shares

Our Company does not have any outstanding preference shares as on date of this Information Memorandum.

Stock Market Data for Equity Shares of the Company

Equity Shares of our Company are not currently listed on any Stock Exchanges. Our Company is seeking approval for listing of its Equity Shares through this Information Memorandum.

Mechanism for redressal of investor grievance of Promoter and Group Companies

Mechanism for redressal of Investor grievance of our Company

Our Company has appointed Registrars & Transfer agents, M/s Link Intime India Private Limited (“**RTA**”) having their office at C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), Mumbai – 400 078 as RTA to redress investors’ grievances.

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address, replacement, split, consolidation, dematerialization and rematerialisation of shares, issue of duplicate certificates etc. are handled by RTA.

The Company has an established mechanism for Investor service and grievance handling with its RTA and the compliance officer appointed by it. The board of directors of Company has constituted a “Stakeholders Relationship Committee” which, *inter alia*, consider Stakeholders/Shareholders and Investors complaints including transfer of shares, non-receipt of balance sheet, non-receipt of dividend warrant, etc and to redress genuine grievances of Shareholders and Investors

The RTA under the supervision of the secretarial department of our Company looks after the investor’s grievance. The Company Secretary of our Company has been appointed as Compliance Officer for this purpose. At each meeting of Stakeholders Relationship Committee all matters pertaining to investors including their grievances and redressal are reported.

The stakeholders’ relationship committee of our Company has three members, comprising of two independent directors and one non-executive. The terms of reference of the said committee are as under:

1. To determine on behalf of Board the company’s policy on serving the investors in line with best corporate governance norms.
2. To periodically review investor grievance mechanism of the Company.
3. To review and for redressal of investors' grievances regarding allotment of securities, issue of duplicate certificates, dematerialisation of shares, non-receipt of reports, dividend etc. and other allied matters.
4. The committee is authorised to:
 - investigate any activity within its terms of reference;
 - Seek any information from any employee of the company. Employees are directed to cooperate with any relevant request made;
 - Obtain outside legal or independent professional advice. Such advisors may attend meetings as necessary;
 - Incur such reasonable expenditure, as it deems necessary.

RTA generally redresses physical complaints within 15 days and for complaints received by email it redresses within 2-3 days from the date of its receipt subject to providing of proper information, details and supporting documents as may be requested by Company or RTA

Status of Complaints

Details of complaint pending

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 23, 2016
1	Non receipt of Share Certificates <ul style="list-style-type: none">• Direct from Shareholders• Received from SEBI	Nil	Nil	Nil
2	Non receipt of Dividend /Interest Warrants <ul style="list-style-type: none">• Direct from Shareholders• Received from SEBI	Nil	Nil	Nil
3	Confirmation of Demat Credit	Nil	Nil	Nil
4	Non receipt of Debentures Redemption payment	Nil	Nil	Nil
5	Non receipt of letter of offer, allotment advice, share certificates etc. for Rights Issue & others	Nil	Nil	Nil
6	Others - Complaints received from SEBI, Stock Exchanges, NSDL, RoC, Company Law Board etc.	Nil	Nil	Nil

Sr. No.	Particulars of Complaints	Received	Redressed	Pending as on June 23, 2016
	Total	Nil	Nil	Nil

Mechanism for redressal of Investor grievance of the Group Companies are provided on page 110.

Disposal of Investors Grievances

Link Intime (India) Private Limited are the Registrar and Transfer Agents of our Company. All investor grievances would be redressed within an average period of 15 days from the date of its receipt by our Company or its Share Transfer Agent. Investors can contact our Company's Share Transfer Agent or the Compliance Officer or the Secretarial Department of our Company in case of any queries. The addresses and contact numbers are given elsewhere in this Information Memorandum. For quicker response, investors are requested to mention their contact numbers and email addresses while communicating their grievances.

Our Company has appointed Mr. Virendra Samani, as Dy. Company Secretary and Compliance Officer of our Company and he may be contacted in case of any queries at the following address:

“Knowledge House”, Shyam Nagar,

Off Jogeshwari Vikhroli Link Road,

Jogeshwari (East), Mumbai 400 060.

Tel.: +91 22 6644 2200;

Fax: +91 22 6644 2201

Email: investorrelations@futureretail.in

Changes in auditors

Except as stated below, there have been no changes in the auditors of our Company during the three years preceding the date of this Information Memorandum:

Name	Date of Change	Nature of Change	Reason
M/s. S.R. Batliboi & Co. LLP	April 30, 2016	Resignation	Resigned
M/s. NGS & Co. LLP	May 2, 2016	Appointment	To fill up the casual vacancy caused by resignation of Auditors

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

Our Company has not re-valued its assets at any time in the last five years.

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF THE COMPANY

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Article Number	Contents
CAPITAL	
3 (a). Share Capital And Variation Of Rights	<p>The Authorised Share Capital of the Company will be as that specified in Clause V(a) of the Memorandum of Association from time to time in accordance with the regulations of the Company and the legislative provision for the time being in force in this behalf and power to divide the Share Capital into Equity Share Capital or Preference Share Capital and to attach thereto respectively, any preferential, qualified or special rights, privileges or conditions, and to vary, modify and abrogate the same in such manner as may be determined by or in accordance with these presents.</p> <p>PROVIDED HOWEVER that where any Government has made an order under sub-section (4) of Section 62 of the Companies Act, 2013 directing that any debenture issued by the company or loan taken by the Company or any part thereof shall be converted into shares of the Company and no appeal has been preferred to the Tribunal under sub-section (4) of Section 62 of the Companies Act, 2013 or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the Authorised Share Capital, stand altered and the Authorised Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the shares into which such debentures or loans or part thereof has been converted.</p>
REDUCTION OF CAPITAL	
9 Reduction of Capital	<p>The Company may from time to time by special resolution, subject to confirmation by the Court or the Tribunal (as may be applicable) and subject to the provisions of Sections 52, 55 and 66 of the Companies Act, 2013 and other applicable provisions, if any, reduce its share capital in any manner and in particular may –</p> <p>(a) extinguish or reduce the liability on any of its shares in respect of the share capital not paid-up; or</p> <p>(b) either with or without extinguishing or reducing the liability on any of its shares, -</p> <p>(i) cancel any paid up share capital which is lost or is unrepresented by available assets;</p> <p>(ii) Pay off any paid up share capital which is in excess of the wants of the Company.</p>
SHARES, DEBENTURES, OTHER SECURITIES AND CERTIFICATES	
14 (9). Restriction on Allotment and Return of Allotment	<p>The Board of Directors shall observe the restrictions as to allotment of shares to the public contained in Section 39 of the Companies Act, 2013, as well as any other applicable provisions of the Act, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013 and/or as may be prescribed under the Act.</p>
23. Limitation of time for issue of certificates	<p>(a) Every member shall be entitled, without payment, to receive one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every share certificate shall be under the Seal of the Company and shall specify the number and the distinctive number(s) of the shares in respect of which it was issued and the amount paid up thereon and shall be in such form as the directors may prescribe. Such certificate shall be issued only in pursuance of a Resolution passed by the Board and on surrender to the Company of its letter of</p>

Article Number	Contents
	<p>allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares.</p> <p>PROVIDED THAT if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence. The certificate shall be signed in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of Share Certificates and maintenance of books and documents relating to issue of Share Certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within such time frame as may be prescribed in this regard after the allotment.</p> <p>(b) In respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.</p>
CALLS	
<p>34.</p> <p>Directors may make Calls</p>	<p>Subject to the provisions of Section 49 of the Companies Act, 2013, the Board of Directors may, from time to time, by a Resolution passed at a meeting (and not by a Circular Resolution), make such calls as it thinks fit upon the members in respect of all monies unpaid on the shares held by them (whether on account of the nominal value of the shares or by way of premium), and not by conditions of allotment thereof made payable at fixed time. Each member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine.</p>
<p>36.</p> <p>Notice of Calls</p>	<p>At least fourteen days' notice in writing of any call shall be given by the Company specifying the time or times and place of payment, and the person or persons to whom such call shall be paid.</p>
<p>39.</p> <p>Amount payable at fixed time or by installments to be treated as calls</p>	<p>If by the terms of issue of any share or otherwise any amount is or becomes payable at any fixed time or by installments at fixed times (whether on account of the nominal amount of the shares or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.</p>
<p>40.</p> <p>When interest on call or installment payable</p>	<p>If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rates as may be fixed by the Board of Directors from the day appointed for the payment thereof to the time of actual payment but the Directors may, in their absolute discretion, waive payment of such interest wholly or in part.</p>
<p>43.</p> <p>Payment in anticipation of calls may carry interest</p>	<p>The Board of Directors may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance or so much thereof from time to time as exceeds the amount of the calls then made upon shares in respect of which such advance has been made, the Company may pay interest, at such rate, not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may at any time repay the amount so advanced. The member paying any such sum in advance shall not be entitled to dividend or to participate in the profits of the Company or to voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable.</p> <p>The provisions of these Articles shall <i>mutatis mutandis</i> apply to the calls on debentures of the Company.</p>

Article Number	Contents
LIEN	
44. Company's lien on shares / debentures	<p>The Company shall have a first and paramount lien upon all shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such shares/debentures and no equitable interests in any such share shall be created except upon the footing and condition that this Article is to have full effect. Any such lien shall extend to all dividends payable and bonuses declared from time to time declared in respect of shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. Provided that the Board of Directors may, at any time, declare any share/debenture to be wholly or in part exempt from the provisions of this Article.</p> <p>Fully paid-up share shall be free from all lien and in the case of partly paid-up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.</p>
45. As to enforcing lien by sale	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same.</p> <p>Provided that no sale shall be made:-</p> <p>(a) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) Until the expiration of fourteen days after the notice in writing demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</p> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such shares and may authorise out of their members to execute a transfer thereof on behalf of and in the name of such members.</p>
47. Application of proceeds of sale	<p>(1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable; and</p> <p>(2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).</p>
FORFEITURE OF SHARES	
48. If money payable on share not paid notice to be given to member.	If any member fails to pay any call or any installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
50. Form of notice	The notice shall name a further day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.
51. If default of payment, shares to be forfeited	If the requirements of any such notice as aforesaid are not complied with, every or any share in respect of which such notice has been given, may at any time thereafter, before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a Resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited shares and not actually paid before the forfeiture.
52.	When any share shall have so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the

Article Number	Contents
Notice of forfeiture to a member	date thereof, shall forthwith be made in the Register of Member, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
53. Forfeited share to be the property of the Company and may be sold etc.	Any share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit. The Board may decide to cancel such shares.
54. Member still liable to pay money owing at the time of forfeiture and interest	Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding twelve per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such monies or any part thereof, if it thinks fit, but shall not be under any obligation so to do.
55. Effect of forfeiture	The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
56. Power to annul Forfeiture	The Board of Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
57. Validity of forfeiture	<p>(1) A duly verified declaration in writing that the declarant is a Director, or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;</p> <p>(2) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;</p> <p>(3) The person to whom such share is sold, re-allotted or disposed off shall thereupon be registered as the holder of the shares;</p> <p>(4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall been titled (unless by express agreement) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment;</p> <p>(5) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.</p>
58. Provision of these Articles as to forfeiture to apply in case of nonpayment of any sum	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
59. Cancellation of share certificates in respect of forfeited shares	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the Certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the persons entitled thereto.

Article Number	Contents
TRANSFER AND TRANSMISSION OF SHARES	
61A. Instrument of Transfer	The instrument of transfer of any share shall be in writing and all the provisions of Section 56 of the Companies Act, 2013 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. Every instrument of transfer registered shall remain in the custody of the Company until destroyed by the order of Board.
64. Transfer Not Registered	<p>(1) An application for the registration and transfer of the shares in the Company may be made either by the transferor or the transferee.</p> <p>(2) Whether the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.</p> <p>(3) For the purpose of sub-clause (2), above, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.</p>
65. be executed by transferor and transferee	Every such instrument of transfer duly stamped shall be executed by or on behalf of both the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. A common form of transfer shall be used
67. Transfer books when closed	Wherever required and applicable, the Board of Directors may, after giving not less than seven days previous notice by advertisement as required by Section 91 of the Companies Act, 2013 or such lesser period as may be specified by the Securities Exchange Board of India close the Transfer Books, the Register of Members or the Register of Debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year as it may seem expedient to the Board.
68. Directors may refuse to register transfers	<p>(a) Subject to the provisions of Sections 58 and 59 of the Companies Act, 2013 and other applicable provisions of the Act or any other law for the time being in force, the Directors may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmissions by operation of law of the right to, any shares or debentures or interest of a Member in the Company. The Company shall within one month from the date of which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmissions, as the case may be, giving reasons for such refusal. PROVIDED THAT registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except if a company has lien on such shares. Transfer of shares/debentures in whatever lot shall not be refused.</p> <p>(b) No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind, unless represented by a guardian.</p>
69. Notice of refusal to be given to transferor and transferee	If the Company refuses to register the transfer of any shares or transmission of any right therein, the Company shall within thirty days from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 58 of the Companies Act, 2013, or any statutory modification thereof for the time being in force shall apply.
71. Titles to shares of deceased member	Except where a deceased member had made a nomination in respect of the shares held (in which case such shares shall be dealt with in the manner prescribed by the Act and the Rules there under), the executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognized by the

Article Number	Contents
	Company as having any title to the shares registered in the names of such member, and the Company shall not be bound to recognize such executors or administrators or holders of a succession certificate of the legal representative unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession Certificate as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register under Article 73 the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member, as a member.
72. Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)	Subject to the provisions of Articles 70 and 71 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by and lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board of Directors (which it shall not be under obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under these Articles, or of his title, as the Board of Directors shall require and upon giving such indemnity as the Directors shall require, either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Board of Directors registered as a member in respect of such shares. PROVIDED NEVERTHELESS that if such person shall elect to have his nominee registered, he shall testify his election by executing in favor of his nominee as instrument of transfer in accordance with the provision herein contained, and until he does so, he shall not be freed from any liability in respect of such shares. This clause is herein referred to as "THE TRANSMISSION CLAUSE".
73. Refusal to register Nominee	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
75. Persons entitled may receive dividend without being registered as member	A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the share.
76. Conditions of registration of transfer	Prior to the registration of a transfer, the certificate or certificates of the share or shares to be transferred, and if no such certificate is in existence, the Letter of Allotment of the shares, must be delivered to the Company along with (save as provided in Section 56 of the Act) a properly stamped and executed instrument of transfer, with the date of presentation of the instrument to the proper authorities, duly endorsed thereon.
77. No fee on transfer or transmission	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.
78. The Company not liable for disregard of a notice prohibiting registration of a transfer	The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the register of members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be give to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book or the Company, but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.
MEETINGS OF MEMBERS	
86.	(1) The Company shall in each year hold, in addition to any other meetings, a general meeting as its Annual General Meeting in accordance with the provisions of Sections 96 and 129

Article Number	Contents
Annual General meeting	<p>of the Companies Act, 2013 and shall specify the meeting as such in the notice calling it, except in the case where the Registrar, has given an extension of time for holding any annual general meeting and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.</p> <p>PROVIDED THAT the Registrar may, for any special reason, extend the time within which any annual general meeting shall be held, by a period not exceeding three months.</p> <p>(2) Every annual general meeting shall be called for any time during business hours, that is, between 9 a.m. and 6 p.m., on any day that is not a National Holiday (as defined under the Companies Act, 2013) and shall be held either at the registered office of the Company or at some other place within the city or town or village in which the registered office of the Company is situated for the time being.</p> <p>(3) Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor.</p>
97. Quorum	<p>The number of members prescribed under Section 103 of the Companies Act, 2013 and entitled to vote and present in person shall be a quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State, if he is a member of the Company, shall be deemed to be personally present if he is represented in accordance with Section 112 of the Companies Act, 2013.</p>
98. Presence of quorum	<p>(1) If within half an hour from the time appointed for holding a meeting of the Company the quorum is not present, (a) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board may determine; or (b) the meeting, if called by requisitionists in accordance with Section 100 of the Companies Act, 2013, shall stand cancelled. Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under sub clause (a), the Company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.</p> <p>(2) If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum and may transact the business for which the meeting was called.</p>
100. Chairman of general meeting	<p>The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect one of their members to be a Chairman.</p> <p>If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting.</p>
102. Chairman may adjourn Meeting	<p>(1) The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting from time to time from place to place.</p> <p>(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p>

Article Number	Contents
VOTES OF MEMBERS	
114. Number of votes to which member entitled	<p>Subject to the provisions of Section 43 and sub-section (2) of Section 50 of the Companies Act, 2013, every member of the Company holding any equity share capital shall have a right to vote on every resolution placed before the Company; and his voting rights on a poll shall be in proportion to his share of the paid-up equity share capital of the Company. Every member holding any preference share capital of the Company, shall, in respect of such capital, have the right to vote only on resolutions placed before the Company which directly affect the rights attached to his preference shares and any resolution for the winding up of the Company or for the repayment or reduction of its equity or preference share capital and his voting rights on a poll shall be in proportion to his share in the paid up preference share capital of the Company. Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:</p> <p>Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all there solutions placed before the Company.</p>
115. Vote of member of unsound mind	A member of unsound mind or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll, vote by proxy.
116. Votes of joint members	If there be joint registered holders of any shares any one of such persons may vote at any meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting, and, if more than one of such joint holders be present at any meeting either personally or by agent or by proxy, that one of the said persons so present who stands higher on the register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holder shall be entitled to be present at the meeting; provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register in respect of such shares. Several executors or administrators or a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.
120. Voting in person or by Proxy	Subject to the provisions of these Articles vote may be given either personally or by proxy.
123. Proxy either for specified meeting or for a period	An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
125. Deposit of instrument of appointment	The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the office forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in case of a poll, not less than twenty-four hours before the time appointed for taking poll; and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
126. Form of proxy	Every instrument of proxy whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form set out in section 105 of the Act read with Companies (Management and Administration) Rules, 2014 (or any corresponding amendment or modification thereof that may be prescribed).
128. Validity of votes given by	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney or authority under which such proxy was signed, or the transfer of the

Article Number	Contents
proxy notwithstanding revocation of authority	share in respect of which the vote is given: Provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting, or adjourned meeting at which the proxy is used.
DIRECTORS	
132. Number of Directors	Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 and 151 of the Companies Act, 2013, the number of Directors shall not be less than 3 and not more than 15 and the manner of constituting the Board shall be as prescribed under the Act and as may be directed by the Securities and Exchange Board of India.
133. Directors	The first directors of the Company are : (1) MR. SUNIL BHARTI MITTAL (2) MR. RAJAN BHARTI MITTAL
136 Special Directors	<p>In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice, the Directors may authorise such company, corporation, firm or person (hereinafter referred to as "Collaborator") to appoint from time to time any person as a Director of the Company (hereinafter referred to as "Special Director") and subject to the provisions of the Act, may agree that such Special Directors shall not be liable to retire by rotation so however that Special Director shall hold office so long as such collaboration arrangement remains in force. The Collaborator may at any time and from time to time remove such Special Director appointed by it and may at any time after such removal and also in the case of death or resignation of the person so appointed, at anytime nominate any other person as a Special Director in his place and such nomination or removal shall be made in writing signed by the collaborator, his authorised representative and shall be delivered to the Company at its registered office. It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one such person as a Director and so that if more than one collaborator is so entitled there may be at any time as many Special Directors as the number of Collaborators eligible to make the appointment.</p> <p>So long as Mr. Kishore Biyani and his associates hold or continue to hold not less than 10% (Ten Percent) of the paid-up Equity Share Capital of the Company from time to time, then notwithstanding anything contained in any other clause in these Articles of Association, Mr. Kishore Biyani or any person duly authorized by him shall have the right to nominate up to a maximum of 6 (Six) persons as Director or Directors on the Board of the Company and to remove such person or persons from the Board and nominate other or others in his or their place respectively, and the Company and the Board of Directors of the Company shall be bound by his nominations. Up to 4 (Four) out of such nominee Directors as may be specified by Mr. Kishore Biyani or a person duly authorized by him shall be Special Director/s not liable to retire by rotation.</p>
139. Appointment of Alternate Director	The Board may appoint a person, not being a person holding any alternate directorship for any other Director in the Company (hereinafter called the Original Director) to act as an Alternate Director for the Original Director during his absence for a period of not less than three months from India . Provided that no person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an independent director under the provisions of the Act. Every such Alternate Director, shall subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director is determined before he returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Article Number	Contents
140. Additional Director	The Directors shall also have power at any time and from time to time to appoint any other qualified person, other than a person who fails to get appointed as a director in a general meeting of the Company, to be an Additional Director who shall hold office only up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.
142. Remuneration of Directors	The remuneration payable to a non-whole-time-Director for attending each meeting of the Board or a Committee thereof shall be such sum as may be fixed by the Board of Directors not exceeding the maximum as may be prescribed by the Act (and the rules made thereunder), SEBI, or by the Central Government. The Directors, subject to the sanction of the Central Government (if any required), may be paid such further remuneration as the Company in general meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine; and in default of such determination shall be divided among the Directors equally.
143. Extra remuneration to Directors for special Work	Subject to the provisions of Sections 197 and 188 of the Companies Act, 2013 and other applicable provisions of the Act and the rules made thereunder, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing either by fixed sum or otherwise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided
145. Directors may act notwithstanding vacancy	The Continuing Directors may act notwithstanding any vacancy in their body, but if and as long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board of Directors, the Continuing Directors may act for the purpose of filling vacancies to increase the number of Directors to that fixed for the quorum or for summoning a general meeting of the Company, but for no other purpose.
147. Vacation of office by Directors	<p>(1) Subject to the provisions of Section 167 of the Companies Act, 2013, the office of a Director shall become vacant if :</p> <p>(a) he incurs any of the disqualifications specified in Section 164 of the Companies Act, 2013;</p> <p>(b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;</p> <p>(c) he acts in contravention of the provisions of Section 184 of the Companies Act, 2013, relating to entering into contracts or arrangements in which he is directly or indirectly interested;</p> <p>(d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Companies Act, 2013;</p> <p>(e) he becomes disqualified by an order of a court or the Tribunal;</p> <p>(f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months: Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;</p> <p>(g) he is removed in pursuance of the provisions of the Act;</p> <p>(h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.</p>
150.	(1) Except with the consent of the Board of Directors of the Company (or the Audit Committee) given by a resolution at a meeting of the Board and subject to such

Article Number	Contents
Board resolution necessary for certain contracts	<p>conditions as may be prescribed by the Company, a Company shall not enter into any contract or arrangement with a related party with respect to,</p> <ul style="list-style-type: none"> (a) sale, purchase or supply of any goods or materials; (b) selling or otherwise disposing of, or buying, property of any kind; (c) leasing of property of any kind; (d) availing or rendering of any services; (e) appointment of any agent for purchase or sale of goods, materials, services or property; (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and (g) underwriting the subscription of any securities or derivatives thereof, of the company: Notwithstanding the provisions of this sub-clause (1) of this Article, where prescribed, the Company shall enter into such contracts and / or arrangements only with the prior approval of the members of the Company by a special resolution. However, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party: It is clarified that this sub-clause shall not apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis. <p>(2) Every contract or arrangement entered into under sub-clause (1) shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.</p> <p>Disclosure to the members of Director's interest in contract in appointing manager</p>
151. Board resolution necessary for certain contracts	<p>If the Company –</p> <ul style="list-style-type: none"> (a) enters into a contract for the appointment of a manager or a Managing Director of the Company in which contract any Director of the Company is in any way directly or indirectly concerned or interested, or (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Companies Act, 1956 or other applicable provisions of law shall be complied with.
ROTATION & APPOINTMENT OF DIRECTORS	
156. Rotation of Directors	Not less than two-thirds of the total number of Directors shall (a) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.
157. Retirement of Directors	Subject to the provisions of Section 284 (5) of the Companies Act, 1956 or Section 152 (5) and 152(6) of the Companies Act, 2013, at every annual general meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three the number nearest to one- third, shall retire from office. The Debenture Directors, Corporation Directors, Special Directors, or Managing Directors, if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.
158. Ascertainment of Directors retiring by rotation and	The Directors who retire by rotation under Article 158 at every annual general meeting shall be those who have been longest in office since their last appointment, but as between those who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.

Article Number	Contents
filling of vacancies	
159. Eligibility for re-election	A retiring Director shall be eligible for the re-appointment.
161. Provisions in default of appointment	<p>(a) If the place of retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless –</p> <ol style="list-style-type: none"> at the meeting or the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost; the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed; he is not qualified or is disqualified for appointment; or a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act,
162. Company may increase or reduce the number of Directors or remove any Director	Subject to the provisions of Sections 149 and 152 of the Companies Act, 2013, the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.
164. Notice of candidature for office of Director except in certain cases	<p>(1) Subject to the provisions of the Act, a person, not being a Retiring Director in terms of Section 152 of the Companies Act, 2013, shall be eligible for appointment to the office of Director at any general meeting if he or some other member intending to propose him has, at least fourteen days before the meeting, left at the registered office of the Company a special notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for office as the case may be along with the deposit of Rupees one lakh or such higher amount as may be prescribed which shall be refunded to such person or as the case may be, to the member, if the person succeeds in getting elected as a Director or secures more than 25% of the total valid votes cast either by way of show of hands or on a poll on such resolution.</p> <p>(2) The Company shall inform its members of the candidature of the person for the office of Director in such manner as may be prescribed.</p> <p>(3) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company, a notice under Section 160 of the Companies Act, 2013, signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.</p> <p>(4) A person other than :</p> <ol style="list-style-type: none"> A Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or An Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013, appointed as a Director or re-appointed as an Additional or Alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment

Article Number	Contents
	signed and filed with the Registrar his consent in writing to act as such Director.
MANAGING DIRECTOR, WHOLE TIME DIRECTOR	
166. Board may appoint Managing Director or Managing Director(s) or Whole Time Directors	<p>Subject to the provisions of Section 196, 203 and other applicable provisions of the Companies Act, 2013, and these Articles, the Directors shall have power to appoint or re-appoint any person to be Managing Director, or Whole-Time Director for a term not exceeding five years.</p> <p>Provided that no re-appointment shall be made earlier than one year before the expiry of his term.</p> <p>Provided further that Managing Director can also act as Chairperson of the Company.</p>
168. Remuneration of Managing or Whole Time Director(s)	The remuneration of the Managing Director, Whole Time Director, or Manager shall (subject to Section 197 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits, or by fee for such meeting of the Board or by and/or all these modes or any other mode not expressly prohibited by the Act.
169. Powers and duties of Managing and Whole Time Director(s)	Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) and/or Whole Time Director(s) appointed under Article 168 with power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Director or Managing Directors or Whole Time Director or Whole Time Directors such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.
PROCEEDINGS OF THE BOARD OF DIRECTORS	
170. Meeting of Directors	The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 173 of the Companies Act, 2013 otherwise directs, shall so meet at least once in every one hundred and twenty days and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.
171. Notice of meetings	(1) Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.
172. Quorum	<p>(a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher.</p> <p>PROVIDED THAT where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the total strength, the number of the remaining Directors (that is to say, the number of Directors who are not interested) present at the meeting being not less than two shall be quorum during such time.</p> <p>(b) For the purpose of clause (a) :</p> <p>(i) “Total Strength” of the Board of Directors of the Company shall be determined in pursuance of the Act, after deducting there from number of the Directors, if any, whose places may be vacant at the time, and</p> <p>(ii) “Interested Directors” means any Director whose presence cannot by reason of Article 155 hereof or any other provisions in the Act count for the purpose</p>

Article Number	Contents
	of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.
174. Chairman	One of the Directors shall be the Chairman of the Board of Directors who shall preside at all meetings of the Board. If at any meeting the Chairman is not present at the time appointed for the meeting then the Directors present shall elect one of them as Chairman who shall preside.
177. Directors may appoint committees	The Board of Directors may, subject to the provisions of Section 179 of the Companies Act, 2013, and other relevant provisions of the Act and these Articles, appoint committees of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.
178. Meeting of the Committee how to be Governed	The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
POWERS OF THE BOARD	
181. Powers of Director	<p>Subject to the provisions of the Act, the business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in general meeting, subject nevertheless to these Articles to the provisions of the Act, or any other Act and to such regulations (being not inconsistent with the aforesaid regulations or provisions), as may be prescribed by the Company in general meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made, PROVIDED that the Board shall not, except with the consent of the Company by a special resolution in a general meeting:</p> <ul style="list-style-type: none"> (a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking; (b) remit, or give time for the payment of any debt due by a Director; (c) invest otherwise than in trust securities the amount of compensation received by the Company as a result of a merger or amalgamation; (d) borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of the paid up capital of the Company and its free reserves, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business); or, <ul style="list-style-type: none"> (i) Provided that in respect of the matter referred to in sub-clause (d) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which monies may be borrowed by the Board under clause (d); (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a reasonable character, but does not include loans raised for the purpose of financing expenditure of a capital nature.
182.	Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only

Article Number	Contents
<p>Certain powers to be exercised by the Board only at meetings</p>	<p>by means of resolution passed at the meetings of the Board :</p> <ul style="list-style-type: none"> (a) to make calls on shareholders in respect of money unpaid on their shares; (b) to authorise buy-back of securities under Section 68 of the Companies Act, 2013; (c) to borrow monies; (d) to invest the funds of the Company; (e) to grant loans or give guarantee or provide security in respect of loans; (f) to approve financial statement and the Board's report; (g) to diversify the business of the Company; (h) to approve amalgamation, merger or reconstruction; (i) to take over a company or acquire a controlling or substantial stake in another company; (j) any other matter which may be prescribed under the Act and the rules made thereunder. <p>Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors, Managing Director or any other principal officer of the Company, or in case of branch office of the Company a principal officer of the branch office, the powers specified in (c), (d) and (e) of this sub-clause on such terms as it may specify.</p>
<p>183. Certain powers of the Board</p>	<p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the last preceding Article it is hereby declared that the Directors shall have the following powers that is to say, power:</p> <ul style="list-style-type: none"> (1) to pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company; (2) to pay and charge the capital account to the Company any commission or interest, lawfully payable there out under the provisions of Section 40 of the Companies Act, 2013 and other applicable provisions of law; (3) subject to Sections 179 and 188 of the Companies Act, 2013, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory; (4) at their discretion and subject to the provisions of the Act to pay for any property, rights or privileges by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged; (5) to secure the fulfilments of any contracts or engagement entered into by the Company mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit; (6) to accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed; (7) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested or for any other purposes and to

Article Number	Contents
	<p>execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees;</p> <p>(8) to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment on satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian law or according to foreign law and either in India or abroad and observe and perform or challenge any award made therein;</p> <p>(9) to act on behalf of the Company in all matters relating to bankrupts and insolvents;</p> <p>(10) to make and give receipts, release and other discharge for monies payable to the Company and for the claims and demands of the Company;</p> <p>(11) subject to the provisions of Sections 179, 180 and 185, of the Companies Act, 2013 and other applicable provisions of law, to invest and deal with any monies of the Company not immediately required for the purpose thereof, upon such security (not being the shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 187 of the Companies Act, 2013, all investments shall be made and held in the Company's own name;</p> <p>(12) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;</p> <p>(13) to determine from time to time who shall be entitled to sign, on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts, and documents and to give the necessary authority for such purpose;</p> <p>(14) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as a part of working expenses of the Company;</p> <p>(15) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and wives, widows, and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the applicable provisions of law to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;</p> <p>(16) before recommending any dividend, subject to the provision of Section 123 of the Companies Act, 2013, to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may, in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Companies Act, 2013, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than share of this Company) as they may think fit, and</p>

Article Number	Contents
	<p>from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof may be matters to or upon which the capital monies of the Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit; with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund and/or division of a reserve fund and with full power to employ and assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in purchase or repayment of debentures or debenture stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum;</p> <p>(17) to appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and to fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit, and also from time to time to provide for the management and transaction of the affairs of the Company in specified locality in India or elsewhere in such manner as they think fit; and the provision contained in the next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause;</p> <p>(18) to comply with the requirement of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;</p> <p>(19) from time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such Local Boards, and to fix their remuneration;</p> <p>(20) subject to Section 179 of the Companies Act, 2013, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow monies; and to authorise the member for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any persons appointed, and may annul or vary any such delegation;</p> <p>(21) at any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow monies) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointments may (if the Board thinks fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any company, or the shareholders, Directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;</p>

Article Number	Contents
	<p>(22) subject to the provisions of the Companies Act, 2013, for or in relation of any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;</p> <p>(23) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company, its officers and servants.</p>
192. The Seal, its custody and use	<p>(1) The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, under such regulations as the Board may prescribe.</p> <p>(2) The seal of the Company shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board authorised by in that behalf, and except in the presence of any such official, the Board may appoint in that behalf who shall sign every instrument to which the seal of the Company is affixed.</p> <p>Provided that the certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014, and their statutory modifications for the time being in force.</p>
DIVIDEND WARRANTS	
193. Division of profits	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect where of the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms provided that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>
194. The Company in general meeting may declare dividend	The Company in general meeting may declare dividends, to be paid to members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.
196. Interim Dividend	Subject to the provision of 123, the Board of Directors may from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.
197. Debts may be deducted	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
200. Retention of dividends until in certain cases	The Board of Directors may retain the dividend payable upon shares in respect of which any person under the Transmission Clause has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.
205. Notice of dividend	Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.

Article Number	Contents
<p>206.</p> <p>Dividend to be paid within Thirty days</p>	<p>(1) The Company shall pay the dividend or send the warrant in respect thereof to the shareholder entitled to the payment of dividend, within thirty days from the date of the declaration unless :</p> <ul style="list-style-type: none"> (a) where the dividend could not be paid by reason of the operation of any law; (b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; (c) where there is a dispute regarding the right to receive the dividend; (d) where the dividend has been lawfully adjusted by the company against any sum due to it from the shareholder, or (e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company. <p>(2)</p> <ul style="list-style-type: none"> (a) where the dividend has been declared but which has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment thereof, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any Scheduled Bank to be called “Unpaid Dividend Account of Name of Company” (b) The Company shall, within a period of ninety days of making any transfer of an amount under sub clause(a) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed (c) If any default is made in transferring the total amount referred to in sub-clause (1) or any part thereof to the Unpaid Dividend Account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them. (d) Any person claiming to be entitled to any money transferred under sub-clause (1) to the Unpaid Dividend Account of the Company may apply to the Company for payment of the money claimed. (e) any money transferred to the Unpaid Dividend Account of the Company in pursuance of this Article which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund of the Central Government. (f) the Company shall when making any transfer to the Investor Education and Protection Fund of the Central Government any unpaid or unclaimed dividend, furnish to such officer as the Central Government may appoint in this behalf a statement in the prescribed form seeing forth in respect of all sums included in such transfer, the nature of the sums, the names and last known addresses of the persons entitled to receive the sum, the amount to which each person is entitled and the nature of his claim thereto and such other particulars as may be prescribed. (g) No unclaimed or unpaid dividend shall be forfeited by the Board of Directors until the claim becomes barred by law.

Article Number	Contents
CAPITALISATION	
<p style="text-align: center;">207.</p> <p style="text-align: center;">Capitalisation</p>	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve :</p> <p style="margin-left: 40px;">(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the Profit and Loss Account or otherwise available for distributions; and</p> <p style="margin-left: 40px;">(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3), either in or towards:</p> <p style="margin-left: 40px;">(i) paying up any amount for the time being unpaid on any shares held by such members respectively;</p> <p style="margin-left: 40px;">(ii) paying up in full unissued shares of the Company to be allocated and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; or</p> <p style="margin-left: 40px;">(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);</p> <p>(3) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;</p> <p>(4) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.</p>
ACCOUNTS	
<p style="text-align: center;">209.</p> <p style="text-align: center;">Books to be kept</p>	<p>(1) The Company shall prepare and keep at its registered office proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Companies Act, 2013, as would give a true and fair view of the state of affairs of the Company including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting: Provided that all or any of the books of accounts aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. Provided further that the company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.</p> <p>(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of sub- clause (1) if proper books of accounts relating to the transactions affected at the branch are kept at that office and proper summarised returns made upto date at intervals of not more than three months are sent by the branch office to the Company at its registered office or the other place referred to in sub-clause (1). The books of accounts and other books and paper maintained by the Company within India shall be open to inspection at the registered office of the Company or at such other place in India by any Director during business hours and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any Director subject to such conditions as may be prescribed:</p> <p>Provided that the inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board of</p>

Article Number	Contents
	<p>Directors.</p> <p>(3) The books of account of the Company relating to a period of not less than eight financial years immediately preceding a financial year, or where the Company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order:</p> <p>Provided that where an investigation has been ordered in respect of the Company under Chapter XIV of the Companies Act, 2013, the Central Government may direct that the books of account may be kept for such longer period as it may deem fit.</p>
<p>210.</p> <p>Financial Statements</p>	<p>(1) The Board of Directors shall in accordance with Section 129, 133 and 134 of the Companies Act, 2013 and the rules made there under, cause to be prepared and laid before each annual general meeting, financial statements for the financial year of the Company which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.</p> <p>(2) The financial statements of the Company shall give a true and fair view of the state of affairs of the Company and comply with the accounting standard notified under Section 133 of the Companies Act, 2013 and shall be in the form set out in Schedule III to the Companies Act, 2013. Provided that the items contained in such financial statements shall be in accordance with the accounting standards.</p> <p>(3) In case the Company has one or more subsidiaries, it shall, in addition to financial statements provided under sub-clause (1), prepare a consolidated financial statement of the Company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the company along with the laying of its financial statement under sub-section (1) Provided that the Company shall also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries in such form as may be prescribed, provided further that the Central Government may provide for the consolidation of accounts of companies in such manner as may be prescribed. For the purposes of this sub-clause, the word “subsidiary” shall include associate company and joint venture.</p>
AUDIT	
<p>212.</p> <p>Appointment of Auditors</p>	<p>(1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with the provisions of Chapter X of the Companies Act, 2013 and the rules made thereunder.</p> <p>(2) Subject to the provisions of Section 139 of the Companies Act, 2013, the Company shall at the first annual general meeting appoint an individual or a firm as an Auditor to hold office from conclusion of that meeting until the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the Company at such meeting shall be such as may be prescribed.</p> <p>Provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting;</p> <p>Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be prescribed, shall be obtained from the auditor: Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141 of the Companies Act, 2013:</p> <p>Provided also that the Company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed. “Appointment” includes reappointment.</p>

Article Number	Contents
DOCUMENTS AND NOTICES	
213. Service of documents or notices on members by the Company	<p>(1) A document or notice may be served by the Company on any member thereof either personally or by sending it by registered post or by speed post or by courier service or by leaving it at his registered address or if he has no registered address in India, to the address if any, within India supplied by him to the Company for serving documents or notice on him or by means of such electronic or other mode as may be prescribed.</p> <p>(2) A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.</p> <p>(3) A document or notice may be served by the Company on the joint holders of a share by serving it on the jointholder named first in the Register in respect of the share.</p> <p>(4) A document or notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter, addressed to them by name or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied, serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.</p> <p>(5) The signature to any document or notice to be given by the Company may be written or printed or lithographed.</p>
WINDING UP	
219. Distribution of assets	<p>If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.</p>
220. Distribution in specie or kind	<p>(1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them as a Liquidator, with such sanction shall think fit.</p> <p>(2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed) by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined upon, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 319 of the Companies Act, 2013.</p> <p>(3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall if practicable act accordingly.</p>

Article Number	Contents
SECURITY CLAUSE	
<p style="text-align: center;">224.</p> <p style="text-align: center;">Security Clause</p>	<p>Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required, by the Director, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy and confidentiality in respect of all transactions and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions, in these presents contained.</p>
<p style="text-align: center;">225.</p> <p style="text-align: center;">No member to enter the premises of the Company without permission</p>	<p>No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director; it would be inexpedient in the interest of the Company to disclose.</p>

SECTION VIII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Information Memorandum) which are or may be deemed material have been entered or to be entered into by our Company.

Copies of the following documents will be available for inspection at the Registered Office of our Company on any working day (i.e. Monday to Friday and not being a bank holiday in Maharashtra) between 11:00 a.m. and 1:00 p.m. with prior intimation, for a period of seven days from the date of filing of this Information Memorandum with Stock Exchanges.

MATERIAL CONTRACTS AND DOCUMENTS

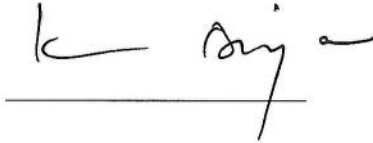
1. Memorandum and Articles of Association of our Company, as amended till date.
2. Certificate of Incorporation dated February 7, 2007; Fresh Certificate of Incorporation consequent upon change of name on conversion to Public Limited company dated May 21, 2009; Certificate of Registration of Regional Director order for Change of State in connection with shifting of registered office from NCT of Delhi to State of Maharashtra dated September 11, 2015; Certificate of registration of order confirming Reduction of Capital dated May 7, 2016 and Certificate of Incorporation pursuant to change of name dated May 25, 2016 (from Bharti Retail Limited to “**Future Retail Limited**”).
3. Copy of Fairness report dated May 4, 2015 provided by Keynote Corporate Services Limited;
4. Copy of resolution passed by the Board of Directors approving the Scheme;
5. Copy of Undertaking and Auditors’ Certificate dated May 4, 2015 confirming non application of Clause 5.1(6) of the SEBI Circulars (CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013);
6. Approval of the Competition Commission of India dated August 19, 2015;
7. Certified copy of the order dated October 16, 2015 of the High Court passed in the Company application no. 798 of 2015 dispensing, with meetings of Equity Shareholders of Future Retail Limited;
8. Composite Scheme of Arrangement between Future Enterprises Limited and Future Retail Limited and their respective shareholders and creditors - under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 as amended and duly sanctioned by the High Court of Judicature at Bombay on March 4, 2016;
9. Order dated March 4, 2016 of the Hon’ble High Court approving the Scheme, received by our Company on April 30, 2016;
10. Consent from the Auditors for inclusion of their names as the statutory auditors and of their reports on accounts in the form and context in which they appear in this Information Memorandum;
11. Statement of Tax Benefit dated May 31, 2016 from our Company’s Statutory Auditors;
12. Tripartite Agreement with National Securities Depository Ltd., RTA and our Company;
13. Tripartite Agreement with Central Depository Services (India) Ltd., RTA and our Company;
14. Audited Financial Statements of our Company for last five years;
15. Resolution dated May 2, 2016 in connection with appointment of Managing Director, Joint Managing Director, Chief Financial Officer and Dy. Company Secretary;
16. BSE letter No. DCS/AMAL/LP/24(f)/157/2015-16 dated September 15, 2015 granting in-principle approval for listing;
17. NSE letter No. NSE/LIST/ 42719 dated September 15, 2015 granting in-principle approval for listing; and
18. SEBI letter No. [_____] dated [_____], 2016 granting relaxation from the applicability of Rule 19(2)(b) of the Securities Contract Regulation (Rules) 1975 for listing of the Equity Shares of our Company.

Note: Any of the contracts or documents mentioned in this Information Memorandum may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in the Information Memorandum is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in the Information Memorandum are true and correct.

BY ORDER OF THE BOARD OF DIRECTORS OF FUTURE RETAIL LIMITED

A handwritten signature in black ink, appearing to read 'Kishore Biyani', is written over a horizontal line.

Mr. Kishore Biyani

(Chairman and Managing Director)

Date: June 24, 2016

Place: Mumbai