



Ref: NSE/LIST/224868-P

December 18, 2013

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

Kind Attn.: Mr. Deepak Tanna

Dear Sir,

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

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

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

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

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

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

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

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

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

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

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

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

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

Yours faithfully,
For National Stock Exchange of India Ltd.

Samir Rajdev
Manager