FUTURE CONSUMER ENTERPRISE LIMITED

an integrated food & FMCG company

29th December, 2015

To,
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001
Scrip Code: 533400

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

Dear Sir / Madam,

Sub: Passing of Resolution by Postal Ballot

On the above subject, this is to inform you that, in terms of the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, consent of the Shareholders of the Company is being sought through Postal Ballot for re-alignment of the distribution business of the Company.

In terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of Postal Ballot Notice as being sent to the Shareholders of the Company.

Kindly take the same on records and acknowledge receipt of the same.

Thanking you,

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

Neeta Singh
Asst. Company Secretary

Encl.: As above

FUTURE CONSUMER ENTERPRISE LIMITED

(formerly known as Future Ventures India Limited)

Corporate Identitiy Number (CIN): L52602MH1996PLC192090
Regd. Office: Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060
Tel. No: +91 22 6644 2200 Fax: +91 22 6199 5391 Email: investor.care@futureconsumer.in Website: www.futureconsumer.in

POSTAL BALLOT NOTICE

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

Dear Shareholder(s),

Notice is hereby given that pursuant to Section 110 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"**), a Special Resolution in respect of the matter as set out in accompanying Postal Ballot Notice is proposed to be transacted by way of Postal Ballot.

An explanatory statement pertaining to the said Resolution setting out material facts in respect of the same is annexed hereto. This Postal Ballot Notice together with postal ballot form is being sent to you for your consideration.

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 29th January, 2016.

In accordance to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Postal Ballot Notice.

1. **Re-alignment of the distribution business of the Company.**

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

   "RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, 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 the Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with the stock exchanges and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such further approvals, permissions, sanctions and consents as may be required under the applicable laws, rules, regulations, circulars and guidelines 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 (herein referred to as **"Board"** which term shall be deemed to include its any duly constituted and authorized committee thereof to exercise its powers under this resolution), consent of the Shareholders of the Company (**"Shareholders"**) be and is hereby accorded to re-align and /or deal with the business of operating convenience stores, presently being undertaken by the Company itself and/or through its subsidiaries under the format names "KB's Fair Price", "KB's Conveniently Yours", "Big Apple", "Aadhaar" and "Nilgiris" (**"Undertaking"**), such that the business comprised in the Undertaking be transferred to and to be carried on by Future Retail Limited, a group entity, and to put in place appropriate arrangements in this regard (including by way of supply, brand license, franchisee and other required arrangements), as may be deemed fit and agreed to by the Board.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate, finalise and approve the agreements(s), contracts and / or other transaction documents to be entered into between the Company and Future Retail Limited (hereinafter collectively referred to as **"Transaction Documents"**) in respect of the re-alignment of the business of the Undertaking with an authority to the Board to amend, modify and/ or supplement the Transaction Documents.

   RESOLVED FURTHER THAT the Board be and is hereby authorized 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 authorize/appoint one or more representatives of the Company, including but not limited to advisors, attorney(s) and such other persons, 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 and execute such further deeds, documents and writings that may be considered necessary and appropriate, file applications, make necessary filings and make representations in respect thereof and seek the requisite approvals from the relevant authorities, including government authorities and lenders."

By Order of the Board of Directors

Place: Mumbai
Date: 26th December, 2015

Manoj Gagvani
Company Secretary & Head-Legal

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

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts in relation to the Resolution as set out in the Postal Ballot Notice is annexed hereto.
2. The Company 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, should not vote through postal ballot form. Similarly, Members opting to vote through postal ballot form should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e through postal ballot form and e-voting, then votes casted through e-voting shall only be taken into consideration and votes casted by postal ballot form shall be treated as invalid. E-voting shall commence from 31st December, 2015 at 9.00 a.m. and shall end on 29th January, 2016 at 5.00 p.m.
3. The Company has appointed Mr. Nilesh Shah, Practising Company Secretary (Membership No. FCS 4554) as the Scrutinizer to scrutinize the e-voting process and voting done through physical postal ballot form in a fair and transparent manner. The postal ballot form and the self- addressed postage pre-paid envelope are enclosed for use of the Members.
4. Members whose names appear on the Register of Members / List of Beneficial Owners as on the cut-off date i.e. 18th December, 2015 will be considered for the purpose of voting.
5. 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 the cut-off date i.e. 18th December, 2015.
6. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m., up to 29th January, 2016 on all working days (except Saturday, Sunday and Public Holidays).
7. 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. For Members whose email IDs are not registered, physical copy of the Postal Ballot Notice together with the Postal Ballot Form is being sent by permitted mode along with a self- addressed postage pre-paid envelope. 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.
8. 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 29th January, 2016 to be eligible for being considered failing which, it will be strictly treated as if no reply has been received from the Member.
9. The Scrutinizer will submit his report to the Company after completion of the scrutiny and the results of postal ballot alongwith Scrutinizer Report will be placed on the website of the Company www.futureconsumer.in and on the website of NSDL and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited.

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 29th January, 2016, 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

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 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 Remote 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 Postal Ballot Notice:

(i) Initial password is provided at the bottom of the postal ballot form.

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

10. 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 toll free No: 1800-222-990. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.

11. 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).

EXPLANTORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 1

The Company is engaged in the business of sourcing, distribution and branding of food and fast moving consumer goods ("**FMCG**"). The Company *inter-alia*, operates its business of distribution of food and FMCG products under the format names "KB's Fair Price", "KB's Conveniently Yours" and "Big Apple" and through a subsidiary Aadhaar Wholesale Trading and Distribution Limited, under the format name "Aadhaar" to tap the rural and semi –urban areas. Another subsidiary of the Company, The Nilgiri Dairy Farm Private Limited predominantly undertakes the food and FMCG distribution business by way of Franchisee arrangement.

The Board proposes to deal with/ re-align the business of distribution of food and FMCG products through convenience stores, presently being operated by the Company itself and/or through its subsidiaries under the brand names "KB's Fair Price", "KB's Conveniently Yours", "Big Apple", "Aadhaar" and "Nilgiris" ("**Undertaking**") such that the businesses comprised in the Undertaking be transferred to and to be carried on by Future Retail Limited – a group entity, and the Company to enter into appropriate arrangements in this regard (including by way of supply, brand license and franchisee arrangements).

The Board is of the opinion that the aforementioned re-alignment will go towards the Company fulfilling its strategic objectives of being an integrated food and FMCG entity.

In terms of the provisions of Companies Act, 2013 ("**Act**") the aforesaid re-alignment/transfer of the Undertaking could be construed as selling or disposing or transferring or conveying or delivering the whole or substantially the whole of the undertaking of the Company under Section 180(1)(a) of the Act which requires approval of the shareholders by way of special resolution.

Rule 22 of the Companies (Management and Administration) Rules, 2014, stipulates that consent of the Shareholders of the Company in such cases shall only be obtained by means of postal ballot. Accordingly, approval of the Shareholders of the Company is being sought through postal ballot to the special resolution set out in Item No.1 of this Postal Ballot Notice.

Your Directors recommend the Resolution proposed at Item No. 1 of the accompanying Notice, for your approval.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are in any way concerned or interested in the aforesaid Special Resolution save and except to the extent of their directorship /shareholding, if any, in any of the entities mentioned in the said resolution.

By Order of the Board of Directors

Place: Mumbai
Date: 26th December, 2015

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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