

Virendra Bhatt

Company Secretary

Office :
602, Tardeo Airconditioned Market,
Tardeo Main Road, Tardeo,
Mumbai-400 034.
Tel. : 2351 4867 / 2351 2412
Mobile : 98200 48670
e-mail : bhattvirendra@sify.com

Date: 15th July, 2014

The Chairman/Director,
Future Retail Limited
[Previously Pantaloon Retail (India) Limited],
Knowledge House, Shyam Nagar,
Off Jogeshwari – Vikhroli Link Road,
Jogeshwari (E),
Mumbai – 400 060

Dear Sir,

I have scrutinized the Postal Ballot (including electronic voting (“E-voting”/ “E-Votes”)) Voting Process of Future Retail Limited at the Registered Office of the Company situated at Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (E), Mumbai – 400 060, with respect to passing of the (i) Special Resolution under section 62 and section 43(a)(ii) of the Companies Act 2013 pfor Preferential allotment of Class B (Series 1) Warrants of the Company and passing of (ii) Ordinary Resolution for Issue of Equity Shares, Class B Shares and Securities convertible into, or exchangeable for, Equity Shares or Class B Shares by the Company through a rights issue.

RESOLUTION 1 – PREFERENTIAL ALLOTMENT OF CLASS B (SERIES 1) WARRANTS OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 62 and Section 43(a)(ii) and other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Companies Act”) read with the rules made thereunder, to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Companies Act), the Foreign Exchange Management Act, 1999, as amended, the Foreign



Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, and the rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, the Foreign Investment Promotion Board, the Reserve Bank of India, the Securities and Exchange Board of India including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") and the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations") and any other guidelines and clarifications issued by any other competent authority, whether in India or abroad, from time to time, to the extent applicable including the enabling provisions of the Memorandum of Association and Articles of Association of the Company, Listing Agreements entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed (the "Stock Exchanges") and subject to the permissions, consents, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot, from time to time in one or more tranches, such number of warrants ("Class B Warrants") on a preferential basis to Future Corporate Resources Limited, being a company within the Promoter Group (as defined in the ICDR Regulations), each Class B Warrant convertible into, or exchangeable for, one Class B (Series 1) Share of face value of Rs. 2/- each (the "Class B Shares") at a price to be determined in accordance with Chapter VII of the ICDR Regulations such that the aggregate value, including premium, of the total number of Class B Shares that may be issued upon exercise of the Class B Warrants shall not exceed Rs. 100 Crores (Rupees One Hundred Crores only), on such terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of the ICDR Regulations or other applicable laws.

RESOLVED FURTHER THAT in accordance with the provisions of Chapter VII of the ICDR Regulations, the "Relevant Date" for the purpose of calculating the floor price for the issue of Class B Shares pursuant to the exercise of the Class B Warrants is June 13, 2014 (June 14, 2014 being a holiday), which is 30 days prior to the date of declaration of result of postal ballot which is July 15, 2014.

RESOLVED FURTHER THAT the said Class B Warrants shall be issued and allotted by the Company to Future Corporate Resources Limited within a period of 15 days from the date of



passing of this resolution provided that where the allotment of the said Class B Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Class B Warrants shall be subject to following terms:

- i. The Class B Shares to be allotted on exercise of the Class B Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- ii. The Class B Warrants may be exercised by the Class B Warrant holder(s) at any time before the expiry of 18 months from the date of allotment of the Class B Warrants.
- iii. A Class B Warrant subscription price equivalent to 25% of the issue price of the Class B Shares will be payable at the time of subscription to the Class B Warrants, as prescribed by Regulation 77 of the ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Class B Shares. A Class B Warrant exercise price equivalent to the 75% of the issue price of the Class B Shares shall be payable by the Class B Warrant holder(s) at the time of exercising the Class B Warrant.
- iv. The issue of the Class B Warrants as well as Class B Shares arising from the exercise of the Class B Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- v. In the event the Class B Warrant holder(s) does not exercise the Class B Warrants within 18 months from the date of allotment of the Class B Warrants, the Class B Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- vi. The Class B Warrants issued and allotted will be transferable within the Promoter Group subject to the approval of the Board and such other approvals as may be necessary.
- vii. In the event of the Company making a bonus issue by way of capitalization of its reserves, or a rights offer by way of issue of new Class B Shares, prior to allotment of Class B Shares resulting from the exercise of the Class B Warrants, the issue price of the Class B Shares to be allotted against such Class B Warrants shall be subject to appropriate adjustment, subject to the SEBI ICDR Regulations and other applicable law.
- viii. The Class B Shares to be issued and allotted by the Company on exercise of the Class B Warrants in the manner aforesaid shall be in dematerialised form and subject to the Memorandum of Association and Articles of Association of the Company and shall rank pari passu in all respects including dividend, with the



existing Class B (Series 1) Shares of the Company.

- ix. The warrants and the Class B Shares allotted pursuant to exercise of such warrants shall be subject to a lock-in for such period as specified under Chapter VII of ICDR Regulations relating to preferential issues.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Class B Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Class B Warrants held by the holder(s) of the Class B Warrants.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Class B Warrants and Class B Shares and utilisation of proceeds of the Class B Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT" all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."



The Total Postal Ballot Papers (including E-votes) received by me is as under:

	TOTAL		INVALID/ NOT VOTED		VALID	
	NO. OF SHAREHOLDERS CLASS A & CLASS B (Series 1)	VOTING RIGHTS	NO. OF SHAREHOLDERS CLASS A & CLASS B (Series 1)	VOTING RIGHTS	NO. OF SHAREHOLDERS CLASS A & CLASS B (Series 1)	VOTING RIGHTS
ELECTRONIC	422	123118122	1	3	421	123118119
PHYSICAL BALLOTS	459	84219	51	8231	408	75988
TOTAL	881	123202341	52	8234	829	123194107

Details of Valid Ballots	No. of Shareholders	No. of Votes Cast	Percentage (%) voted
Assent	712	113147287	91.845%
Dissent	117	10046820	8.155%
Total	829	123194107	100.000%

NOTE: The bifurcation of promoters, public institutions and others is given as per Annexure attached

I have to report that for resolution 1, votes cast in favor were 113147287 (including Class B shares (Series 1)) representing 91.845% of the total votes cast and Dissent were 10046820 (including Class B shares (Series 1)) representing 8.155 % of the total votes cast.

RESOLUTION 2 – ISSUE OF EQUITY SHARES, CLASS B SHARES AND SECURITIES CONVERTIBLE INTO, OR EXCHANGEABLE FOR, EQUITY SHARES OR CLASS B SHARES BY THE COMPANY THROUGH A RIGHTS ISSUE.

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

“RESOLVED THAT pursuant to the provisions of Section 62 and Section 43(a)(ii) and other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Companies Act”) read with the rules made thereunder, to the extent notified and in effect, the applicable



provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Companies Act), the Foreign Exchange Management Act, 1999, as amended, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, and the rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, the Foreign Investment Promotion Board, the Reserve Bank of India, the Securities and Exchange Board of India including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") and the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations") and any other guidelines and clarifications issued by any other competent authority, whether in India or abroad, from time to time, to the extent applicable including the enabling provisions of the Memorandum of Association and Articles of Association of the Company, Listing Agreements entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed (the "Stock Exchanges") and subject to the permissions, consents, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), the consent of the Company be and is hereby accorded to the Board to create, offer and issue and allot in one or more tranches, by way of a rights issue, equity shares of face value Rs. 2/- each (the "Equity Shares"), Class B (Series 1) Shares of face value Rs. 2/- each (the "Class B Shares") or fully convertible debentures, partly convertible debentures, preference shares convertible into Equity Shares or Class B Shares and any other financial instrument or securities convertible into Equity Shares or Class B Shares or with or without detachable warrants with a right exercisable by the warrant holder to convert or subscribe to Equity Shares or Class B Shares, in registered or bearer form, (hereinafter collectively referred to as the "Securities") or any combination of Securities to any person, including but not limited to, to the Equity Shareholders and the Class B Shareholders existing as on a record date, including resident/foreign shareholders (whether institutions, incorporated bodies, mutual funds and individuals), such as foreign institutional investors, Indian or multilateral financial institutions, mutual funds, non-resident Indians, (including with the provision for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted (collectively, the "Investors") at such time or times, at such price or prices, at a discount or premium to the market price or prices in such manner and in one or more tranches and on such terms and conditions including security, rate of interest, considering the prevailing market conditions



and such other considerations that the Board may, in its absolute discretion, decide, such that the aggregate value (including premium, if any) of the Equity Shares and the Class B Shares issued pursuant to such offering (including upon conversion of the convertible Securities) does not exceed Rs. 1600 crores (Rupees One Thousand Six Hundred Crores only).

RESOLVED FURTHER THAT in any issuance of Equity Shares and Class B Shares, or Securities convertible into Equity Shares or Class B Shares, by way of a rights issue, the Equity Shareholders existing as on the record date shall only receive new Equity Shares or Securities convertible into Equity Shares whereas the Class B Shareholders existing as on the record date shall only receive new Class B Shares or Securities convertible into Class B Shares.

RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares or Class B Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- (a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares or Class B Shares, the number of Equity Shares or Class B Shares, as the case may be, to be allotted shall stand augmented in the same proportion in which the Equity Shares or Class B Shares capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;
- (b) in the event of the Company making a rights offer by issue of Equity Shares or Class B Shares, prior to the allotment of the Equity Shares or Class B Shares, as the case may be, the entitlement to the Equity Shares and Class B Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares or Class B Shares shall be offered to the holders of the Securities at the same price at which they are offered to the existing shareholders;
- (c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares and Class B Shares, the price and the time period as aforesaid shall be suitably adjusted; and
- (d) in the event of consolidation and/or division of outstanding Equity Shares/Class B Shares into smaller number of Equity Shares/Class B Shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

- (a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the



Company;

- (b) the Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects including Dividend; and
- (c) the Class B Shares that may be issued by the Company shall rank pari passu with the existing Class B Shares of the Company in all respects including Dividend.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares and Class B Shares, variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares or Class B Shares during the duration of the Securities and the Board be and is hereby authorised in its absolute discretion in such manner as it may deem fit, to dispose off such of the Securities that are not subscribed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution including any offer, issue or allotment of Equity Shares, Class B Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic or international markets and proportion thereof, timing for issuance of such Securities, issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest, creation of mortgage/charge in accordance with provisions of the Companies Act, and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and providing legal advice as well as acting as depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s), including but not limited to prospectus and/or letter of offer and/or placement document and/or offering circular and/or offer document and/or documents and agreements including filing of registration statements, prospectus and other documents (in draft or final form) with any Indian or foreign regulatory authority or stock exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue,



offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members of the Company ("Members") or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares, Class B Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers herein conferred to any Committee or any one or more executives of the Company."

The Total Postal Ballot Papers (including E-votes) received by me is as under:

	TOTAL		INVALID/ NOT VOTED		VALID	
	NO. OF SHAREHOLDERS CLASS A & CLASS B (Series 1)	VOTING RIGHTS	NO. OF SHAREHOLDERS CLASS A & CLASS B (Series 1)	VOTING RIGHTS	NO. OF SHAREHOLDERS CLASS A & CLASS B (Series 1)	VOTING RIGHTS
ELECTRONIC	422	123118122	3	371	419	123117751
PHYSICAL BALLOTS	459	84219	58	9273	401	74946
TOTAL	881	123202341	61	9644	820	123192697

Details of Valid Ballots	No. of Shareholders	No. of Votes Cast	Percentage (%) voted
Assent	704	121537206	98.656%
Dissent	116	1655491	1.344%
Total	820	123192697	100.000%



NOTE: The bifurcation of promoters, financial institutions and others is given as per Annexure attached

I have to report that for resolution 2, votes cast in favor were 121537206 (including Class B shares (Series 1)) representing 98.656 % of the total votes cast and Dissent were 1655491 (including Class B shares (Series 1)) representing 1.344 % of the total votes cast.

The votes cast in favour are more than the votes cast against the resolution.

I have to further report that total numbers of shareholders were 60715 representing 227817897 votes entitled on 231800185 Equity Shares (including Class B (Series 1) shares). The Company has dispatched postal ballots under post as well as through electronic media on 14TH June, 2014 out of which 881 ballot papers (including E-Votes) were received.

The Postal Ballot Register as per relevant documents for the same are available for inspection to the members of the company at the Registered Office of the Company. The Register along with all the records will be handed over to you at your office as per the said rules.



Virendra G. Bhatt
A. C. S. No: 1157
C. P. No: 124

ANNEXURE

RESOLUTION 1

DETAILS OF VALID BALLOTS	PUBLIC FINANCIAL INSTITUTIONS	PROMOTERS	OTHER SHARE HOLDERS	TOTAL
ASSENT	2192364	110725555	229368	113147287
DISSENT	10025000	-	21820	10046820
TOTAL	12217364	110725555	251188	123194107

RESOLUTION 2

DETAILS OF VALID BALLOTS	PUBLIC FINANCIAL INSTITUTIONS	PROMOTERS	OTHER SHARE HOLDERS	TOTAL
ASSENT	10575800	110725555	235851	121537206
DISSENT	1641564	-	13927	1655491
TOTAL	12217364	110725555	249778	123192697

