

12th July, 2012

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.

The National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Mumbai – 400 050.

Ref.: BSE- Scrip Code: 532938; NSE - Symbol - FCH

Sub: Reasoned Recommendations of the Committee of Independent Directors of Future Capital Holdings Limited with respect to the Open Offer made by Cloverdell Investment Ltd

Pursuant to the Open Offer made by Cloverdell Investment Ltd, the Board of Directors of the Company at its Meeting held on June 04, 2012 had constituted a Committee of Independent Directors to provide reasoned recommendations on such offer in terms of Regulation 26(6) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011("SEBI regulations").

The said Committee had met today on July 12, 2012 and had provided its recommendations on the said open offer in the format prescribed by SEBI regulations and the said recommendations will be published in the Newspapers in accordance with the SEBI regulations and a copy of the said written recommendations is being enclosed in terms of Regulation 26(7) of the SEBI regulations.

Thanking you,

Yours faithfully,

For FUTURE CAPITAL HOLDINGS LIMITED


Chetan Gandhi
Head – Legal & Secretarial



Encl: as above

Future Capital Holdings Limited

Recommendations of the Committee of Independent Directors ("IDC") on the open offer to the Shareholders of Future Capital Holdings Limited ("Target Company") under Regulation 26(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

1.	Date	12 th July, 2012
2.	Name of the Target Company	Future Capital Holdings Limited
3.	Details of the Offer pertaining to Target Company	Open Offer for acquisition of up to 17,788,266 equity shares of Target Company of Rs. 10/- each at a price of Rs. 162 per share by Cloverdell Investment Ltd ("Acquirer") along with Warburg Pincus Private Equity XI, L.P., Warburg Pincus XI Partners L.P., Warburg Pincus Private Equity XI-B, L.P., WP XI Partners, L.P. and Warburg Pincus Private Equity XI-C, L.P. as the persons acting in concert (collectively referred to as "PAC") in compliance with regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations")
4.	Name(s) of the Acquirer and PAC with the Acquirer	Acquirer: Cloverdell Investment Ltd Persons acting in Concert (PAC) 1. Warburg Pincus Private Equity XI, L.P. 2. Warburg Pincus XI Partners L.P. 3. Warburg Pincus Private Equity XI-B L.P., 4. WP XI Partners, L.P. 5. Warburg Pincus Private Equity XI-C, L.P.
5.	Name of the Manager to the offer	Kotak Mahindra Capital Company Limited Bakhtawar, 1 st Floor, 229, Nariman Point, Mumbai 400021. Tel: +91 2266341100, Fax: +912222840492 Contact Person: Mr. Ganesh Rane Email: project.fchl@kotak.com
6.	Members of the Committee of the Independent Directors	1. Mr. Ghyanendra Nath Bajpai; 2. Mr. Naresh Chand Singhal; 3. Mr. Anil Chandanmal Singhvi; and Mr. G.N. Bajpai is the Chairman of the IDC
7.	IDC Member's relationship with the Target Company (Director, Equity shares owned, any other contract/relationship), if any	Mr. G.N. Bajpai is Director of the Target Company and holds 50,000 equity shares. Mr. N.C. Singhal and Mr. Anil Singhvi are Directors of the Target Company and do not hold any equity shares of the Target Company and there is no other contract / relationship.
8.	Trading in the Equity shares/ other securities of the Target Company by IDC Members	None of the IDC member has traded in any of the securities of the Target Company during open offer period.



Future Capital Holdings Limited

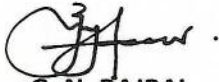
9.	IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract/relationship), if any.	There is no relationship between the Members of IDC and the Acquirer
10.	Trading in the Equity shares/ other securities of the acquirer by the IDC Members	Not Applicable, as the shares of the Acquirer are not listed on any stock exchange.
11	Recommendations on the Open Offer, as to whether the offer is fair and reasonable	Based on the review of the draft letter of offer issued by the Manager to the open offer on behalf of the Acquirer and based on the "fairness valuation opinion" dated 20th June 2012 issued by Anand Rathi Advisors Limited IDC believes that, the offer price is fair and reasonable and in line with the SEBI (SAST) Regulations. Public shareholders should however note that, market price of the Target Company, post the open offer may change depending upon various factors.
12	Summary of reasons for recommendation	In view of prevailing market prices, the book value of shares and the valuation arrived at by Anand Rathi Advisors Limited, the offer price of Rs. 162/- per share appears to be reasonable and fair.
13	Details of the Independent Advisors, if any	Anand Rathi Advisors Limited (Merchant Banker registered with SEBI) 11th Floor, Times Tower, Kamala Mills, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Maharashtra, India Tel. No.: +91-22-4047 7000 Fax No.: +91-22-4047 7070 Website: www.rathi.com SEBI Registration No.: MB/INM000010478
14	Any other matter(s) to be highlighted	1. Attention of the shareholders of the Target Company is specifically invited to clause 49 of the detailed public statement dated 11 June 2012 and paragraph 32 of the draft letter of offer issued by the Manager to the offer on behalf of the Acquirer, in addition to other disclosures made in these documents. These documents are available on the website of SEBI at - http://www.sebi.gov.in/sebiweb/home/list/3/20/15/0/Letter-of-Offer 2. There are no adverse findings pertaining to the Acquirer and/or the PAC in the public announcement dated 4 June 2012, detailed public statement dated 11 June 2012 and in the draft letter of offer.



Future Capital Holdings Limited

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the SEBI (SAST) Regulations.

For FUTURE CAPITAL HOLDINGS LIMITED



G. N. BAJPAI

Chairman of Committee of Independent Directors

Place: Mumbai

Date: 12th July, 2012



Future Capital Holdings Limited

India Bulls Finance Centre, Tower II, 15th Floor, Senapati Bapat Marg, Elphinstone (West),
Mumbai - 400 013. T : +91 22 4042 3400 • F : +91 22 4042 3401 • W : www.futurecapital.in

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