FUTURE CONSUMER ENTERPRISE LIMITED

*an integrated food & FMCG company*

18th December, 2014

To,
The Secretary
Department of Corporate Services
BSE Limited
P. J. Towers, Dalal Street,
Mumbai – 400 001.
**Scrip Code: 533400**

To,
Asst. Vice President -Listing
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai-400 051
**Scrip Code: FCEL**

Dear Sir(s),

**Sub.: Notice of Extra Ordinary General Meeting**

Please take note that an Extra Ordinary General Meeting of the Members of the Company is scheduled to be held on Monday, 12th January, 2015 at 11.00 a.m. at "The Auditorium", 247 Park, Tower 'C', 4th Floor, LBS Marg, Vikhroli (West), Mumbai – 400 083. In terms of Clause 31 of the Listing Agreement, please find enclosed herewith six copies of Notice calling the aforesaid Extra Ordinary General Meeting.

Kindly take the above information on your records.

Thanking you,

Yours truly,
For **Future Consumer Enterprise Limited**

**Manoj Gagvani**
**Company Secretary & Head – Legal**

# 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 **Emai:** investor.care@futureconsumer.in **Website:** www.futureconsumer.in

## NOTICE

Notice is hereby given that an Extra Ordinary General Meeting of the Members of Future Consumer Enterprise Limited will be held at "The Auditorium", 247 Park, Tower 'C', 4th Floor, LBS Marg, Vikhroli (West), Mumbai - 400 083 on Monday, 12th January, 2015, at 11.00 a.m to transact the following businesses:

**SPECIAL BUSINESS:**

**ITEM NO. 1 : Issue of Equity Shares on Preferential basis.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed, and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, (the "**SEBI Regulations**") and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such approvals, permissions, sanctions and consents as may be required and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (the "**Board**" which term shall be deemed to include its **"Committee of Directors"**), consent of the Shareholders of the Company (**"Shareholders"**) be and is hereby accorded to the Board to create, offer, issue and allot, from time to time, in one or more tranches, upto an aggregate of 4,59,18,367 equity shares of Rs. 6/- (Rupees Six) each at a price of Rs. 12.74 (Rupees Twelve and paise Seventy-Four only) per equity share (inclusive of premium of Rs. 6.74 (Rupees Six and paise Seventy-four only) per equity share) aggregating to Rs. 58,49,99,995.58 (Rupees Fifty-Eight Crore Forty-Nine Lakhs Ninety-nine Thousand Nine Hundred Ninety-five and paise Fifty-eight Only) **("Issue Shares")** on preferential basis to the following entities:

| Sr. No. | Name of the Entity | No of Equity shares proposed to be issued and allotted |
|---|---|---|
| 1 | Godrej Agrovet Limited (**"GAVL"**) | 3,02,56,870 |
| 2 | Anamudi Real Estates LLP (**"AREL"**) | 1,56,61,497 |
| | **Total** | **4,59,18,367** |

**RESOLVED FURTHER THAT** the Issue Shares being offered, issued and allotted to GAVL and AREL by way of a preferential issue shall *inter alia* be subject to the following:

(i) The Issue Shares to be offered, issued and allotted to GAVL and AREL shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

(ii) The Issue Shares to be offered, issued and allotted shall rank *pari passu* with the then existing equity shares of the Company in all respects including as to dividend;

(iii) The "Relevant Date" for the offer, issue and allotment of the Issue Shares by way of a preferential issue, as per the SEBI Regulations, for the determination of minimum price for the issue of the Issue Shares is 12th December, 2014, being 30 days prior to the date of this Extra Ordinary General Meeting;

(iv) The Issue Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of SEBI Regulations; and

(v) The Issue Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.

**RESOLVED FURTHER THAT** subject to the provisions of SEBI Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the offer, issue and allotment of the Issue Shares and vary, modify or alter any relevant terms and conditions, including size of the preferential issue to GAVL and AREL, as it may deem expedient.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient including to take such steps which may be incidental, consequential, relevant or ancillary in this connection and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further consent or approval of the Shareholders for the purpose of giving effect to this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorised to delegate all or any of its powers to any officer(s) or representatives of the Company to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint intermediaries or other professional advisors, consultants and legal advisors, if required, to give effect to this resolution."

**ITEM NO. 2 : Appointment of Ms. Ashni Biyani as Whole Time Director of the Company and approve payment of remuneration.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in accordance with the provisions of Section 196, 197 and 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and Rules framed there under (including any statutory modification(s) or re-enactments thereof, for the time being in force) and subject to consents and permissions from regulatory authorities as may be necessary and subject to conditions that may be imposed by such authorities while granting such consents, permissions and approvals which may be agreed to by the Board of Directors of the Company (hereinafter referred to as **"Board"**, which term shall be deemed to include the **"Nomination and Remuneration/Compensation Committee"** of the Company), consent of the Shareholders of the Company (**"Shareholders"**) be and is hereby accorded for appointment of Ms. Ashni Biyani (DIN 00058775) as "Whole Time Director" of the Company (**"Appointee"**) and payment of remuneration to her for a period of three years with effect from 15th November, 2014 (**"Term"**) in the scale of Rs. 75,00,000/- to Rs. 97,50,000/- per annum (plus permissible contribution to provident fund, other funds and payment of gratuity, which shall not be included in computation of the ceiling on perquisites) plus other allowances and re-imbursements as per Company policy, and more particularly on terms and conditions as per the agreement to be executed between the Company and the Appointee.

**RESOLVED FURTHER THAT** in the event of there being no profits or inadequacy of profits in any financial year during the currency of Term of the Appointee, the amount of remuneration and perquisites fixed as aforesaid shall be the minimum remuneration and perquisites payable to the Appointee provided that the total remuneration by way of salary and perquisites shall not exceed the limits as prescribed under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to alter and vary the terms and conditions of appointment and / or remuneration payable to the Appointee subject to the limits specified under the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby further authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion consider necessary, expedient or desirable, and to settle any questions or doubts that may arise in relation thereto and to authorise one or more representatives of the Company to carry out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution including to execute such further deeds, documents and writings that may be considered necessary and appropriate."

**ITEM NO. 3**

**Approval of Future Consumer Enterprise Limited Employee Stock Option Plan 2014 and grant of Employee Stock Options to the employees of the Company thereunder**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as **"SEBI SBEB Regulations"**) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee, including the Nomination and Remuneration /Compensation Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Shareholders of the Company **("Shareholders")** be and is hereby accorded respectively to the 'Future Consumer Enterprise Limited Employee Stock Option Plan 2014' (hereinafter referred to as the **"FCEL ESOP 2014"**/ **"Plan"**) and to the Board to create, offer and grant from time to time upto 3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand ) Employee Stock Options **("ESOPs"**) being not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on 31st March 2014, to the permanent employees including Directors of the Company (other than Promoter(s) or belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, whether working in India or out of India (hereinafter referred to as an **"Employee(s)"**), as may be decided solely by the Board under the Plan, exercisable into not more than 3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand ) fully paid-up equity shares in the Company in aggregate of face value of Rs. 6/- (Rupees Six) each, through an Employee Welfare Trust (herein after referred to as **"Trust"**) to be set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

**RESOLVED FURTHER THAT** the Board be and is hereby further authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank *pari passu* in all respects with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** the number of ESOPs that may be granted to the Employee(s) , in any financial year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Shareholders **("Additional Shares"**), the ceiling as aforesaid of 3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand ) ESOPs and equity shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment.

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 6/- (Rupees Six) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the FCEL ESOP 2014 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the FCEL ESOP 2014 and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the FCEL ESOP 2014.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorized to take necessary steps for listing of the equity shares allotted under the FCEL ESOP 2014 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby further authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of FCEL ESOP 2014 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution."

**ITEM NO. 4**

**Grant of Employee Stock Options to the employees of the Subsidiary Company(ies) of the Company under Future Consumer Enterprise Limited Employee Stock Option Plan 2014**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as "**SEBI SBEB Regulations"**) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee, including the Nomination and Remuneration /Compensation Committee which the Board has constituted to exercise its powers, including the

powers, conferred by this resolution), approval and consent of the Shareholders of the Company **("Shareholders"**) be and is hereby accorded to create, offer and grant from time to time upto 3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand) Employee Stock Options **("ESOPs"),** within the overall ceiling of 3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand) equity shares as specified in a separate Resolution approved by the Shareholders at the Extra Ordinary General Meeting of the Company held on 12th January, 2015, being not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on 31st March 2014, to the permanent employees including Directors (other than Promoter(s) or belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, whether working in India or out of India of any existing and future subsidiary compay(ies) of the Company whether in or outside India (hereinafter referred to as an **"Employee(s)"),** as may be decided solely by the Board under the 'Future Consumer Enterprise Limited Employee Stock Option Plan 2014' (hereinafter referred to as the "FCEL ESOP 2014"/ "Plan"), exercisable into not more than 3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand) fully paid-up equity shares in the Company in aggregate of face value of Rs. 6/- (Rupees Six) each, through an Employee Welfare Trust (herein after referred to as **"Trust")** to be set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

**RESOLVED FURTHER THAT** the Board for this purpose be and is hereby further authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank *pari passu* in all respects with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** the number of ESOPs that may be granted to the any employee(s) of the subsidiary company(ies), in any financial year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Shareholders **("Additional Shares"),** the ceiling as aforesaid of 3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand) ESOPs and equity shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment.

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 6/- (Rupees Six) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the FCEL ESOP 2014 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the FCEL ESOP 2014 and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the FCEL ESOP 2014.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorized to take necessary steps for listing of the equity shares allotted under the FCEL ESOP 2014 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby further authorized to do all such acts, deeds and things, as may it may in its absolute discretion, deem necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of FCEL ESOP 2014 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution."

**ITEM NO. 5**

**Approval of Trust route for the implementation of Future Consumer Enterprise Limited Employee Stock Option Plan 2014.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as "**SEBI SBEB Regulations")** and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee, including the Nomination and Remuneration /Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Shareholders of the Company **("Shareholders")** be and is hereby accorded to the Board to implement 'Future Consumer Enterprise Limited Employee Stock Option Plan 2014' (hereinafter referred to as the **"FCEL ESOP 2014"/ "Plan"**) through an Employee Welfare Trust (hereinafter referred to as **"Trust"**) and the Trust to subscribe, acquire, hold and deal in equity shares of the Company for the purpose of implementation of FCEL ESOP 2014, or for any other purpose(s) as contemplated herein and in due compliance with the provisions of the SEBI SBEB Regulations, the Companies, Act,2013 (including rules framed thereunder) and other applicable laws and regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further consent or approval of the Shareholders and the Board be and is hereby further authorized to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution."

**ITEM NO. 6**

**Provision of money by the Company for purchase of its own shares by the Trust/ Trustees for the benefit of employees under Future Consumer Enterprise Limited Employee Stock Option Plan 2014.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as **"SEBI SBEB Regulations"**), Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 as amended from time to time (hereinafter referred to as **"Companies Rules")** and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee, including the Nomination and Remuneration /Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), consent of the Shareholders of the Company be and is hereby accorded to the Board to grant loan, to, provide guarantee or security in connection with a loan granted or to be granted to, the Employee Welfare Trust (hereinafter referred to as **"Trust")** set-up by the Company in one or more tranches not exceeding 5% (Five percent) of the aggregate of the paid-up share capital and Free Reserves for the purpose of subscription and/or purchase of equity shares of the Company by the Trust/ Trustees, in one or more tranches, subject to the ceiling of equity shares as may be prescribed under 'Future Consumer Enterprise Limited Employee Stock Option Plan 2014' (hereinafter referred to as the **"FCEL ESOP 2014"/ "Plan"**), from time to time, with a view to deal in such equity shares in line with contemplated objectives of the Plan or for any other purpose(s) as permitted under and in due compliance with the provisions of the SEBI SBEB Regulations, the Companies Rules and other applicable laws and regulations.

**RESOLVED FURTHER THAT** any loan provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the FECL ESOP 2014 subject to exercise price being paid by the employees on exercise of Employee Stock Options under the Plan.

**RESOLVED FURTHER THAT** the Trust shall not deal in derivatives and shall undertake transactions as permitted by SEBI SBEB Regulations.

**RESOLVED FURTHER THAT** the Trustees of the Trust shall not vote in respect of the shares held by such Trust.

**RESOLVED FURTHER THAT** for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as non-promoter and non-public shareholding.

**RESOLVED FURTHER THAT** the Trustees of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Companies Rules and all other applicable laws at all times in connection with dealing with the shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed."

**By Order of the Board of Directors**

Place : Mumbai
Date : 12th December, 2014

**Manoj Gagvani**
**Company Secretary & Head-Legal**

**Registered Office:**

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

**Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the businesses set out in the Notice, is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company.

3. Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Extra Ordinary General Meeting.

4. Corporate Members intending to send their authorised representative(s) to attend the Extra Ordinary General Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Extra Ordinary General Meeting.

5. Members who hold shares in electronic form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio numbers in the attendance slip for attending the meeting to facilitate identification of membership at the Extra Ordinary General Meeting.

6. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agents of the Company at the following address:

   **Link Intime India Private Limited**
   C – 13, Pannalal Silk Mills Compound, LBS Marg,
   Bhandup (West), Mumbai – 400 078
   Tel No. +91 22 2594 6970, Fax No. +91 22 2594 6969
   Email: rnt.helpdesk@linktime.co.in

7. Documents referred to in the accompanying Notice and the Explanatory Statement are available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. upto the date of the Extra Ordinary General Meeting on all working days (except Saturday, Sunday and Public Holiday).

8. Members/ Proxies are requested to bring the Attendance Slip(s) duly filled in at the Extra Ordinary General Meeting.

9. In accordance to the provisions of Section 108 of the Companies Act, 2013 and Companies (Management & Administration) Rules, 2014, the Company is pleased to offer to its Members facility for voting through electronic means **("E-voting")** in respect of the businesses as set out in this Notice.

10. Electronic copy of Notice calling the Extra Ordinary General Meeting of the Company *inter alia* indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is also being sent to all members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copy of Notice of the Extra Ordinary General Meeting of the Company *inter alia* indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

11. Members have an option to either cast their vote in physical form by attending the Extra Ordinary General Meeting or vote through E-voting facility. Members opting for E-voting, cannot vote in physical mode at the Extra Ordinary General Meeting. Similarly, Members opting to attend and vote at the Extra Ordinary General Meeting should not exercise the option for E-voting. However, in case Members cast their vote exercising both the options, i.e through voting at the Extra Ordinary General Meeting and E-voting, then votes casted at the Extra Ordinary General Meeting shall only be taken into consideration and votes casted by E-voting shall be treated as invalid.

12. The Company has engaged National Securities Depository Limited **("NSDL")**, an agency authorized by the Ministry of Corporate Affairs **("MCA")** for providing E-voting platform.

13. Mr. Nilesh Shah, Practising Company Secretary (Membership No. FCS 4554) has been appointed as the Scrutinizer to scrutinize the E-voting process for the Extra Ordinary General Meeting in a fair and transparent manner.

14. E-voting period shall commence from Monday, 29th December, 2014 at 9.30 a.m and shall end on Wednesday, 31st December, 2014 at 6.00 p.m. The E-voting module shall be disabled for voting by NSDL thereafter. During the E-voting period Members of the Company, holding shares in physical form or in dematerialized form as on the cut-off date - 5th December, 2014 may cast their vote electronically. Once the vote is cast by the Member on a resolution, the Member shall not be allowed to change it subsequently.

15. The voting rights with one vote per share shall be reckoned on the paid up value of shares registered in the name of the Shareholders as on 5th December, 2014.

16. Instructions for Members for e-voting are as under:

    (a) In case of Shareholders' receiving e-mail from NSDL:

        (i) Open e-mail and open PDF file viz; "Future Consumer Enterprise Limited 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 Member – 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 voted on 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 on nilesh@ngshah.com with a copy marked to evoting@nsdl.co.in and investor.care@futureconsumer.in

    (b) In case of Shareholders receiving physical copy of notice of Extra Ordinary General Meeting:

        (i) Initial password is provided at the bottom of the Attendance Slip for the Extra Ordinary General Meeting.

        (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above to cast vote.

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

    (d) If you are already registered with NSDL for E-voting, then you can use your existing user ID and password for casting your vote.

17. 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).

18. The Scrutinizer shall within a period not exceeding three (3) working days from the date of close of E-voting process, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and make Scrutinizer's Report of votes cast in favour of or against, if any forthwith to the Chairman of the Company.

19. The results shall be declared on or after the Extra Ordinary General Meeting. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.futureconsumer.in and on the website of NSDL within two (2) days of passing of the resolutions at the Extra Ordinary General Meeting and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited.

20. The Notice calling the Extra Ordinary General Meeting and Attendance Slip/Proxy Form will also be available on Company's website - www.futureconsumer.in. Physical copies of the aforesaid documents will also be available for inspection at the Registered Office of the Company between 11.00 a.m and 1.00 p.m upto the date of the Extra Ordinary General Meeting on all working days (except Saturday, Sunday and Public Holiday).

21. The Company is concerned about the environment and utilizes natural resources in a sustainable way. To support "Green Initiative", the Members are requested to update their email address, with their concerned Depository Participant to enable us to send you necessary documents /communication via email. Members who hold shares in physical form are requested to register their e-mail address with Link Intime India Private Limited, Registrar and Share Transfer Agents.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:**

**ITEM NO. 1**

Your Company presently holds 70% of the paid-up equity share capital of Aadhaar Wholesale Trading and Distribution Limited (**"Aadhaar"**), a subsidiary Company, and the balance 30% is held between Godrej Agrovet Limited and Anamudi Real Estates LLP, both entities belonging to 'Godrej' Group.

The Board of Directors have at their meeting held on 12th December, 2014 approved acquisition of the 30% stake held by the aforesaid two entities in Aadhaar, at their respective cost of investment which aggregates to Rs. 58,49,99,995.58 (Rupees Fifty-Eight Crore Forty –Nine Lakhs, Ninety-Nine Thousand Nine Hundred Ninety-Five and paise Fifty Eight Only). The Board has also approved, subject to the approval of the Shareholders of the Company, issue of equity shares on preferential basis to Godrej Agrovet Limited and Anamudi Real Estates LLP **("Investors")**, towards consideration payable for acquisition of 30% stake in Aadhaar.

**Salient features of the preferential issue are as under:**

- Allotment of 4,59,18,367 (Four Crore Fifty Nine Lakhs Eighteen Thousand Three Hundred and Sixty Seven ) equity shares in aggregate to Godrej Agrovet Limited and Anamudi Real Estates LLP at a price of Rs. 12.74 per equity share **("Issue Shares")**. The total issue size assuming allotment of Issue Shares is Rs. 58,49,99,995.58 (Rupees Fifty-Eight Crore Forty –Nine Lakhs Ninety-Nine Thousand Nine Hundred Ninety-Five and paise Fifty Eight Only).

- The "Relevant Date" as per SEBI Regulations for determining the minimum price for the offer, issue and allotment of the Issue Shares is Friday, 12th December, 2014, being 30 days prior to the date of this Extraordinary General Meeting.

- The minimum price as per the SEBI pricing formula for preferential issue is Rs. 11.18 (Rupees Eleven and Eighteen Paise Only), being higher of (a) the average of the high and low of the closing prices at the National Stock Exchange of India Limited for 26 weeks prior to the relevant date *viz.* Rs. 10.46 (Rupees Ten and Forty-Six paise Only), and (b) the average of the high and low of the closing prices at National Stock Exchange of India Limited for 2 weeks prior to the relevant date *viz.* Rs. 11.18 (Rupees Eleven and Eighteen paise Only). The price at which Issue Shares are proposed to be allotted is higher than this minimum price.

- The price of the Issue Shares to be allotted have been arrived at based on the minimum floor price determined under the SEBI Regulations and an additional premium agreed to between the Company and the Investors.

- Post allotment of the Issue Shares, the increase in equity share capital would be Rs. 27,55,10,202 (Rupees Twenty Seven Crore Fifty Five Lakhs Ten Thousand Two Hundred and Two Only) and the increase in securities premium, would be Rs. 30,94,89,793.58 (Rupees Thirty Crore Ninety Four Lakhs Eighty Nine Thousand Seven Hundred Ninety Three and paise Fifty Eight Only).

- This is the first preferential issue of securities by the Company in this year. During the year and as on the date of this Notice, the Company has allotted 1,32,49,000 equity shares to eligible employees upon their exercise of stock options under FVIL Employees Stock Option Scheme 2011.

- The Company has obtained a report from a valuer, which substantiates the value of investment of the Investors in Aadhaar.

The Investors have not sold any equity shares during the six months preceding the Relevant Date.

**Disclosures as required under Regulation 73 of the SEBI Regulations for the purpose of allotment of Equity Shares on preferential basis:**

| | | | |
|---|---|---|---|
| The objects of the preferential issue | This preferential issue of equity shares is being made by the Company towards payment of consideration for acquisition of the 30% stake of the Investors held in Aadhaar, at their respective cost of investment which aggregate to Rs. 58,49,99,995.58 | | |
| Intention of Promoters / Directors / Key Managerial Personnel to subscribe to the preferential issue | None of the Promoters, Directors and / or Key Managerial Personnel of the Company intend to subscribe to the preferential offer | | |
| Shareholding pattern before and after the Preferential issue | As given below | | |
| Proposed time within which the preferential issue shall be completed | The allotment of the Issue Shares will be completed within a period of 15 days from the date of passing of the above-referred special resolution or 15 days from the date of receipt of necessary regulatory approvals, if any, whichever is later or within such further period as may be prescribed or allowed by SEBI, stock exchange(s) or other concerned authorities. | | |
| The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and /or who ultimately control proposed allottees and the percentage of the post preferential issue capital that may be held by them on fully diluted basis | Name of the Allottee | Name of natural persons who are the ultimate beneficial owners | % of post preferential issue capital |
| | Godrej Agrovet Limited | A.B. Godrej alongwith his relatives and other family members | 1.83% |
| | Anamudi Real Estates LLP | N.B.Godrej alongwith his relatives and other family members | 0.94% |
| Change in control, if any, in the Company consequent to the preferential issue | There will be no change in control of the Company upon the allotment of the Issue Shares. | | |

**Lock-in period:**

The Issue Shares to be offered, issued and allotted to Investors shall be subject to lock-in for such period as provided under the provisions of SEBI Regulations.

**Listing:**

The Company will make an application to the stock exchanges at which the existing shares are listed, for listing of the Issue Shares. Such Issue Shares, once allotted, shall rank *pari passu* with the then existing equity shares of the Company in all respects, including dividend.

Shareholding pattern before and after the proposed issue is as follows:

| Sr. No. | Category | Pre-issue Equity Shareholding (As on 5th December, 2014) | | Allotment of equity shares pursuant to exercise of options as approved by the Committee of Directors on 12th December, 2014. | After allotment of Issue Shares | |
|---|---|---|---|---|---|---|
| | | Number of Shares | Percentage of holding | Number of Shares | Number of Shares | Percentage of holding |
| A | Promoter and Promoter Group Holding | | | | | |
| 1 | Indian : | | | | | |
| | Individual | 1,66,788 | 0.01 | - | 1,66,788 | 0.01 |
| | Bodies Corporate | 70,16,81,190 | 43.56 | - | 70,16,81,190 | 42.34 |
| | **Sub-Total** | **70,18,47,978** | **43.57** | - | **70,18,47,978** | 42.35 |
| B1 | Non-Promoters' Holding | | | - | | - |
| a | Banks, Financial Institutions, (Central Govt, State Govt. Institutions/Non-Government Institutions) | 4,36,510 | 0.03 | - | 4,36,510 | 0.03 |
| b | Foreign Institutional Investors (FIIs) | 30,11,76,831 | 18.70 | - | 30,11,76,831 | 18.18 |
| | **Sub-Total** | **30,16,13,341** | **18.73** | - | **30,16,13,341** | 18.21 |
| B2 | Others | | | - | | - |
| a | Other Bodies Corporate | 41,64,53,772 | 25.86 | - | 41,64,53,772 | 25.13 |

| Sr. No. | Category | Pre-issue Equity Shareholding (As on 5th December, 2014) | | Allotment of equity shares pursuant to exercise of options as approved by the Committee of Directors on 12th December, 2014. | After allotment of Issue Shares | |
|---|---|---|---|---|---|---|
| | | Number of Shares | Percentage of holding | Number of Shares | Number of Shares | Percentage of holding |
| b | Public | | | | | - |
| | -Investors | - | - | - | 4,59,18,367 | 2.77 |
| | -Others | 17,41,00,061 | 10.81 | 5,20,500 | 17,46,20,561 | 10.54 |
| c | Non Resident Indians | 11,72,730 | 0.07 | - | 11,72,730 | 0.07 |
| d | Non Resident Indians (Non Repatriable) | 26,75,842 | 0.17 | - | 26,75,842 | 0.16 |
| e | Any other-Clearing Members | 68,00,477 | 0.42 | - | 68,00,477 | 0.41 |
| f | Any other-Directors/Relatives (includes Independent Director) | 56,50,506 | 0.35 | - | 56,50,506 | 0.34 |
| g | Any other-HUF | 3,90,464 | 0.02 | - | 3,90,464 | 0.02 |
| | **Sub-Total** | **60,72,43,852** | **37.70** | **5,20,500** | **65,36,82,719** | 39.44 |
| | **Grand Total** | **1,61,07,05,171** | 100.00 | **5,20,500** | **1,65,71,44,038** | 100.00 |

The certificate issued by M/s Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with the requirements contained in Chapter VII of the SEBI Regulations and the report of valuer, will be placed before the Shareholders at the meeting and will be kept open for inspection at the Registered Office of the Company between 11.00 a.m and 1.00 p.m upto the date of Extra Ordinary General Meeting on all working days (except Saturday, Sunday and Public Holiday).

As it is proposed to issue equity shares of the Company on preferential basis, approval of the Shareholders by way of a Special Resolution is required, pursuant to the provisions of Section 42 and 62 of the Companies Act, 2013 read with Rules thereto and Chapter VII of the SEBI Regulations.

Your Directors recommend the resolution proposed at Item No. 1 of this Notice for your approval.

None of the Directors and /or the Key Managerial Personnel of the Company and /or their relatives are in any way concerned or interested in the aforesaid Special Resolution.

**ITEM NO. 2**

The Board on the basis of recommendation made by the Nomination and Remuneration/Compensation Committee of the Board of Directors of the Company ("the Committee") have at their meeting held on 14th November, 2014, subject to approval of the Shareholders of the Company and such other consents and approvals that may be required, appointed Ms. Ashni Biyani as Whole Time Director of the Company, for a period of three years with effect from 15th November, 2014.

Ms. Ashni Biyani aged 29 years has graduated as a textile designer at Srishti School of Art, Design and Technology in Bangalore. Ms. Ashni has also attended courses on scenario planning at New York's Parsons School of Design and the Summer Institute of General Management at Graduate School of Business, Stanford University. Ashni Biyani has been instrumental in bringing in design-led thinking within the group's business decision making.

In her current role, she leads a team that understands the nuances of Indian consumers. Ashni has led the conceptualization and launch of a number of retail formats for Future Group. She is currently focusing of creating futuristic food and fashion retail concepts. She has also mentored and co-founded "Holii" a fashion accessories brand.

The Board had at the said meeting also approved payment of remuneration to Ms. Ashni Biyani during her tenure as Whole Time Director of the Company on the terms and conditions as set out in Resolution at Item No. 2 of this Notice and more particularly as per the agreement to be executed between the Company and Ms. Ashni Biyani. The Whole Time Director shall not be paid any sitting fees for attending meetings of the Board/or any of its Committee(s).

The Agreement to be executed with Ms. Ashni Biyani providing terms for appointment and payment of remuneration is available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days upto the date of this Extra Ordinary General Meeting.

**STATEMENT AS REQUIRED UNDER CLAUSE (iv) OF PROVISO TO PARAGRAPH (B) OF SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013**

<table>
<tr><td colspan="3">GENERAL INFORMATION</td></tr>
<tr><td>1</td><td>Nature of Industry</td><td>The Company is engaged in operating Food and FMCG sector and undertaking the business of distribution in Urban and Rural areas with its own branded products in addition to the third party brands and products.</td></tr>
<tr><td>2</td><td>Date or expected date of commencement of commercial production</td><td>Not Applicable</td></tr>
<tr><td>3</td><td>In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus</td><td>Not applicable as the Company is an existing company.</td></tr>
<tr><td>4</td><td>Financial Performance based on given indicators</td><td>(Rs. in lakhs)<table><tr><th>Particulars</th><th>2013-14</th><th>2012-13</th><th>2011-12</th></tr><tr><td>Total Income</td><td>46,386.05</td><td>35,803.92</td><td>5,531.72</td></tr><tr><td>Profit / (Loss) After Tax</td><td>3040.90</td><td>(1,144.81)</td><td>(1,366.99)</td></tr><tr><td>Equity Share Capital</td><td>95,878.60</td><td>95,878.60</td><td>1,57,624.37</td></tr><tr><td>Reserves & Surplus</td><td>(554.74)</td><td>(1,617.26)</td><td>(1,187.95)</td></tr><tr><td>Basic and Diluted Earnings Per Share</td><td>0.19</td><td>(0.07)</td><td>(0.09)</td></tr></table></td></tr>
<tr><td>5</td><td>Foreign investments or collaborations, if any</td><td>The Company has made investment in Aussee Oats Milling (Private) Limited, a subsidiary at Sri Lanka</td></tr>
<tr><td>II</td><td>INFORMATION ABOUT THE APPOINTEE</td><td></td></tr>
<tr><td>1</td><td>Background details</td><td>Ms. Ashni Biyani has graduated as a textile designer at Srishti School of Art, Design and Technology in Bangalore. She has also attended courses on scenario planning at New York’s Parsons School of Design and the Summer Institute of General Management at Graduate School of Business, Stanford University. She has been instrumental in bringing in design-led thinking within the group’s business decision making.</td></tr>
<tr><td>2</td><td>Past remuneration</td><td>Ms. Ashni Biyani was not paid any remuneration in the past by the Company.</td></tr>
<tr><td>3</td><td>Recognition or awards</td><td>No such specific recognition or awards.</td></tr>
<tr><td>4</td><td>Job profile and his suitability</td><td>In her current role, Ms. Ashni Biyani leads a team that understands the nuances of Indian consumers. She has led the conceptualization and launch of a number of retail formats for Future Group. She is currently focusing of creating futuristic food and fashion retail concepts.<br>Ms. Ashni Biyani has also mentored and co-founded “Holii” a fashion accessories brand.</td></tr>
<tr><td>5</td><td>Remuneration proposed</td><td>As mentioned in the text of the resolution in the Notice</td></tr>
<tr><td>6</td><td>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person, in case of expatriates the relevant details would be w.r.t the country of his origin.</td><td>Considering the experience and knowledge of Ms. Ashni Biyani, the Board of Directors consider that the remuneration proposed is considered to be in line with the industry norms, size of the Company and the segment into which the Company carries on its business.</td></tr>
<tr><td>7</td><td>Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.</td><td>Ms. Ashni Biyani holds 67,169 equity shares in the Company. Ms. Ashni Biyani forms part of the Promoter and Promoter Group of the Company which holds 43.56% of the paid-up equity share capital of the Company.</td></tr>
<tr><td>III</td><td>OTHER INFORMATION</td><td></td></tr>
<tr><td>1</td><td>Reasons of loss or inadequate profits</td><td>For the period ended 31st March, 2014, the Company has posted Net Profit during the year. However, for the said period the Company has incurred losses on account of its operating activities.</td></tr>
<tr><td>2</td><td>Steps taken or proposed to be taken for improvement</td><td>With diversification of business into operational activities and measures taken for improvement of margins, it is expected that the Company shall gradually improve its performance over a period of time.</td></tr>
<tr><td>3.</td><td>Expected increase in productivity and profits in measurable terms</td><td>Since this would be the first full year of operations for the Company to undertake the business as an operating entity, there is no specific benchmark to measure the productivity / profits. The productivity and profits are expected to gradually increase to depict in measurable terms, over a period of time.</td></tr>
</table>

| | | |
|---|---|---|
| **IV** | **DISCLOSURES** | The details of remuneration package of Ms. Ashni Biyani is as set out in the accompanying notice.<br>The Company makes appropriate applicable disclosures in the Board of Directors' Report under the heading 'Corporate Governance' forming part of the Annual Report. |

**Information pursuant to Clause 49 of the Listing Agreement executed with the Stock Exchange(s), in respect of Ms. Ashni Biyani seeking appointment as Director is provided hereunder:**

| | |
|---|---|
| Name of Director | Ashni Biyani |
| Date of Birth | 25th December,1984 |
| Date of Appointment | 15th November,2014 |
| Qualifications | Graduate in Textile Designing |
| Expertise in Specific Functional Area | Ashni Biyani has been instrumental in bringing in design-led thinking within the group's business decision making. In her current role, she leads a team that understands the nuances of Indian consumers. Ashni has led the conceptualization and launch of a number of retail formats for Future Group. She is currently focusing of creating futuristic food and fashion retail concepts. |
| Directorships held in other companies | Surplus Finvest Private Limited<br>Future Ideas Company Limited<br>Future Capital Investment Private Limited<br>Idiom Design and Consulting Limited<br>Futurebazaar India Limited<br>Future Education Limited<br>Holii Accessories Private Limited<br>Future Brands Limited<br>Amar Chitra Katha Private Limited<br>Idea India Ka Innovations Private Limited<br>nuFuture Haribhakti Business Services Limited<br>Future Human Development Limited<br>Foresight Bullion India Private Limited<br>Avanee and Ashni Securities Private Limited |
| Chairmanships/ Memberships of the Committees of the Board of Directors of other companies | None |
| Shareholding of Directors | 67,169 |
| Relationship between Directors inter-se | Ms. Ashni Biyani is related to Mr. Kishore Biyani – Director and Promoter of the Company |

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment and payment of remuneration to Whole Time Director as specified under Section 190 of the Companies Act, 2013.

Your Directors recommend Resolution proposed at Item No. 2 of this Notice for your approval.

Ms. Ashni Biyani and her relatives to extent of their shareholding in the Company, if any, shall be deemed to be concerned or interested in the Resolution set out at Item No.2 of this Notice.

Except Mr. Kishore Biyani, being relative of Ms. Ashni Biyani, none of the Directors of the Company and/or their relatives are in any way concerned or interested in the aforesaid Special Resolution. None of the Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested in the aforesaid Special Resolution.

**ITEM NO. 3 AND 4**

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation scheme/ plan. Your Company believes in rewarding its employees including Directors of the Company as well as that of the Subsidiary Company(ies) for their continuous hard work, dedication and support, which has led the Company and the Subsidiary Company(ies) on the growth path. The Company intends to implement Future Consumer Enterprise Limited Employee

Stock Option Plan 2014 **("FCEL ESOP 2014"/ "Plan")** with a view to attract and retain key talents working with the Company and its Subsidiary Company(ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The Company seeks approval of the Shareholders in respect of FCEL ESOP 2014 and for grant of Stock Options to the eligible employees/ Directors of the Company, that of its Subsidiary Company(ies) as may decided by the Nomination and Remuneration/ Compensation Committee **("Committee")** from time to time in due compliance with Companies, Act,2013 (including rules framed thereunder), SEBI SBEB Regulations and other applicable laws and regulations.

The main features of the FCEL ESOP 2014 are as under:

**1. Total number of Options to be granted:**

3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand) Options would be available for grant to the eligible employees of the Company and eligible employees of the Subsidiary Company(ies) in aggregate under FCEL ESOP 2014, in one or more tranches exercisable into not exceeding 3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand) equity shares in aggregate in the Company of face value of Rs. 6/- each fully paid-up.

Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled options as per the provisions of FCEL ESOP 2014.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of Options or equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the SEBI SBEB Regulations.

**2. Identification of classes of employees entitled to participate in FCEL ESOP 2014**

Following class/classes of employees are entitled to participate in FCEL ESOP 2014:

a) Permanent employees of the Company working in India or out of India;

b) Directors of the Company; and

c) Permanent employees and Directors of the Subsidiary Company(ies).

Following class/classes of employees are not eligible:

a) an employee who is a Promoter or belongs to the Promoter Group;

b) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and

c) an Independent Director within the meaning of the Companies Act, 2013.

**3. Transferability of Employee Stock Options:**

The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under FCEL ESOP 2014 .

**4. Requirements of vesting and period of vesting:**

The Options granted shall vest so long as an employee continues to be in the employment of the Company or the Subsidiary Company as the case may be. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to the minimum vesting period of 1 year.

**5. Maximum period within which the Options shall be vested:**

Options granted under FCEL ESOP 2014 would vest subject to maximum period of 3 years from the date of grant of such Options.

**6. Exercise price or pricing formula:**

The exercise price per Option shall not be less than face value of equity share and shall not exceed market price of the equity share of the Company as on date of grant of Option which may be decided by the Committee.

Market price in this context refers to the meaning assigned to it under the SEBI SBEB Regulations.

The Committee can give cashless exercise of options, if required, to the employees and shall provide necessary procedures and/or mechanism for exercising such options subject to applicable laws, rules and regulations.

**7. Exercise period and the process of Exercise:**

The vested Options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 3 years from the date of vesting of such Options.

The vested Option shall be exercisable by the employees by a written application to the Trust or Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Trust/ Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

In case of cashless system of exercise of vested Options, the Committee shall be entitled to specify such procedures and/or mechanisms for the Shares to be dealt with thereon as may be necessary and the same shall be binding on the Option grantees.

**8. Appraisal process for determining the eligibility of employees under FCEL ESOP 2014:**

The appraisal process for determining the eligibility of the employees will be decided by the Committee from time to time.

The employees would be granted Options under the FCEL ESOP 2014 based on various parameters such as performance rating, period of service, rank or designation and such other parameters as may be decided by the Committee from time to time.

**9. Maximum number of Options to be issued per employee and in aggregate:**

The number of Options that may be granted to any specific employee of the Company or of its Subsidiary Company under the Plan), in any financial year and in aggregate under the FCEL ESOP 2014 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

**10. Accounting and Disclosure Policies:**

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

**11. Method of Option Valuation:**

To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the Options granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on EPS of the company shall also be disclosed in the Directors' Report.

In terms of provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 consent of the Shareholders is being sought by way of a Special Resolution(s) set out at Item No. 3 and Item No. 4 of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution(s), except to the extent of their entitlements, if any, under the Plan.

Your Directors recommend the Resolution(s) proposed at Item No. 3 and Item No. 4 of this Notice for your approval.

**ITEM NO. 5**

The Company intends to implement Future Consumer Enterprise Limited Employee Stock Option Plan 2014 **("FCEL ESOP 2014"/ "Plan")** with a view to attract and retain key talents working with the Company and its Subsidiary Company(ies). Your Company contemplates implementation of the Plan through an Employee Welfare Trust **("Trust")** route with a view to efficiently manage the Plan and if required to enable cashless exercise of vested options. FCEL ESOP 2014 envisages primary issue of 3,19,50,000 (Three Crore Nineteen Lakh Fifty Thousand) equity shares within the term of the Plan.

The Board of Directors of the Company have at its meeting on 12th December, 2014 approved FCEL ESOP 2014, envisaging aforesaid number of equity shares.

In term of the provisions of Regulation 6 of the SEBI SBEB Regulations, consent of the Shareholders is being sought by way of a Special Resolution set out at Item No.5 of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution, except to the extent of their entitlements, if any, under the Plan.

Your Directors recommend the resolution proposed at Item No. 5 of this Notice for your approval.

**ITEM NO. 6**

The Company intends to implement Future Consumer Enterprise Stock Option Plan 2014 **("FCEL ESOP 2014"/ "Plan")** with a view to attract and retain key talents working with the Company and its Subsidiary Company(ies) by primary issue of shares and through Trust route for its implementation. The SEBI SBEB Regulations govern share based employee benefit schemes/ plans being implemented by a Company. These Regulations permits Trust route in Plan implementation.

The Board has set-up an Employee Welfare Trust namely Future Consumer Enterprise Employees Welfare Trust **("Trust")** and approved the proposal for sanction of loan by the Company to the Trust. This proposed amount of loan is within the statutory limit of 5% of the aggregate of paid-up share capital and free reserves , as prescribed under SEBI SBEB Regulations read with Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014 **("Companies Rules")**.

Particulars in respect of the Trust:

**a) The class/classes of employees for whose benefit the Plan is being implemented and money is being provided for purchase and subscription of the shares:**

The Plan is being implemented and money is being provided for purchase and subscription of shares for the benefit of employees within the meaning of the Plan. The class/ classes of employees who are eligible subject to selection by the Nomination and Remuneration /Compensation Committee **("Committee")** are as under:

i. Permanent employees of the Company working in India or out of India;

ii. Directors of the Company; and

iii. Permanent employees and Directors of the Subsidiary Company(ies).

Following class/classes of employees are not eligible:

i. an employee who is a Promoter or belongs to the Promoter Group;

ii. a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and

iii. an Independent Director within the meaning of the Companies Act, 2013.

**b) The particulars of the Trustee or employees in whose favour such shares are to be registered:**

It is contemplated that one or more of the designated Trustees shall acquire and hold the Shares in due compliance of the relevant provisions of SEBI SBEB Regulations and other applicable provisions. The Trustees shall transfer the Shares in favour of the employees on exercise of the Employee Stock Options after realisation of exercise price and applicable income tax.

**c) The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:**

Trust is set-up in the nature of an irrevocable Employee Welfare Trust with the name Future Consumer Enterprise Employees Welfare Trust having its registered office at Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060.

**Particulars of the Trustees**

| S. No. | Name | Address | Occupation | Nationality |
|---|---|---|---|---|
| 1 | IL&FS Trust Company Limited | The IL&FS Financial Centre,<br>Plot C- 22, G Block,<br>Bandra Kurla Complex,<br>Bandra(East), Mumbai -400051 | Business | Indian Entity |

The Trustees are neither promoters, directors nor key managerial personnel of the Company nor are they related to the promoters, directors or key managerial personnel in their personal capacity.

**d) Any interest of key managerial personnel, directors or promoters in such scheme or trust and effect thereof:**

Promoters are not eligible to be covered under the Plan. However, key managerial personnel, directors may be covered under the Plan as provided in the Plan in due compliance with the SEBI SBEB Regulations.

Any key managerial personnel, director or promoter does not relate to the Trust.

**e) The detailed particulars of benefits which will accrue to the employees from the implementation of the Plan:**

The eligible employees shall be granted Employee Stock Options under the Plan which would vest subject to vesting conditions prescribed by the Committee. After vesting and on exercise of the Options, the Trust/ Trustees shall transfer corresponding number of Equity Shares to the employees. The employees may deal in the shares by way of selling /holding or otherwise deal in their absolute discretion subject to applicable laws and regulations immediately after exercise or may hold and sell after a definite period of time at his/ her discretion. The employees would get the benefit on sell of shares depending on sale price of such Shares. In case of cashless system of exercise of vested Options, the Committee shall be entitled to specify such procedures and/or mechanisms for the equity shares to be dealt with thereon as may be necessary and the same shall be binding on the Option grantees.

**f) The details about who would exercise and how the voting rights in respect of the shares to be purchased under the Plan would be exercised:**

As per SEBI SBEB Regulations, the Trustees shall not vote in respect of equity shares held in the Trust. In these circumstances, the voting rights can be exercised by an employee only when the equity shares are transferred to them after due process of exercise of Options.

In term of the provisions of Regulation 3(8) of the SEBI SBEB Regulations read with Rule 16 of the Companies Rules, consent of the Shareholders is being sought by way of a Special Resolution set out at Item No. 6 of this Notice. .

Your Directors recommend the Resolution proposed at Item No. 6 of this Notice for your approval.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or in the Trust or the aforesaid Special Resolution, except to the extent of their entitlements, if any, under the Plan.

**By Order of the Board of Directors**

Place : Mumbai
Date : 12th December, 2014

**Manoj Gagvani**
**Company Secretary & Head-Legal**

**Registered Office:**

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

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