FUTURE CONSUMER ENTERPRISE LIMITED

(formerly known as Future Ventures India Limited)

Corporate Identity Number (CIN) : L52602MH1996PLC192090
Regd. Office: Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060
Tel. No.: +91 22 3084 1300 Fax : +91 22 6199 5391 E-mail : investor.care@futureventures.in Website : www.futureconsumer.in

POSTAL BALLOT NOTICE
(Pursuant to Section 110 of the Companies Act, 2013)

Dear Shareholder(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended from time to time (hereinafter referred to as the **"Rules"**), that the Resolution in respect of the following matter is proposed to be passed by Postal Ballot:

1. Scheme of Amalgamation of Future Agrovet Limited (**"FAL"**) with Future Consumer Enterprise Limited (**"FCEL" or "the Company"**) and their respective shareholders (**"the Scheme"**).

An explanatory statement pertaining to the said resolution setting out material facts in respect of above matter is annexed hereto. This postal ballot notice together with postal ballot form is being sent to you for your consideration.

Approval of the Shareholders (Other than individuals/entities forming part of Promoter and Promoter Group) of the Company (**"Public Shareholders"**) is being sought in terms of the requirements prescribed under Securities and Exchange Board of India **("SEBI")** Circular CIR/CFD/DIL/8/2013 dated May 21, 2013 read with Para 5.16(a) of SEBI Circular CIR/CFD/DIL/5/2013 dated February 4, 2013. The resolution for above mentioned matter shall be considered as approved only if the votes cast by the Public Shareholders in favor of the proposal are more than the number of votes cast by the Public Shareholders against it.

Members who wish to cast their votes physically through postal ballot form are requested to carefully read the instructions printed in the postal ballot form and return the form duly completed in the attached self addressed postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours on Monday, 28th July, 2014.

In accordance to the provisions of the Listing Agreement and that of the Rules, the Company is pleased to offer e-voting facility to its Shareholders. The Company has engaged National Securities Depository Limited (**"NSDL"**), an agency authorized by the Ministry of Corporate Affairs (**"MCA"**) for providing e-voting platform. The procedure for e-voting is explained under the Notes provided with this Notice.

1. To consider and if thought fit, to pass with or without modification(s), the following Resolution:

"**RESOLVED THAT** the arrangement as embodied in the Scheme of Amalgamation of Future Agrovet Limited with Future Consumer Enterprise Limited and their respective Shareholders (**"the Scheme" or "this Scheme"**), a copy of which is annexed alongwith this postal ballot notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company (the **"Board"**, which term shall be deemed to include any duly constituted Committee of Directors thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary to effectively implement the arrangement embodied in the Scheme and to accept such modification and / or conditions, if any, which may be required and / or imposed by the Hon'ble High Court of Judicature at Bombay while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for seeking approval for the Scheme and for the said purpose to settle any question or doubt that may arise in relation thereto and to further authorize one or more representatives of the Company to carry out any or all of the activities that the Board is authorized to do for the purpose of giving effect to this resolution."

By Order of the Board of Directors

Manoj Gagvani
Company Secretary & Head-Legal

Place: Mumbai
Date: 19th May,2014

Registered Office:
Knowledge House, Shyam Nagar,
Off Jogeshwari-Vikhroli Link Road,
Jogeshwari (East), Mumbai 400060

Notes:

1. An Explanatory Statement pursuant to applicable provisions of Companies Act, 1956 (which shall mean and include applicable provisions of Companies Act, 2013 to the extent made effective and notified and Rules thereto, hereinafter referred to as **"Companies Act"**) and Companies (Management and Administration) Rules, 2014, setting out material facts in relation to respective Resolution(s) as set out in the Notice is annexed hereto.

2. The Company has appointed Mr. Nilesh Shah, Practising Company Secretary as the Scrutinizer to receive and scrutinize the postal ballot forms from the Members. The postal ballot form and the self- addressed postage pre-paid envelope are enclosed for use of the Members.

3. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during the office hours on all working days between 11.00 a.m. and 1.00 p.m., upto 28th July, 2014.

4. The Company also offers e-voting option to all the Members. Members have an option to vote either through e-voting or physically through postal ballot form. Members opting for e-voting, cannot 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 casted through postal ballot form shall only be taken into consideration and votes casted by e-voting shall be treated as invalid.

5. Members who have registered their e-mail ids for receipt of documents in electronic mode under the 'Green Initiative' undertaken by MCA, are being sent postal ballot notice alongwith with postal ballot form on their registered e-mail ids. Members have an option to cast their votes either through e-voting or through postal ballot form. Members who wish to cast their votes physically through postal ballot form, may do so by filling up the details required therein. The postal ballot form for casting vote physically can also be obtained from the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup, (West), Mumbai – 400 078 or from the Company. The postal ballot form duly completed should be sent to the Scrutinizer in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before the close of working hours on Monday, 28th July,2014 to be eligible for being considered failing which, it will be strictly treated as if no reply has been received from the Member.

6. The Scrutinizer will submit his report to the Company after completion of the scrutiny and the results of postal ballot will be announced by placing it on the website of the Company www.futureconsumer.in on Friday, 1st August, 2014 from 4.00 p.m. onwards.

INSTRUCTIONS FOR VOTING

For Members opting to vote physically through postal ballot form

1. You are requested to carefully read the instructions printed in the postal ballot form and return the form duly completed with your assent (for) or dissent (against), in the attached postage pre-paid envelope, so as to reach the Scrutinizer on or before Monday, 28th July, 2014 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.

For Members opting to vote electronically through e-voting process

1. Instructions for Members exercising votes through e-voting process.

a) For Members' receiving e-mail on their registered email ids from NSDL:

i) Open e-mail and open PDF file viz; "FutureConsumer e-voting .pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and password for e-voting. Please note that the password is an initial password.
ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com
iii) Click on "Shareholder" – Login
iv) Put User ID and password as initial password noted in step (i) above. Click Login
v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles
vii) Select "EVEN" of Future Consumer Enterprise Limited
viii) Now you are ready for e-Voting as Cast Vote page opens
ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted
x) Upon confirmation, the message "Vote cast successfully" will be displayed
xi) Once you have casted your vote for the resolution, you will not be allowed to modify your vote
xii) Institutional Shareholders (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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: nilesh@ngshah.com with a copy marked to evoting@nsdl.co.in and investor.care@futureventures.in

b) In case of Members receiving postal ballot form by Post:

i) Initial password is provided at the bottom of the postal ballot form.
ii) Please follow all steps from Sl. No. (a) (ii) to Sl. No. (a) (xii) above to cast your vote.

2. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or contact NSDL at the following Telephone No: 022-24994600

3. If you are already registered with NSDL for e-voting, then you can use your existing User ID and password for casting your vote.

4. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

Explanatory Statement pursuant Companies Act and Companies (Management and Administration) Rules, 2014.

Item no. 1

1. Background of Companies

A. Future Consumer Enterprise Limited ("FCEL")

a. Future Consumer Enterprise Limited was originally incorporated in the State of Tamil Nadu on 10th July, 1996 under the name "Subhikshith Finance & Investments Limited". The Company became a private limited company vide fresh Certificate of Incorporation granted on 17th September, 2001 and its name was consequently changed to "Subhikshith Finance & Investments Private Limited". The name of the Company was changed to "Future Ventures India Private Limited" vide fresh certificate of incorporation granted on 9th August, 2007. The name of the Company was further changed to "Future Ventures India Limited" vide fresh Certificate of Incorporation granted on 7th September, 2007 after the Company ceased to be a private company. The name of the Company was further changed to 'Future Consumer Enterprise Limited" vide fresh Certificate of Incorporation granted on 30th September, 2013.

b. The Registered Office of FCEL is situated at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060.

c. The Authorized, issued, subscribed and paid-up share capital of FCEL as on 31st March, 2014 is as under:

Share Capital	INR in Lacs
Authorized Share Capital	
5,55,00,00,000 Equity Shares of Rs. 6 each	333,000.00
167,00,00,000 shares of Rs. 10 each	167,000.00
TOTAL	**500,000.00**
Issued, subscribed and paid-up Share Capital	
159,79,76,671 Equity Shares of Rs. 6 each, fully paid up	95,878.60
TOTAL	**95,878.60**

Subsequent to the said date, there has been no change in the capital structure of FCEL.

d. FCEL is engaged in the business of operating food and FMCG outlets and distribution in urban and rural areas with its own branded products in addition to third party brands and products. It also has investment in Salon and Spa business under the brand "Star and Sitara" and an edutainment company – Amar Chitra Katha Private Limited.

B. Future Agrovet Limited ("FAL")

a. Future Agrovet Limited was originally incorporated on 13th April, 2005 under the name "Pantaloon Food Product (India) Limited". The name was changed to its present name vide fresh Certificate of Incorporation granted on 19th November, 2008.

b. The Registered Office of FAL is situated at Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (E), Mumbai – 400 060.

c. The Authorized, issued, subscribed and paid-up share capital of FAL as on 31st March, 2014 is as under:

Share Capital	INR in Lacs
Authorized Share Capital	
6,00,00,000 Equity Shares of Rs. 10 each	6,000.00
TOTAL	**6,000.00**
Issued, subscribed and paid-up Share Capital	
3,65,00,000 Equity Shares of Rs. 10 each, fully paid up	3,650.00
TOTAL	**3,650.00**

FCEL along with its nominee shareholders presently hold the entire share capital of FAL.

d. FAL is a wholly owned subsidiary of FCEL and is primarily engaged in the business of procuring, processing and supplying of agricultural commodities in loose and packaged form to various formats of Future Group and to other institutional and general trade clientele. It also operates in staples warehousing of grains and pulses.

2. Description and Rationale for the Scheme

Description

The Scheme of Amalgamation (**"Scheme"**), pursuant to Sections 391 to 394 of the Companies Act, 1956 provides for amalgamation of FAL with FCEL and matters incidental and consequential thereto.

Rationale

a. FCEL is a public listed company which, through itself and its subsidiaries, operates food and FMCG outlets and distribution in urban and rural areas with its own branded products in addition to third party brands and products.
b. FAL is, inter alia, in the business of procuring, processing and supplying of agricultural commodities.
c. The amalgamation of FAL with FCEL would, inter-alia, have the following benefits:
   i) Cost savings in terms of economies of scale, sourcing benefits, vendor rationalization, more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements;
   ii) The synergies that exist between the two entities can be put to the best advantage of all stakeholders;
   iii) Greater size, scale, integration and greater financial strength and flexibility for the restructured entity;
   iv) The consolidated entity will benefit from improved organizational capability and leadership, arising from the combination of people from FAL and FCEL who have the diverse skills, talent and vast experience to compete successfully in increasingly competitive environment; and
   v) Removing multiple layer hindrances

3. **The salient features of the Scheme are as follows:**

a. Appointed Date of the Scheme is April 1, 2014
b. With effect from the Appointed Date, the whole of the undertaking of FAL shall be merged with FCEL
c. Since the entire share capital of FAL is held by FCEL, no consideration shall be payable / dischargeable to the Shareholders of FAL for the amalgamation of FAL with FCEL
d. Upon the Scheme becoming effective, FAL shall be dissolved without being wound up.

The features set out above being only the salient features of the Scheme of Amalgamation, the Shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

4. Pursuant to the Scheme, there is no issue of shares since FAL, the Transferor Company, is a wholly owned subsidiary of FCEL, the Transferee Company. Therefore, upon the Scheme becoming effective, there would be no change in the shareholding pattern and share capital structure of FCEL.

The shareholding pattern of FCEL as on 31st March, 2014 is as under:

Category of Shareholder	No. of Shareholders	Total No. of Shares	%
(A) Shareholding of Promoter and Promoter Group			
(1) Indian			
Bodies Corporate	11	65,71,75,975	41.13
Any Others (Specify)			
Relatives of Promoters	2	166,788	0.01
Sub Total (A) (1)	**13**	**65,73,42,763**	**41.14**
(2) Foreign	0	0	0
Total shareholding of Promoter and Promoter Group (A)	**13**	**65,73,42,763**	**41.14**
(B) Public Shareholding			
(1) Institutions			
Foreign Institutional Investors	15	315,907,119	19.77
Sub Total (B) (1)	**15**	**315,907,119**	**19.77**
(2) Non-Institutions			
Bodies Corporate	345	46,72,84,196	29.24
Individuals			
Individual Shareholders holding nominal share capital up to Rs. 1 Lacs	22,122	3,84,82,348	2.41
Individual Shareholders holding nominal share capital in excess of Rs. 1 Lacs	1,068	11,16,12,185	6.98
Any Others (Specify)			
Clearing Members	84	1,497,723	0.09
Non Resident Indians	226	5,250,373	0.33
Hindu Undivided Families	16	599,964	0.04
Sub Total (B) (2)	**23,861**	**62,47,26,789**	**39.09**
Total Public shareholding (B)	**23,876**	**94,06,33,908**	**58.86**
Total (A)+(B)	**23,889**	**1,59,79,76,671**	**100.00**

5. The directors holding the shares, if any, in FCEL do not have any other interest in the Scheme otherwise than that as Shareholders in general. Save as aforesaid, none of the Directors of the Companies have any material interest in the proposed Scheme.

The extent of the shareholding of the Directors of FAL in FAL and FCEL either singly or jointly or as nominee as on March 31, 2014 is as under:

Sr No	Name of the Director	Designation	Shares in FAL	Shares in FCEL
1	Narendra Baheti	Managing Director	-	1,12,500
2	C.P. Toshniwal	Director	-	-
3	Sadashiv Nayak	Director	-	52,181
4	Rajendra Baheti	Whole Time Director	-	10,000
5	Govind Baheti	Whole Time Director	-	-
6	Jagdish Shenoy*	Additional Director	-	-

* appointed with effect from 23rd January, 2014

The extent of the shareholding of the Directors of FCEL in FAL and FCEL either singly or jointly or as nominee as on March 31, 2014 is as under:

Sr No	Name of the Director	Designation	Shares in FAL	Shares in FCEL
1	Anil Harish	Director	-	-
2	Kishore Biyani	Vice Chairman	-	-
3	G. N. Bajpai	Chairman	-	-
4	Jagdish Shenoy	Director	-	-
5	Gaurav Burman	Director	-	-
6	B Anand	Director	-	-
7	Frederic de Mevius	Director	-	-
8	Vibha Rishi	Director	-	-

6. FCEL had filed an application for approval to the Scheme in the terms of Clause 24(f) of the Listing Agreement with BSE Limited (**"BSE"**) and the National Stock Exchange of India Limited (**"NSE"**) on February 6, 2014. The Company has received the approval of BSE and NSE vide their Observation Letters dated May 26, 2014 and May 23, 2014 respectively. Copies of the said Observation Letters are attached hereto.

7. The financial position of FCEL will not be adversely affected by the Scheme. The rights and interests of the creditors of FCEL will not be prejudicially affected by the Scheme as FCEL, post the Scheme, will be able to meet its liabilities as they arise in the ordinary course of business. Further, the rights and interests of the shareholders of FCEL will not be prejudicially affected by the Scheme as neither any sacrifice/waiver is, at all, called from them nor are their rights sought to be modified in any manner.

8. No investigation proceedings are pending or are likely to be pending under Sections 235 to 251 of the Companies Act, 1956 in respect of FCEL. No winding up petitions have been admitted against FCEL.

9. In the event that this Scheme is terminated or withdrawn in the manner set out herein, this Scheme shall stand revoked, cancelled and be of no effect and null and void and in such event each party hereto shall bear and pay their respective costs, charges and expenses for and or in connection with the Scheme.

10. No complaints were received against the Scheme from any party. Copy of the Complaints report filed with BSE and NSE is attached hereto.

11. The Shareholders may have inspection of following documents at the Registered Office of FCEL between 11:00 AM and 1:00 PM upto 28th July, 2014 on all working days (except Saturday, Sunday and Public holiday):

    (a) Scheme of Amalgamation;
    (b) Memorandum and Articles of Association of FCEL and FAL;
    (c) The Audited Financial Statements of FCEL & FAL for the financial year ended March 31st, 2013, March 31st, 2012 and March 31st 2011 ;
    (d) Copies of the resolutions passed by the respective Board of Directors of FCEL and FAL approving the Scheme;
    (e) Copies of the Observation Letters of BSE and NSE dated May 26th 2014 and May 23rd, 2014 respectively.
    (f) Copy of Complaints report filed with stock exchanges

None of the Directors of the Company are in any way concerned or interested in the aforesaid Resolution.

Your Directors recommend the Resolution at Item No. 1 of this Notice for your approval. Only Public Shareholders i.e (Shareholders Other than individuals /entities forming part of Promoter and Promoter Group) of the Company are entitled to vote on Resolution set out at Item No. 1 of this Notice.

By Order of the Board of Directors

Place : Mumbai
Date : 19th May,2014

Company Secretary & Head-Legal

Registered office:
Knowledge House, Shyam Nagar,
Off Jogeshwari-Vikhroli Link Road,
Jogeshwari (East), Mumbai 400060

SCHEME OF AMALGAMATION

BETWEEN

FUTURE AGROVET LIMITED

WITH

FUTURE CONSUMER ENTERPRISE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

(A) PREAMBLE

This Scheme of Amalgamation ('Scheme') is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for:

(a) Amalgamation of Future Agrovet Limited with Future Consumer Enterprise Limited and their respective shareholders.
(b) This Scheme also provides for various other matters consequential or otherwise.

(B) RATIONALE

The key objective of this Scheme is to ensure simplification of group structure by elimination of multiple entities and achieve greater administrative efficiency, elimination of administrative functions and multiple record keeping, thus resulting in reduced expenditure, and significant reduction in the multiplicity of regulatory compliances.

(C) PARTS OF THE SCHEME:

This Scheme of Amalgamation is presented under section 391 to 394 and other applicable provisions of the Companies Act, 1956 and is divided into the following parts:

(i) PART I deals with the definitions and share capital;

(ii) PART II deals with the amalgamation of Future Agrovet Limited with Future Consumer Enterprise Limited;

(iii) PART III deals with general terms and conditions applicable to this Scheme.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereunder), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

1.1 **"Act" or "The Act"** means the Companies Act, 1956 (including Companies Act, 2013,if applicable) or any statutory modification or re-enactment thereof for the time being in force;

1.2 **"Appointed Date"** means 1st day of April, 2014 or such other date as may be approved by the High Court of Judicature at Bombay;

1.3 **"Board"** means Board of Directors and includes a committee thereof;

1.4 **"Court" or "High Court"** means the High Court of Judicature of Bombay and shall include the National Company Law Tribunal, if and when applicable;

1.5 **"Effective Date"** means date on which the certified copy of the Order of High Court of Judicature at Bombay under Sections 391 - 394 of the Act sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra at Mumbai by FAL and FCEL;

1.6 **"FAL" or "the Transferor Company"** means Future Agrovet Limited, a company incorporated under the Companies Act, 1956, and having its Registered Office at Knowledge House, Shyamnagar, Off Jogeshwari Vikhroli Link Rd Jogeshwari (E), Mumbai-400060;

1.7 **"FCEL" or "the Transferee Company"** means Future Consumer Enterprise Limited, a company incorporated under the Companies Act, 1956, and having its Registered Office at Knowledge House, Shyamnagar, Off Jogeshwari Vikhroli Link Rd Jogeshwari (E), Mumbai-400060;

1.8 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Amalgamation in its present form as submitted to the High Court of Judicature of Bombay or this Scheme with such modification(s), if any made, as per Clause 16 of the Scheme;

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

2.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court of Judicature at Bombay or made as per Clause 16 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

2.2 Any reference in this Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "upon the coming into effect of the Scheme" shall mean the Effective Date.

3. SHARE CAPITAL

3.1 The authorized, issued, subscribed and paid-up share capital of FAL as on March 31, 2013 is as under:

Share Capital	INR in Lacs
Authorized Share Capital	
6,00,00,000 Equity Shares of Rs. 10 each	6,000.00
TOTAL	**6,000.00**
Issued, subscribed and paid-up Share Capital	
3,65,00,000 Equity Shares of Rs. 10 each, fully paid up	3,650.00
TOTAL	**3,650.00**

Subsequent to the above date, there has been no change in the capital structure of the company. The entire equity share capital of FAL is held by FCEL.

2.2 The authorized, issued, subscribed and paid-up share capital of FCEL as on March 31, 2013 is as under:

Share Capital	INR in Lacs
Authorized Share Capital	
5,55,00,00,000 Equity Shares of Rs. 6 each	3,33,000.00
167,00,00,000 Equity Shares of Rs. 10 each	1,67,000.00
TOTAL	**5,00,000.00**
Issued, subscribed and paid-up Share Capital	
159,79,76,671 Equity Shares of Rs. 6 each, fully paid up	95,878.60
TOTAL	**95,878.60**

Subsequent to above and as on date, there has been no change in the capital structure of the company.

AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

4. TRANSFER AND VESTING

4.1 With effect from the Appointed Date, the whole of the undertaking including assets, investments and properties of the Transferor Company, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred and/or deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets, investments and properties of the Transferee Company.

4.1.1 Any and all assets relating to the Transferor Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme shall stand transferred and vested by the Transferor Company to the Transferee company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly. No stamp duty shall be payable on the transfer of such movable properties upon its transfer and vesting in the Transferee company.

4.1.2 Any and all movable properties of the Transferor Company, other than those specified in sub-clause 4.1.1 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred and vested as the property of the Transferee company.

4.1.3 Any and all immovable properties (including land together with the buildings and structures standing thereon) held/owned by the Transferor Company, whether freehold or leasehold/licensed and any documents of title, rights and easements in relation

thereto, shall stand transferred to and be vested in the Transferee company, without any act or deed done by the Transferor Company or the Transferee company. With effect from the Appointed Date, the Transferee company shall be entitled to exercise all rights and privileges and be liable to pay lease rent/license fees, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/assignment of title or rights to the immovable properties in the name of the Transferee company shall be made and duly recorded by the appropriate authorities or the concerned lessors/licensors pursuant to the sanction of this Scheme by the Hon'ble High Court and this Scheme becoming effective in accordance with the terms hereof without any further act or deed on part of the Transferee company.

4.2 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company, as on the Appointed Date, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or upto the day of the Appointed Date shall, pursuant to the Orders of the High Court or such other competent authority as may be applicable under Section 394 and other applicable provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

4.3 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by the Transferor Company required to carry on operations shall stand vested in or transferred to the Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to the Transferee Company pursuant to the Scheme. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

4.4 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and those created by the Transferor Company after the Appointed Date, over the assets of the Transferor Company transferred to the Transferee Company shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend or enlarge to any of the other assets of the Transferee Company.

5. CONSIDERATION

5.1 The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the Transferor Company and the share capital of the Transferor Company shall stand cancelled.

5.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company.

6 ACCOUNTING TREATMENT

6.1 All assets and liabilities of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective fair values as may be determined by the Board of Directors;

6.2 The investment in the share capital of the TransferorCompany held by the Transferee Company, if any, as on Effective date, shall stand cancelled.

6.3 Inter-company balances, if any, will stand cancelled;

6.4 The difference, between the fair value of assets and the fair value of liabilities transferred to the Transferee Company, after making the adjustment as mentioned in clause 6.2 and 6.3 above, in case of excess, shall be credited to Capital Reserve Account and in case of shortfall, be debited to Goodwill Account.

7. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

7.1 The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire business and undertakings, for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date or Appointed Date, whichever is later.

7.2 Until the Scheme is effective, the Transferor Company shall carry on its businesses and activities with reasonable diligence and business prudence and shall not, alter or diversify its respective business nor venture into any new business, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company.

7.3 With effect from the Appointed Date upon the Scheme becoming effective, all the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company, shall for all purposes be treated as the income or profits or losses or expenditure as the case may be of the Transferee Company.

7.4 The Transferor Company shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company as the case may be.

7.5 The Transferor Company and/or the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company.

8. LEGAL PROCEEDINGS

8.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

8.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

9. CONTRACTS, DEEDS, ETC

9.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Transferor Company to which the Transferor Company is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

9.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

9.3 All taxes of any nature, duties, cess or any other like payments or deductions made by Transferor Company to any statutory authorities such as Income Tax, Sales tax, Service Tax, Value Added Tax etc. or any tax deduction/ collection at source, relating to the period after the Appointed Date and upto the Effective Date shall be deemed to have been on account of and on behalf of Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the order on this Scheme by the High Court or any other appropriate authority and upon relevant proof and documents being provided to the said authorities.

9.4 The Transferor Company and the Transferee Company are expressly permitted to revise their respective tax returns including tax deducted at source (TDS) certificates/ returns and to claim refunds, advance tax credits, excise and service tax credits, set off, etc., upon coming into effect of this Scheme, and its right to make such revisions in the related tax returns and related certificates, as applicable, and the right to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

9.5 All cheques and other negotiable instruments, payment orders received in the name of Transferor Company after the Effective Date shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company. Similarly, the banker of Transferee Company shall honor cheques issued by Transferor Company for payment after the Effective Date.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Transferor Company, on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

11. STAFF, WORKMEN & EMPLOYEES

11.1 All the permanent employees of the Transferor Company, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Transferee Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favorable than those on which they are engaged by the Transferor Company immediately preceding the Effective Date. Services of the employees of the Transferor Company shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Company shall also be taken into account.

11.2 The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company.

11.3 It is provided that as far as the Provident Fund, Gratuity Fund and Pension and/ or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company in respect of the employees transferred with the undertaking for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. The Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees or be transferred to and merged with other similar funds of the Transferee Company.

11.4 It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company. The Trustees including the Board of the Transferor Company and the Transferee Company or through any committee / person duly authorized by the Board in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Company.

11.5 With effect from the date of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor Company shall not vary or modify the terms and conditions of employment of any of its employees, except with written consent of the Transferee Company.

12. WINDING UP

The Transferor Company shall stand dissolved automatically without being wound up.

13. COMBINATION OF AUTHORISED CAPITAL

13.1 Upon coming into effect of the Scheme, the Authorized Share Capital of the Transferor Company as mentioned in Clauses 3.1 above, or such amount as may be on the Effective Date, may be added to the Authorized Share Capital of the Transferee Company, as on Effective Date, without any further act or deed and without any further payment of stamp duty or the registration fees and Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Transferee Company to be amended accordingly.

13.2 The Authorized Capital to be increased by Rs. 60,00,00,000 (Rupees Sixty Crores Only) divided into 10,00,00,000 Equity Shares of Rs. 6 each.

PART III - GENERAL TERMS AND CONDITIONS

14. APPLICATION TO HIGH COURT

14.1 The Transferor Company and the Transferee Company, as may be directed by the High court of Judicature at Bombay shall make all necessary applications and petitions under Sections 391 to 394 of the Act and other applicable provisions of the Act for seeking approval of the Scheme.

15. CONDITIONALITY OF THE SCHEME

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

(a) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective shareholders and/or creditors of the Transferee Company and the Transferor Company as may be directed by the respective High Court.

(b) The Scheme being approved by a shareholders' resolution of the Transferee Company passed by way of postal ballot/e-voting in terms of para 5.16 of Circular Number CIR/CFD/DIL/5/2013 dated February 4th, 2013 issued by Securities and Exchange Board of India ("SEBI") read with para 7 of Circular Number CIR/CFD/DIL/8/2013 dated May 21st, 2013 issued by SEBI; provided that the same shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.

(c) The Scheme being sanctioned by the High Court or any other authority under Sections 391 to 394 and other applicable provisions of the Act.

(d) The certified copies of the Orders of High Court of Judicature at Bombay under Sections 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Mumbai, Maharashtra, by the Transferor Company and the Transferee Company.

16. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company with approval of their respective Boards may consent, from time to time, on behalf of all persons concerned, to any modifications/amendments or additions/deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Boards to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms

and / or conditions or limitations that the Hon'ble Court or any other authorities under law may deem fit to approve of, to direct and /or impose. The aforesaid powers of the Transferor Company and the Transferee Company to give effect to the modification/amendments to the Scheme may be exercised by their respective Boards or any person authorised in that behalf by the concerned Board subject to approval of the Hon'ble Court or any other authorities under applicable law.

17. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and / or the Order not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

18. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

This page has been kept intentionally blank

BSE Limited Registered Office : Floor 25, P J Towers, Dalal Street, Mumbai 400 001 India
T: +91 22 2272 1234 / 33 F: +91 22 2272 1003 www.bseindia.com

BSE EXPERIENCE THE NEW

CIN NO:U67120MH2005PLC155188

DCS/AMAL/BS/24(f)/054/2014-15 May 26, 2014

The Company Secretary
Future Consumer Enterprises Limited
Knowledge House, Shyam Nagar,
Off Jogeshwari Vikhroli Link Road,
Jogeshwari (E), ,Mumbai ,Maharashtra ,400060

Dear Sir / Madam,

Sub: **Observation letter regarding the Scheme of Arrangement between Future Consumer Enterprises Limited with Future Agrovet Limited.**

We are in receipt of draft Scheme of Arrangement involving merger of Future Agrovet Limited (FAL) (WOS) with Future Consumer Enterprise Limited (FCEL)

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated May 02, 2014 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 20, 2013; SEBI has vide its letter dated May 23, 2014 given the following comment(s) on the draft scheme of arrangement:

- ***The company shall duly comply with various provisions of the Circulars.***

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further, you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its 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.

Yours faithfully,

Bhuvana Sriram
Dy. Manager

Pooja Sanghvi
Asst. Manager

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50 Stock of the nation

Ref: NSE/LIST/239714-R

May 23, 2014

The Company Secretary
Future Consumer Enterprise Limited
247 Park, Tower C,
7th Floor, LBS Road,
Vikhroli - W
Mumbai - 400083

Kind Attn.: Mr. Manoj Gagvani

Dear Sir,

Sub.: Observation letter for Scheme of Amalgamation between Future Agrovet Limited with Future Consumer Enterprise Limited and their respective shareholders

This has reference to draft Scheme of Amalgamation between Future Agrovet Limited with Future Consumer Enterprise Limited and their respective shareholders submitted to NSE vide your letter dated February 05, 2014.

Based on our letter reference no NSE/LIST/231700-W submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI vide its letter dated May 23, 2014, has given following comments on the draft scheme of amalgamation:

"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 Company to file the scheme with the Hon'ble High Court.

However, the Exchange reserves its right 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 this "Observation Letter" shall be six months from May 23, 2014, within which the scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

a. Copy of Scheme as approved by the High Court;
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

Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India. • Tel: +91 22 26598235/36, 26598346 • Fax: +91 22 26598237/38
E-mail : cmlist@nse.co.in • Web site: www.nseindia.com

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 SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Kamlesh Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed
Signer : Patel Kamlesh
Date: Fri, May 23, 2014 17:18:46 IST
Location: NSE

FUTURE CONSUMER ENTERPRISE LIMITED
an integrated food & FMCG company

ANNEXURE I

Complaints Report: From 7th February, 2014 to 27th February, 2014

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	**NIL**
2.	Number of complaints forwarded by Stock Exchange	**NIL**
3.	Total Number of complaints/comments received (1+2)	**NIL**
4.	Number of complaints resolved	**Not Applicable**
5.	Number of complaints pending	**Not Applicable**

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable	Not Applicable	Not Applicable
2.	Not Applicable	Not Applicable	Not Applicable
3.	Not Applicable	Not Applicable	Not Applicable

For Future Consumer Enterprise Limited

Manoj Gagvani
Company Secretary and Head-Legal

Date: 28th February, 2014