



FUTURE RETAIL LIMITED

Regd. Off.: Knowledge House, Shyam Nagar, Off. Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060.
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Website : www.futureretail.co.in; E-mail : investorrelations@futureretail.in

POSTAL BALLOT NOTICE

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

Dear Member(s),

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

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

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

In accordance with the provisions of the Act, read with Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), the Company has provided e-voting facility to its Members and has engaged National Securities Depository Limited (“**NSDL**”) for providing e-voting platform. The procedure for e-voting is explained under the Notes provided with this Postal Ballot Notice.

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

Special Business:

The Members are requested to consider and if thought fit, pass the following Resolution(s) as **Special Resolution(s)**:

1. Approval for re-designation of Mr. Kishore Biyani as “Executive Chairman” and payment of remuneration thereof

“**RESOLVED THAT** in furtherance to the earlier resolution passed by the Members of the Company and pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions of the Companies Act, 2013 (“**the Act**”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modification(s) thereof or supplements thereto (“**SEBI Listing Regulations**”) and subject to the Articles of Association of the Company and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be imposed or prescribed by any of the authorities while granting such approvals, permissions and sanctions and as recommended by Nomination and Remuneration Committee and approved by Board of Directors of the Company (hereinafter referred to as “**the Board**” which term shall deem to include the Nomination and Remuneration Committee or any other Committee constituted or to be constituted to exercise the powers including the powers conferred under this resolution), the consent of the Members of the Company be and is hereby accorded for re-designation of Mr. Kishore Biyani (DIN: 00005740) as “**Executive Chairman**” of the Company, with effect from 05th March, 2020 till 31st March, 2022 on such terms and conditions and remuneration as set out in the statement annexed to this Notice and thereafter as “Non-Executive Chairman” of the Company, in terms of applicable provisions of the SEBI Listing Regulations.

RESOLVED FURTHER THAT pursuant to the Regulation 17(6)(e) of SEBI Listing Regulations, the approval of the Members be and is hereby also accorded to pay annual remuneration to Executive Chairman, exceeding the limit of Rs. 5.00 crore or 2.5 percent of the net profits of the Company, whichever is higher, during the currency of his tenure as Executive Chairman.

RESOLVED FURTHER THAT pursuant to the provisions of Section 197 of the Act read with Schedule V to the Act, where in any financial year during the currency of the tenure of Executive Chairman, the Company has no profits or its profits are inadequate, the Company may pay to Executive Chairman the above remuneration, excluding the commission, as the minimum remuneration for the aforesaid period, by way of salary, perquisites and other allowances and benefits and subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorised to vary, amend, modify or revise the terms of remuneration payable from time to time to the extent the Board may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits specified above and as permitted under the relevant provisions of the Act and/or as approved by the competent authority.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Maharashtra, Mumbai/Ministry of Corporate Affairs in connection with above and payment of remuneration and to seek approvals and settle any questions, difficulties or doubts that may arise in this regard without further referring to the Members of the Company.”

2. Approval for re-designation of Mr. Rakesh Biyani as “Managing Director” and payment of remuneration thereof

“RESOLVED THAT in furtherance to the earlier resolution passed by the Members of the Company and pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 (**“the Act”**) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modification(s) thereof or supplements thereto (**“SEBI Listing Regulations”**) and subject to the Articles of Association of the Company and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be imposed or prescribed by any of the authorities while granting such approvals, permissions and sanctions and as recommended by Nomination and Remuneration Committee and approved by Board of Directors of the Company (hereinafter referred to as **“the Board”** which term shall deem to include the Nomination and Remuneration Committee or any other Committee constituted or to be constituted to exercise the powers including the powers conferred under this resolution), the consent of the Members of the Company be and is hereby accorded for re-designation of Mr. Rakesh Biyani (DIN: 00005806) as **“Managing Director”** of the Company with effect from 05th March, 2020 till the remainder period of his existing term i.e. upto 01st May, 2022 on such terms and conditions and remuneration as set out in the statement annexed to this Notice.

RESOLVED FURTHER THAT pursuant to the Regulation 17(6)(e) of SEBI Listing Regulations, the approval of the Members be and is hereby also accorded to pay annual remuneration to Managing Director, exceeding the limit of Rs. 5.00 crore or 2.5 percent of the net profits of the Company, whichever is higher, during the currency of his tenure as Managing Director.

RESOLVED FURTHER THAT pursuant to the provisions of Section 197 of the Act read with Schedule V to the Act, where in any financial year during the currency of the tenure of Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to Managing Director the above remuneration, excluding the commission, as the minimum remuneration for the aforesaid period, by way of salary, perquisites and other allowances and benefits and subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorised to vary, amend, modify or revise the terms of remuneration payable from time to time to the extent the Board may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits specified above and as permitted under the relevant provisions of the Act and/or as approved by the competent authority.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Maharashtra, Mumbai/Ministry of Corporate Affairs in connection with above and payment of remuneration and to seek approvals and settle any questions, difficulties or doubts that may arise in this regard without further referring to the Members of the Company.”

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

“RESOLVED THAT in supersession to the earlier resolution passed by the Members of the Company through Postal Ballot (as provided in Notice dated 29th November, 2019) and pursuant to the provisions of Section 180(1)(a) and any other applicable provisions, if any, of the Companies Act, 2013 (the **“Act”**) read with relevant rules made thereunder (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force) and subject to the Articles of Association of the Company and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be imposed or prescribed by any of the authorities while granting such approvals, permissions and sanctions as may be agreed to by Board of Directors of the Company (hereinafter referred to as **“the Board”** which term shall include any Committee constituted or to be constituted to exercise the powers including the powers conferred under this resolution), the consent of the Members of the Company be and is hereby accorded to create mortgages, pledge, charges, liens, hypothecations, encumbrances and/or any other security interest (**“Encumbrance”**) in addition to existing Encumbrances created hitherto, on the assets and/or properties of the Company, both in present and for future, whether movable and/or immovable properties including the whole or substantially the whole of the undertaking(s) of the Company or the equity shares or other securities held by the Company in its subsidiaries, in favour of the bank(s), financial institution(s), Central Government or State Government, body corporate, firm and/or any other lender(s) or creditor(s), fixed deposit trustee, debenture trustee, security trustee or with any other body, concerned entity or authority as may be agreed to by the Board for the purpose of securing the sum or sums of moneys aggregating upto Rs. 16,000 crore (Rupees Sixteen Thousand crore only) or equivalent amount in full or in part in foreign currency, exclusive of interest and other charges, that may be borrowed by the Company or raised by issuance of debentures or bonds or any other instruments to the public and/or on private placement basis and/or in any other manner in India and/or overseas in accordance with applicable law.

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

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

Place : Mumbai
Date : 29th February, 2020

Virendra Samani
Company Secretary

NOTES:

1. The Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (the “**Act**”) and other applicable provisions, if any, of the Act along with the applicable rules as may be prescribed therein (including any statutory modification(s), amendment(s), clarification(s), or re-enactment(s) or substitution(s) thereof for the time being in force), in relation to Resolution(s) as set out in the Notice annexed hereto.
2. The Notice is being sent by prescribed mode to all the Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories / Registrar and Share Transfer Agent (“**RTA**”) as on 28th February, 2020 (“**Cut-off Date**”).

Voting Rights: The voting rights of Members shall be in proportion to their equity shares of the paid-up equity share capital of the Company as on the Cut-off Date, which will only be considered for voting. Members can vote for their entire voting rights as per their discretion.

3. Pursuant to the provisions of Section 108 of the Act and other applicable provisions, if any, read with related rules thereto, e-voting option is provided to all the Members of the Company. Members have an option to vote either through e-voting or physically through Postal Ballot Form. Members opting for e-voting, should not vote through Postal Ballot Form. Similarly, Members opting to vote through Postal Ballot Form should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. through Postal Ballot Form and e-voting, then votes cast through e-voting shall only be taken into consideration and votes cast by Postal Ballot Form shall be treated as invalid.
4. Only a Member who is entitled to vote is entitled to exercise his/her/its vote through Postal Ballot or e-voting. The date of completion of dispatch of the Notice will be announced through Notice in newspapers and any recipient of this Notice who has no voting rights as on the date mentioned in point 2 above should treat the same as intimation only.
5. A Member cannot exercise his vote by proxy on Postal Ballot.
6. The Board has appointed Ms. Bindu Darshan Shah (Membership No. 20066 / CP No. 7378), Proprietor - M/s. K Bindu & Associates, Practicing Company Secretaries as the Scrutiniser to scrutinise the e-voting process and voting by way of Postal Ballot in a fair and transparent manner. Members are requested to carefully read the instructions printed for voting by “postal ballot” or through “e-voting”, namely by:
 - (i) returning the Postal Ballot Form duly completed, as per the instructions contained in the Postal Ballot Form, in the attached self-addressed postage pre-paid Business Reply Envelope, so as to reach the Scrutiniser not later than 5:00 PM on 05th April, 2020; or
 - (ii) casting their votes electronically from 07th March, 2020 (9:00 AM) till 05th April, 2020 (5:00 PM) by following the procedures as explained in the Notes.

The Scrutiniser will submit her report to the Chairman or any person authorised by him after the completion of scrutiny and the result will be announced by the Chairman or any other person authorised by him on or before 06th April, 2020. The results of postal ballot along with Scrutiniser Report will be placed on the website of the Company and on the website of NSDL and shall also be communicated to BSE Limited and National Stock Exchange of India Limited.

7. Members are requested to return the Postal Ballot Form duly completed in the attached self-addressed and postage pre-paid Business Reply Envelope so as to reach the Scrutiniser on or before 05th April, 2020 at the following address failing which, it will be strictly treated as if no reply has been received from the Member:

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

8. As per Companies (Management and Administration) Rules, 2014 as amended and applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India (“**ICSI**”) as amended, the Notice of Postal Ballot may be served on the Members through electronic transmission. Members who have registered their e-mail IDs with depositories or with the Company are being sent Notice of Postal Ballot by e-mail and Members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with Postal Ballot Form through permitted mode. The Postal Ballot Form for casting vote physically can also be obtained from the Company’s RTA, viz. M/s. Link Intime India Private Limited, C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 or from the Company. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form may download the Postal Ballot Form from the Investor’s section on the Company’s website www.futureretail.co.in.

8.1. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with the provisions of Section 110 of the Act read with (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and Secretarial Standards issued by ICSI, from time to time, the Company also offers e-voting option to all the Members. For this purpose, the Company has signed an agreement with NSDL for facilitating e-voting and is pleased to offer e-voting facility for the Members to enable them to cast their votes electronically. Members have option to vote either through e-voting or through Postal Ballot Form.

The instructions for Members for e-voting are as under:

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

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

Details on Step 1 is mentioned below:

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

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

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

- D. Your User ID details are given below:

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

- E. Your password details are given below:

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

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

- a) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical 'User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

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

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

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

Details on Step 2 is given below:

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

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

General Guidelines for Members

- 1) Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to kbindudshah@gmail.com or with a copy marked to evoting@nsdl.co.in.
- 2) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
- 3) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or contact at National Securities Depository Limited, Trade World, 'A' Wing, Fourth Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. The Members may note that the designated e-mail ID for the grievances connected with the e-voting is evoting@nsdl.co.in or Members may also write to the Company Secretary at the e-mail ID: investorrelations@futureretail.in.
- II If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
- III. You can also update your mobile number and e-mail id in the user provide details of the folio which may be used for sending future communication(s).
- IV. The e-voting period commences on 07th March, 2020 (9:00 AM) till 05th April, 2020 (5:00 PM). During this period, the Members of the Company holding shares either in physical form or in dematerialised form, as on the Cut-off Date of 28th February, 2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

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

Link Intime India Private Limited

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

Vikhroli (West), Mumbai - 400 083

Phone No.: +91 22 4918 6270; Fax No.: +91 22 4918 6060

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

9. All documents referred to in the accompanying Notice and the Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11:00 AM to 1:00 PM) on all working days (except Saturday, Sunday and Public Holidays) upto 05th April, 2020.

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

As required under relevant provisions of the Act, the following statement sets out the material facts concerning Special Resolution(s) as mentioned in the accompanying Notice dated 29th February, 2020.

Common Statement for Item No. 1 & 2

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the Members at their last Annual General Meeting ("AGM") held on 30th July, 2019, had considered and approved the re-appointment of Mr. Kishore Biyani as Managing Director for a term of 3 (Three) years with effect from 02nd May, 2019.

The businesses of the Company now benefited from having created trusted retail brands, a nation-wide network, a large base of consumers, along with deep expertise and experience that was gathered from more than two decades of presence in the Indian consumer market. It is felt by the Management that now is the time to prepare for the future and build institutional capacity to thrive and win in this market for the next many decades. This demands three distinct characteristics that define business organisations that thrive in the very long run. The organisation needs to develop a process-driven culture that focusses on execution and excellence. The business needs to be institutionalised in order to execute and manage consistently and uniformly and survive staff and leadership changes. Your management also believes in ensuring long term value creation for each of its stakeholders.

In order to realise these objectives, a realignment of roles in management and governance of the organisation is proposed. It is being proposed to create independent roles for the Executive Chairman and of the Managing Director of the Company. The Executive Chairman will provide strategic direction, guidance and future scenario planning for development of new strengths and capabilities in the organisation and ensure that the Board as a whole plays a full and constructive part in the development and determination of the Company's strategies and policies. The Managing Director will have full responsibility of driving the businesses in alignment with the Board's overall objectives. This step will also aid the transparency, oversight and accountability championed by the Board. This will also enable to strengthen the institutional capacity and ensure seamless execution of the transformation journey undertaken by the Management. Further, this is in line with the recommendation and requirements of SEBI Listing Regulations.

Specific Statement for Item No. 1

The Members may please note that the Board of Directors based on the recommendation of Nomination and Remuneration Committee at their meeting held on 13th February, 2020 has approved the re-designation of Mr. Kishore Biyani (who currently holds the position of Chairman & Managing Director) as "**Executive Chairman**" of the Company with effect from 05th March, 2020 till 31st March, 2022, subject to the approval of Members and other necessary regulatory approvals and payment of remuneration thereof, on such terms and conditions as stipulated below. Further, in line with the requirement of Regulation 17(1B) of SEBI Listing Regulations read with SEBI Notification dated 10th January, 2020, Mr. Kishore Biyani will thereafter hold the position of "Non-Executive Chairman" of the Company.

Remuneration:

Total Remuneration during the above tenure should be in the pay scale of Rs. 5.75 crore to Rs. 8.50 crore per annum which includes basic salary, commission, taxable perquisites and other allowance but excluding perquisites to the extent exempted under the Income-tax Act, 1961.

Other Terms and Conditions:

- a) Perquisites: Subject to overall ceiling as aforesaid, Executive Chairman shall have liberty to opt for such other allowances, perquisites and incentive as he deems fit including house rent allowance, medical reimbursement, leave travel concession for self and family, club fees, use of Company cars and such other allowances, benefits, amenities and facilities etc., as per the Company's rules or as may be agreed to between the Board and Executive Chairman.
- b) Commission: The amount of Commission would be determined by the Board based on the net profits of the Company in a particular year and shall be subject to the overall ceiling laid down under the Act.
- c) The Executive Chairman will also be a member of the Group Medical and Personal Accident Insurance policies of the Company.
- d) Exempted perquisite: In addition to the perquisites referred above, he will also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration.
 - Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
 - Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
 - Encashment of leave at the end of the tenure; and
 - Reimbursement of expenses incurred for the business of the Company.
- e) Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost, in the absence of any such rule.
- f) The Executive Chairman will provide strategic direction, guidance and future scenario planning for development of new strengths and capabilities in the organisation and ensure that the Board as a whole plays a full and constructive part in the development and determination of the Company's strategies and policies. .
- g) The appointment can be terminated by giving 6 (Six) calendar months' notice in writing by either party.

It may be noted that the remuneration proposed is same as was being drawn by Mr. Kishore Biyani in his capacity as Managing Director of the Company, which was already approved by the Members at their AGM held on 30th July, 2019. Furthermore, any future recommendation by the Nomination and Remuneration Committee and consideration by the Board for subsequent revisions in the remuneration shall be within the foregoing pay scale.

A brief profile of Mr. Kishore Biyani, including nature of his expertise, as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standards (SS-2) is provided in the Annexure - I to this Notice. Further, additional information as required under Schedule V to the Act, is provided in the Annexure - II to this Notice and also forms part of the Statement.

Mr. Kishore Biyani and his relatives, shall be deemed to be concerned or interested in the resolution to the extent of re-designation / appointment, payment of remuneration and their shareholdings in the Company. None of the other Directors, Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed resolution.

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

Specific Statement for Item No. 2

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the Members at their last AGM held on 30th July, 2019, had considered and approved the re-appointment of Mr. Rakesh Biyani as Jt. Managing Director for a term of 3 (Three) years with effect from 02nd May, 2019.

Mr. Rakesh Biyani is associated with Future Group for over two decades and has very well managed the expansion of the Group's flagship formats like fbb, Big Bazaar and Central along with supply chain management. He is actively involved in the areas of fashion, category management, retail stores operations and supply chain business of the Group. Mr. Rakesh Biyani is also instrumental in forming various technology driven processes of retail operation and formation of various joint ventures at Group level for ensuring a better product mix and increasing foothold on overall consumption space of Indian retail sector.

On review of the performance and growth of the Company, which was led by Mr. Rakesh Biyani in current role as Jt. Managing Director of the Company and considering realignment of roles in management and governance of the organisation as explained hereinabove, the Board of Directors, based on the recommendation of Nomination and Remuneration Committee, at their meeting held on 13th February, 2020, has approved the re-designation of Mr. Rakesh Biyani (who currently holds the position of Jt. Managing Director) as "**Managing Director**" of the Company with effect from 05th March, 2020 till the remainder period of his existing term i.e. upto 01st May, 2022 subject to the approval of Members and other necessary regulatory approvals and payment of remuneration thereof, on such terms and conditions as stipulated below:

Remuneration:

Total Remuneration during the above tenure should be in the pay scale of Rs. 5.25 crore to Rs. 8.50 crore per annum which includes basic salary, commission, taxable perquisites and other allowance but excluding perquisites to the extent exempted under the Income-tax Act, 1961.

Other Terms and Conditions:

- a) Perquisites: Subject to overall ceiling as aforesaid, Managing Director shall have liberty to opt for such other allowances, perquisites and incentive as he deems fit including house rent allowance, medical reimbursement, leave travel concession for self and family, club fees, use of Company cars and such other allowances, benefits, amenities and facilities etc., as per the Company's rules or as may be agreed to between the Board and Managing Director.

- b) Commission: The amount of Commission would be determined by the Board based on the net profits of the Company in a particular year and shall be subject to the overall ceiling laid down under the Act.
- c) The Managing Director will also be a member of the Group Medical and Personal Accident Insurance policies of the Company.
- d) Exempted perquisite: In addition to the perquisites referred above, he will also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration.
 - Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
 - Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
 - Encashment of leave at the end of the tenure; and
 - Reimbursement of expenses incurred for the business of the Company.
- e) Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost, in the absence of any such rule.
- f) Subject to the superintendence, control and direction of the Board, the Managing Director shall manage and conduct the business and affairs of the Company.
- g) The appointment can be terminated by giving 6 (Six) calendar months' notice in writing by either party.

It may be noted that the remuneration proposed is same as was being drawn by Mr. Rakesh Biyani in his capacity as Jt. Managing Director of the Company, which was already approved by the Members at their AGM held on 30th July, 2019. Furthermore, any future recommendation by the Nomination and Remuneration Committee and consideration by the Board for subsequent revisions in the remuneration shall be within the foregoing pay scale.

A brief profile of Mr. Rakesh Biyani, including nature of his expertise, as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standards (SS-2) is provided in the Annexure - I to this Notice. Further, additional information as required under Schedule V to the Act, is provided in the Annexure - II to this Notice and also forms part of the Statement.

Mr. Rakesh Biyani and his relatives, shall be deemed to be concerned or interested in the resolution to the extent of re-designation / appointment, payment of remuneration and their shareholdings in the Company. None of the other Directors, Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution.

The Board of Directors of your Company recommends the Special Resolution as set out in Item No. 2 in the accompanying Notice for the approval of the Members of the Company.

Item No. 3

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

In pursuance to the provisions of Section 180(1)(a) of the Companies Act, 2013 ("the **Act**") and vide special resolution passed by Members of the Company as mentioned in Postal Ballot Notice dated 29th November, 2019, the Members had accorded their consent for creation of mortgages, pledge, charges, liens, hypothecations, encumbrances and/or any other security interest ("**Encumbrance**") or disposal of assets and/or properties of the Company in any other manner by the Company upto the limit not exceeding Rs. 11,000 crore.

Further, with the recent partnership with Amazon, the Company is planning to distribute private label products which derive higher margin to new customers through Amazon platform which will further increase its sales and profitability. To achieve the additional sales out of this tie up, the Company will be required to procure additional goods from the existing and new vendors which may require additional funding requirement in form of Fund Based and Non Fund Based limits.

Further, as you are aware, the Company has recently also raised long term funds through issue of Dollar denominated USD Notes amounting to USD 500 million. These funds are being utilised for acquisition of in-store retail assets of Future Enterprises Limited ("**FEL**") which will further reduce the rental out go of the Company in times to come and will also reduce the related party transactions with FEL. Further, the Company is also planning to finance its future capex requirements out of its own balance sheet.

The overall long term borrowings of the Company is within the borrowing limits as approved by the Members, and the Company do not have any intention to raise the long-term borrowing limits. However, the Company is required to increase the limit for security creation to cover the proposed working capital enhancement for financial year 2019-20 and 2020-21, which would be cleared by the Banks now after completion of documentation and other short term borrowings expected in future, in view of the increased business requirements.

In view of the same, it is proposed to raise the limits for creation of charge/security on the assets and/or properties of the Company under Section 180(1)(a) of the Act, from present limit of Rs. 11,000 crore to Rs. 16,000 crore to enable the Company to ensure technical compliance for creation of security on its working capital credit facilities (including non-fund based limits) and other short term borrowings.

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

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

The Board of Directors of your Company recommends the Special Resolution as set out in Item No. 3 in the accompanying Notice for the approval of the Members of the Company.

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

Place : Mumbai
Date : 29th February, 2020

Virendra Samani
Company Secretary

Annexure - I

Information as required pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), in respect of Directors seeking re-designation / appointment / payment of remuneration:

| Name of Director | Mr. Kishore Biyani | Mr. Rakesh Biyani |
|---|---|---|
| DIN | 00005740 | 00005806 |
| Date of Birth | 09th August, 1960 | 05th April, 1972 |
| Age | 59 Years | 47 Years |
| Date of first Appointment on the Board | 30th April, 2016 | 30th April, 2016 |
| Qualifications | Commerce Graduate and PG Diploma in Management | Commerce Graduate and Advanced Management Program from Harvard Business School |
| Experience and Expertise in Specific Functional Area | <p>Mr. Kishore Biyani is founder and Group CEO of Future Group. Widely acknowledged as the pioneer of modern retail industry in India.</p> <p>Mr. Kishore Biyani is a mentor and role model for many Indian entrepreneurs and a thought leader in Indian business.</p> <p>Mr. Kishore Biyani has over 38 years of experience in the field of manufacturing, marketing of readymade garments and retail.</p> <p>Over the past two decades he has created and lead some of India's most popular retail chains like Big Bazaar, Central, Brand Factory, Foodhall, fbb, eZone among others. Over the time, various retail chains like Nilgiris, Aadhaar, easyday, Heritage, Hypercity, WHSmith, Foodworld and others have also become part of Future Group. He is believer in the Group's corporate credo, 'Rewrite Rules, Retain Values'. Mr. Biyani considers Indianness as the core value driving the Group.</p> | <p>Mr. Rakesh Biyani is associated with Future Group for over two decades and managed the expansion of the Group's flagship formats like fbb, Big Bazaar and Central along with supply chain management. He is actively involved in the areas of fashion, category management, retail stores operations of the Group.</p> <p>Mr. Rakesh Biyani is also instrumental in forming various technology driven processes of retail operation and formation of various joint ventures at group level for ensuring a better product mix and increasing foothold on overall consumption space of Indian retail sector.</p> |
| Terms and conditions of appointment / change in designation / remuneration | As per the resolution at Item No. 1 of the Notice | As per the resolution at Item No. 2 of the Notice |
| Remuneration last drawn | During the year 2018-19, Mr. Kishore Biyani was paid a remuneration of Rs. 5.89 crore (including a Commission of Rs. 1.50 crore, which was pertaining to the year 2017-18) from the Company and Rs. 3.85 crore (including Commission of Rs. 1.25 crore which was pertaining to the year 2017-18) from Future Lifestyle Fashions Limited. | During the year 2018-19, Mr. Rakesh Biyani was paid a remuneration of Rs. 5.37 crore (including a Commission of Rs. 1.00 crore, which was pertaining to the year 2017-18) from the Company. |
| Number of Board Meetings attended during the year 2018-19 | 6 (Six) out of 6 (Six) | 3 (Three) out of 6 (Six) |
| Directorship held in other Listed companies (As on 31st December, 2019) | Future Lifestyle Fashions Limited; Future Consumer Limited; and Future Enterprises Limited. | Future Supply Chain Solutions Limited; and Future Lifestyle Fashions Limited. |
| Directorship in other Companies (excluding foreign companies & Section 8 companies) (As on 31st December, 2019) | Future Generali India Life Insurance Company Limited; Future Generali India Insurance Company Limited; and Future Corporate Resources Private Limited. | Turtle Limited; Futurebazaar India Limited; Shree Balaji UMBER Properties Private Limited; Shree Balaji Parvat View Properties Private Limited; Celio Future Fashion Private Limited; and Ryka Commercial Ventures Private Limited. |

| Name of Director | Mr. Kishore Biyani | Mr. Rakesh Biyani |
|--|---|--|
| Chairmanship/ Membership of Committees of the Board of Directors of other Companies (As on 31st December, 2019) | <p>Future Lifestyle Fashions Limited</p> <ul style="list-style-type: none"> Stakeholders' Relationship Committee - Member; Corporate Social Responsibility Committee - Chairman; Share Transfer Committee – Member; and Committee of Directors - Member. <p>Future Consumer Limited</p> <ul style="list-style-type: none"> Stakeholders' Relationship and Share Transfer Committee - Chairman; Nomination & Remuneration / Compensation Committee - Member; Corporate Social Responsibility Committee - Member; and Committee of Directors - Chairman. <p>Future Enterprises Limited</p> <ul style="list-style-type: none"> Corporate Social Responsibility Committee - Member; Nomination and Remuneration Committee - Member; Risk Management Committee - Member; and Committee of Directors - Member. | <p>Future Lifestyle Fashions Limited</p> <ul style="list-style-type: none"> Nomination and Remuneration Committee - Member; Share Transfer Committee - Member; Stakeholders' Relationship Committee - Member; Risk Management Committee - Member; and Committee of Directors - Member. <p>Future Supply Chain Solutions Limited</p> <ul style="list-style-type: none"> Corporate Social Responsibility Committee - Member; and Nomination and Remuneration Committee - Member. <p>Futurebazaar India Limited</p> <ul style="list-style-type: none"> Audit Committee - Member. |
| Shareholding as on 31st December, 2019 | 2,121 Equity Shares | 2,121 Equity Shares |
| Relationship with other Directors/Key Managerial Personnel(s) | Not related to any Director/Key Managerial Personnel(s) | Not related to any Director/Key Managerial Personnel(s) |

Information / Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:**I. General Information:**

1. Nature of Industry : The Company is engaged in Retail business and operates on pan India basis through its various stores and formats.
2. Date or Expected Date of Commercial Production : N.A. (Since the Company was already incorporated on February 7, 2007 and has already commenced its business activities).
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : N.A

4. Standalone financial performance of the Company based on given indicators:

(Rs. in crore)

| Particulars | For the Year ended March 31, 2019 | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|
| Paid-up Share Capital | 100.52 | 100.40 | 94.36 |
| Total Turnover | 20,185.37 | 18,489.64 | 17,098.89 |
| Profit / (Loss) before Exceptional Item and Tax | 732.81 | 615.18 | 368.28 |
| Less: Exceptional Item | - | (603.87) | - |
| Profit / (Loss) after Exceptional Item but before tax | 732.81 | 11.31 | 368.28 |
| Net Profit / (Loss) after tax | 732.81 | 11.31 | 368.28 |
| EPS - Basic and Diluted (in Rs.) | 14.58 | 0.23 | 7.81 |

5. Foreign Investments or collaborations, if any:

The Company has entered into a shareholders agreement with Khimji Ramdas LLC, wherein a joint venture company was established in Sultanate of Oman under the name Future Retail LLC ("JV Company") effective 01st May, 2018 to operate "fbb" brand in Oman and then across other member state of GCC. The Company is holding 50% of share capital of JV Company.

The equity shares of the Company are listed on BSE and NSE and Foreign Portfolio Investors deals in equity shares through secondary market. Total foreign holding as on 31st December, 2019 is 12.72% of the share capital of the Company.

II. Information about the Appointee:

| Particulars | Mr. Kishore Biyani | Mr. Rakesh Biyani |
|------------------------|--|--|
| Background details | Mr. Kishore Biyani is founder and Group CEO of Future Group. Widely acknowledged as the pioneer of modern retail industry in India, Mr. Kishore Biyani is a mentor and role model for many Indian entrepreneurs and a thought leader in Indian business. Over the past two decades he has created and leads some of India's most popular retail chains like Big Bazaar, Central, Brand Factory, Foodhall, fbb, eZone, among others. Over the time, various retail chains like Nilgiris, Aadhaar, easyday, Heritage, Hypercity, WHSmith, Foodworld and others have also become part of Future Group. He is believer in the group's corporate credo, 'Rewrite Rules, Retain Values'. Mr. Biyani considers Indianness as the core value driving the Group. | Mr. Rakesh Biyani is associated with Future Group for over two decades and managed the expansion of the Group's flagship formats like fbb, Big Bazaar and Central along with supply chain management. He is actively involved in the areas of fashion, category management, retail stores operations of the Group. Mr. Rakesh Biyani is also instrumental in forming various technology driven processes of retail operation and formation of various joint ventures at group level for ensuring a better product mix and increasing foothold on overall consumption space of Indian retail sector. |
| Recognition and Awards | Under the leadership of Mr. Kishore Biyani various companies & brands under the Future Group have always in the list of awards of many government bodies / private sector organisation. | Under the leadership of Mr. Rakesh Biyani various companies & brands under the Future Group have always in the list of awards of many government bodies / private sector organisation. |

| Particulars | Mr. Kishore Biyani | Mr. Rakesh Biyani |
|---|--|--|
| | Mr. Kishore Biyani has also won numerous awards from government bodies and the private sector in past. | <ul style="list-style-type: none"> v Mr. Rakesh Biyani has won the Outstanding Retail Personality of the year in 2012; v He was also awarded (i) an appreciation award by Datamatics Global Services Limited for outstanding contribution to leadership development initiative of Datamatics Global Services Limited; and (ii) an appreciation award by the Clothing Manufacturers Association of India ("CMAI") at the CMAI Fashion Retail Summit on 08th May, 2013. |
| Job Profile and his suitability | <p>Mr. Kishore Biyani into his new role as Executive Chairman will provide strategic direction, guidance and future scenario planning for development of new strengths and capabilities in the organisation and ensure that the Board as a whole plays a full and constructive part in the development and determination of the Company's strategies and policies.</p> <p>Future Group led by Mr. Kishore Biyani, has successfully demonstrated the ability to identify, incubate and grow various consumption-led businesses in India and the Company expects to derive benefits from strategic relationship with it.</p> | <p>Mr. Rakesh Biyani into his new role as Managing Director has been entrusted with substantial powers of management subject to the supervision of the Board of Directors. He will have full responsibility of driving the businesses in alignment with the Board's objectives and enable to strengthen the institutional capacity and ensure seamless execution of the transformation journey.</p> <p>He shall be carrying out his duties as may be entrusted by the Board of Directors and exercise all such powers as are required for managing the affairs of the Company from time to time.</p> <p>Mr. Rakesh Biyani was instrumental in establishing and implementing various technology driven processes of retail operation and formation of various joint ventures at Group level for ensuring a better product mix and increasing foothold on overall consumption space of Indian retail sector.</p> |
| Past Remuneration | During the year 2018-19, Mr. Kishore Biyani was paid a remuneration of Rs. 5.89 crore (including a Commission of Rs. 1.50 crore, which was pertaining to the year 2017-18) from the Company and Rs. 3.85 crore (including Commission of Rs. 1.25 crore which was pertaining to the year 2017-18) from Future Lifestyle Fashions Limited. | During the year 2018-19, Mr. Rakesh Biyani was paid a remuneration of Rs. 5.37 crore (including a Commission of Rs. 1.00 crore, which was pertaining to the year 2017-18) from the Company. |
| Remuneration Proposed | As mentioned in the resolution and relevant statement. | As mentioned in the resolution and relevant statement. |
| Comparative remuneration profile with respect to industry, size of company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | <p>The size of the retail industry in India has increased manifold during the past several years reaching to multi billions in terms of sales and revenues. The Company's business has been designed to capture the trend of consumers getting more attuned to retail and brand preferences.</p> <p>With increased size and turnover, it is also imperative for any retail company to have highly experienced professionals having specialised knowledge and skills to understand and project the market trend, consumer behaviour, consumption pattern and many relevant indicators for better product mix.</p> <p>Considering the experience and knowledge of Mr. Kishore Biyani who is pioneer in Retail Industry and his contribution towards the business of the Company and Future Group, the Board of Directors consider the proposed remuneration to be in line with</p> | <p>The size of the retail industry in India has increased manifold during the past several years reaching to multi billions in terms of sales and revenues. The Company's business has been designed to capture the trend of consumers getting more attuned to retail and brand preferences.</p> <p>Considering the experience and knowledge of Mr. Rakesh Biyani who has contributed for the Retail Industry for more than two decades and looking at his contribution towards the business of the Company and Future Group, the Board of Directors consider the proposed remuneration to be in line with the industry benchmarks, size of the Company and the segment into which the Company carries on its business.</p> |

| Particulars | Mr. Kishore Biyani | Mr. Rakesh Biyani |
|--|---|--|
| | the industry benchmarks, size of the Company and the segment into which the Company carries on its business. | |
| Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel(s), if any | Mr. Kishore Biyani is part of Promoters / Promoter Group, which holds in aggregate 47.02% (as on 31st December, 2019) of the total equity share capital of the Company. Besides the present and proposed remuneration, he does not have any other pecuniary relationship with the Company or the managerial personnel(s). | Mr. Rakesh Biyani is part of Promoters / Promoter Group, which holds in aggregate 47.02% (as on 31st December, 2019) of the total equity share capital of the Company. Besides the present and proposed remuneration, he does not have any other pecuniary relationship with the Company or the managerial personnel(s). |

III. Other Information:

- Reasons of Loss or inadequate profits:** Not Applicable.
- Steps taken or proposed to be taken for improvement:** Not Applicable.
- Expected increase in productivity and profits in measurable terms:** Not Applicable - as the Company has adequate profits.

IV. Disclosures:

The details pertaining to the remuneration proposed to be paid to (i) the Executive Chairman and (ii) Managing Director is provided in respective resolution(s) and statement as provided hereinabove. In compliance with Section 190 of the Act, a memorandum of terms of appointment / remuneration of (i) Executive Chairman and (ii) Managing Director are available for inspection of the Members in physical or in electronic form at the Registered Office of the Company upto last date specified by the Company for receipt of duly completed Postal Ballot Forms and e-voting.

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

Place : Mumbai
Date : 29th February, 2020

Virendra Samani
Company Secretary

Registered Office:
Knowledge House, Shyam Nagar,
Off Jogeshwari - Vikhroli Link Road,
Jogeshwari (East), Mumbai - 400 060