

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF FUTURE CONSUMER LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **FUTURE CONSUMER LIMITED** (formerly known as Future Consumer Enterprise Limited) ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the profit/(loss) of its joint ventures and associates for the quarter and six months ended September 30, 2016 and the Consolidated Unaudited Statement of Assets and Liabilities as at September 30, 2016 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. We have not performed a review, as stated in Note 10, of the figures relating to the corresponding quarter and six months ended September 30, 2015 and reconciliation of net loss for the quarter and six months ended September 30, 2015 between the previous GAAP and Indian Accounting Standards ("IND AS"), as reported in this Statement.

This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following entities:

Name of the Company	Relationship
Future Consumer Limited	Parent Company
Aadhaar Wholesale Trading and Distribution Limited	Wholly Owned Subsidiary
Future Consumer Products Limited	Subsidiary
Future Food and Products Limited	Wholly Owned Subsidiary



Star and Sitara Wellness Limited	Wholly Owned Subsidiary
Express Retail Services Private Limited	Wholly Owned Subsidiary
Amar Chitra Katha Private Limited (further referred to as ACK)	Joint Venture
- IBH Books and Magazines Distributors Limited (ACK's Subsidiary)	Joint Venture's Subsidiary
- ACK Media Direct Limited (ACK's Subsidiary)	Joint Venture's Subsidiary
- Karadi Tales Company Private Limited (ACK's Subsidiary) (till July 16, 2015)	Joint Venture's Subsidiary
- Ideas Box Entertainment Limited (ACK's Subsidiary)	Joint Venture's Subsidiary
Future Food Processing Private Limited (formerly known as Future Personal Care and Hygiene Products Private Limited)	Wholly Owned Subsidiary
Aussee Oats Milling (Private) Limited – Srilanka	Joint Venture
The Nilgiri Dairy Farm Private Limited (further referred to as NDF)	Wholly Owned Subsidiary
- Appu Nutritions Private Limited (NDF's Subsidiary)	Subsidiary's Subsidiary
- Nilgiri's Mechanised Bakery Private Limited (NDF's Subsidiary)	Subsidiary's Subsidiary
- Nilgiris Franchise Private Limited (NDF's Subsidiary)	Subsidiary's Subsidiary
Sublime Foods Private Limited (further referred to as Sublime)	Joint Venture
- Avante Snack Foods Private Limited (Sublime's Subsidiary) (w.e.f. September 01, 2016)	Joint Venture's Subsidiary
MNS Foods Private Limited (w.e.f. August 04, 2015)	Joint Venture
Integrated Food Park Private Limited	Subsidiary
FCEL Overseas FZCO* - United Arab Emirates	Subsidiary
Bloom Fruit and Vegetables Private Limited (w.e.f. January 15, 2016)	Subsidiary
Aussee Oats India Private Limited (w.e.f. February 19, 2016)	Joint Venture
FCEL Food Processors Limited (formerly known as ACK Edutainment Limited) (w.e.f. April 27, 2016)	Wholly Owned Subsidiary
Sarjena Foods Private Limited	Associate
Mibelle Future Consumer Products AG – Switzerland (w.e.f. October 09, 2015)	Joint Venture
Genoa Rice Mills Private Limited (w.e.f. May 30, 2016)	Wholly Owned Subsidiary

* Subsidiary by virtue of control through composition of board.



4. We did not review the interim financial information of 15 subsidiaries (including sub-subsidiaries) included in the consolidated financial results, whose interim financial information reflect total assets of Rs. 41,711.13 lakhs as at September 30, 2016, total revenues of Rs. 17,714.84 lakhs and Rs. 31,365.60 lakhs for the quarter and six months ended September 30, 2016, respectively, and total loss after tax of Rs. 1,052.29 lakhs and Rs. 2,220.24 lakhs and Total comprehensive income (loss) of Rs. 143.32 lakhs and Rs. 2,216.69 lakhs for the quarter and six months ended September 30, 2016, respectively, as considered in the consolidated financial results.

The consolidated financial results also includes the Group's share of loss after tax of Rs. 594.93 lakhs and Rs. 1,207.93 lakhs and Total comprehensive income (loss) of Rs. 594.93 lakhs and Rs. 1,207.93 lakhs for the quarter and six months ended September 30, 2016, respectively, as considered in the consolidated financial results, in respect of 6 joint ventures and their 5 subsidiaries and 1 associate, whose interim information have not been reviewed by us.

These interim information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate, is based solely on the reports of the other auditors.

5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117364W)



Ketan Vora
Partner

(Membership No.100459)

MUMBAI, November 14, 2016

Future Consumer Limited (formerly known as Future Consumer Enterprise Limited)

Regd. Office : Knowledge House, Shyam Nagar, Off. Jogeshwari Vikhroli Link Rd., Jogeshwari (E), Mumbai-60.

visit us at: www.futureconsumer.in

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016

(Rs. in lakhs except per share data)

PARTICULARS (Refer Notes below)	For the	For the	For the	For the	For the
	Quarter ended	Quarter ended	Quarter ended	Six Months ended	Six Months ended
	September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)	September 30, 2016 (Unaudited)	September 30, 2015 (Unaudited)
1 Income from operations					
(a) Net Sales / Income from operations	55,982.94	46,278.49	42,866.04	102,261.43	77,007.08
(b) Other operating income	388.63	431.36	389.49	819.99	735.08
Total Income from Operations	56,371.57	46,709.85	43,255.53	103,081.42	77,742.16
2 Expenses					
(a) Cost of materials consumed	4,403.80	4,311.86	3,378.95	8,715.66	6,501.57
(b) Purchases of Stock in Trade	45,954.84	39,496.47	34,257.95	85,451.31	63,757.50
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,446.48)	(3,717.91)	(858.81)	(5,164.39)	(4,284.15)
(d) Employee benefits expense	2,359.13	2,382.44	2,563.47	4,741.57	4,976.97
(e) Depreciation and Amortisation expense	899.35	774.28	741.49	1,673.63	1,469.53
(f) Other expenses	4,793.72	4,156.31	4,626.35	8,950.03	8,470.79
Total Expenses	56,964.36	47,403.45	44,709.40	104,367.81	80,892.21
3 Profit / (Loss) from Operations before Other Income, Finance costs and Exceptional items (1-2)	(592.79)	(693.60)	(1,453.87)	(1,286.39)	(3,150.05)
4 Other Income	534.87	520.08	708.57	1,054.95	1,522.37
5 Profit / (Loss) from Ordinary Activities before Finance costs and Exceptional items (3+4)	(57.92)	(173.52)	(745.30)	(231.44)	(1,627.68)
6 Finance Costs	1,058.52	1,336.71	1,480.46	2,395.23	3,147.16
7 Profit / (Loss) from Ordinary Activities after Finance cost but before Exceptional items (5-6)	(1,116.44)	(1,510.23)	(2,225.76)	(2,626.67)	(4,774.84)
8 Exceptional items	-	-	-	-	-
9 Profit / (Loss) from Ordinary Activities before tax (7-8)	(1,116.44)	(1,510.23)	(2,225.76)	(2,626.67)	(4,774.84)
10 Tax expense	-	72.32	0.15	72.32	0.46
11 Net Profit / (Loss) for the period (9-10)	(1,116.44)	(1,582.55)	(2,225.91)	(2,698.99)	(4,775.30)
12 Share of (loss) in Associate Company and Joint Ventures	(594.92)	(613.01)	(720.76)	(1,207.93)	(1,145.34)
13 Non controlling interest	94.29	122.19	80.40	216.48	149.24
14 Net Profit / (Loss) after taxes, non controlling interest and share of loss of Associate and Joint Ventures (11+12+13)	(1,617.07)	(2,073.37)	(2,866.27)	(3,690.44)	(5,771.40)
15 Other comprehensive income	3.54	-	(1.16)	3.54	(1.16)
16 Total comprehensive income (14+15)	(1,613.53)	(2,073.37)	(2,867.43)	(3,686.90)	(5,772.56)
17 Paid-up equity share capital (Face Value of Rs.6/- per share) (Refer note 4)	98,717.90	98,714.05	99,121.14	98,717.90	99,121.14
18 Basic and diluted earnings per share (EPS) (of Rs.6/- each) not annualised (in Rs.)	(0.09)	(0.12)	(0.17)	(0.21)	(0.35)

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Notes:

1. CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

PARTICULARS	(Rs. in Lakhs)
	As at
	September 30, 2016
	(Unaudited)
A ASSETS	
Non-Current Assets	
(a) Property, Plant and Equipment	33,965.41
(b) Capital Work-in-progress	7,528.47
(c) Investment Property	998.34
(d) Goodwill	24,038.23
(e) Other Intangible Assets	23,006.88
(f) Intangible Assets under development	1,675.65
(g) Financial Assets	
(i) Investments	4,730.55
(ii) Loans	2,009.48
(iii) Other Financial Assets (includes Deferred Lease receivables, security & other deposits and advances)	1,279.16
(h) Deferred Tax Assets (net)	1.40
(i) Other Non-Current Assets	4,654.67
	103,888.24
Current Assets	
(a) Inventories	15,936.22
(b) Financial Assets	
(i) Investments	0.30
(ii) Trade Receivables	27,222.53
(iii) Cash and cash equivalents	2,671.15
(iv) Bank Balances other than (iii) above	199.06
(v) Loans	6,387.75
(vi) Other Financial Assets	801.45
(c) Other Current Assets	3,977.33
	57,195.79
TOTAL ASSETS	161,084.03
B EQUITY AND LIABILITIES	
Equity	
(a) Equity Share Capital	98,717.90
(b) Other Equity	(1,845.69)
	96,872.20
(c) Non-controlling interests	(23.63)
	96,848.58
LIABILITIES	
Non-current liabilities	
(a) Financial Liabilities	
(i) Borrowing	19,078.06
(ii) Other financial liabilities	1,147.81
(b) Provisions	684.44
(c) Deferred Tax Liabilities (net)	1,016.51
(d) Other non-current liabilities	4,281.23
	26,208.05
Current liabilities	
(a) Financial Liabilities	
(i) Borrowings	13,987.21
(ii) Trade Payables	15,932.10
(iii) Other Financial Liabilities	6,271.31
(b) Other Current Liabilities	1,449.95
(c) Provisions	386.83
	38,027.40
TOTAL EQUITY AND LIABILITIES	161,084.03

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- 2 The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS -34 Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS - 34.
- 3 The name of the Company has changed from Future Consumer Enterprise Limited to Future Consumer Limited w.e.f. October 13, 2016.
- 4 The paid up equity share capital of the Company is Rs. 99,488.53 lakhs as at September 30, 2016 (as at September 30, 2015: Rs. 99,428.64 lakhs) which includes an amount of Rs. 770.64 lakhs (as at September 30, 2015: Rs. 307.50 lakhs) in respect of 12,843,988 equity shares (as at September 30, 2015: 5,125,000 equity shares) of Rs 6 each held by the ESOP trust and yet to be exercised. These shares are treated as treasury shares under Ind AS - 32 and the paid up capital has been reduced, for the purpose of this disclosure, to arrive at the paid up equity share capital shown above.
- 5 The Company is engaged in the business of Branding, Manufacturing, Processing, Selling and Distribution of "Consumer Products" which constitutes a single reporting segment. Hence there is no separate reportable segment as per Indian Accounting Standard - 108 'Operating Segments'.
- 6 Disclosures under regulation 52(4) and 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Non-Convertible Debentures issued by the Company are given in Annexure A.
- 7 A reconciliation of the consolidated financial results to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarized as follows:

Particulars	Notes	For the Quarter ended September 30, 2015 (Rs. In lakhs)	For the Six months ended September 30, 2015 (Rs. In lakhs)
Loss After tax as reported under previous GAAP		(3,173.93)	(6,409.06)
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	A	12.32	14.36
Impact of recognising the cost of Employee stock option scheme at Fair Value	B	(123.24)	(186.03)
Reversal of Amortisation of Intangibles	C	474.22	922.53
Measurement of Financial Liability at Amortised Cost using Effective Interest Rate Method	D	(93.74)	(185.46)
Measurement of Security Deposit at amortized cost	E	(9.93)	(10.10)
Income recognition on amortisation of government grant	F	48.30	96.59
Change in share of Profit / (Loss) from Associate and Joint ventures		(0.13)	(14.09)
Reversal of absorption of negative minority interest		(0.14)	(0.14)
Loss after Tax as reported under Ind AS		(2,866.27)	(5,771.40)
Other comprehensive for the year (net of tax)		(1.16)	(1.16)
Total comprehensive income under Ind AS		(2,867.43)	(5,772.56)

A. Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS Financial assets other than in equity are measured at fair value through statement of profit and loss.

B. Under previous GAAP, the cost of Employee Stock Option Scheme was recognised using the Intrinsic value Method. Under Ind AS the same is recognised based on Fair value of the options as on the grant date.

C. Under previous GAAP, Goodwill was amortised based on estimated useful life. Under Ind AS the same is tested for impairment and not amortised.

D. Under previous GAAP, interest expense was recognized based on contractual rate and fund raising expenses was charged off in statement of Profit and Loss when incurred. Under Ind AS interest is charged based on Effective Interest Rate method.

E. Under previous GAAP, security deposits paid for renting of premises are carried at transaction value. Under Ind AS, these deposits are initially measured at fair value and subsequently measured at amortised cost using effective interest rate method.

F. Under previous GAAP, capital subsidy received from government is directly credited to equity. Under Ind AS, the subsidy is recognised as deferred income and recognised in statement of profit or loss on systematic basis.

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8 Key Standalone financial information of the Company is given here below:

(Rs. In lakhs)

PARTICULARS	For the	For the	For the	For the	For the
	Quarter ended	Quarter ended	Quarter ended	Six Months ended	Six Months ended
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Total Income from operations	43,862.49	35,726.09	34,637.74	79,588.58	60,888.43
Profit / (Loss) before Tax	(4.11)	(353.06)	(1,546.50)	(357.17)	(3,400.98)
Profit / (Loss) after Tax	(4.11)	(353.06)	(1,546.50)	(357.17)	(3,400.98)

9 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 14, 2016. The results for quarter and six months ended September 30, 2016 have been subjected to Limited Review by the statutory auditors. The financial results of the subsidiaries and associate have been subjected to limited review by their respective statutory auditors.

10 The financial results and other financial information for the quarter and six months ended September 30, 2015 have not been reviewed by Statutory auditors and have been presented based on the information compiled by the management after making the necessary adjustments to give a true and fair view of the results in accordance with Ind AS.

11 The Company has re-aligned its business by way of shifting the operations of convenience stores to be undertaken under a Franchisee model in the last quarter of the previous year and made some acquisitions after the June 30, 2015 quarter. Consequently, the figures for the current quarter and six months are not comparable with that of the corresponding previous quarter and six months.

12 The financial results will be available on the Company's website - www.futureconsumer.in, and on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).

By Order of the Board
For Future Consumer Limited



Ashni Biyani
Wholetime Director

Place: Mumbai

Date: November 14, 2016

Corporate Identity Number of Future Consumer Limited is L52602MH1996PLC192090

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Annexure-A

1 Details of previous due dates for payment of interest and repayment of principal amount of Non-Convertible Debentures and rating assigned by rating agency:

Interest and Principal has been paid on due dates

Sr No	Particulars	Series	ISIN	Security ID	Previous Due Date (From 01-April -2016 to 30-September-2016)	Next Due Date (From 01-October -2016 to 31-March-2017)	Rating Assigned by Rating Agency
A	Non Convertible Debentures	A	INE220J07014	1195FCEL17	17-Jun-16	17-Dec-16	CARE A
B	Non Convertible Debentures	B	INE220J07022	1195FCEL18	17-Jun-16	17-Dec-16	CARE A
C	Non Convertible Debentures	A	INE220J07014	1195FCEL17	17-Sep-16	17-Mar-17	CARE A
D	Non Convertible Debentures	B	INE220J07022	1195FCEL18	17-Sep-16	17-Mar-17	CARE A

2 Asset cover available as on September 30, 2016 is 1.25.

3 The Listed Secured Non-Convertible Debentures of the Company aggregating to Rs. 100 crores as on September 30, 2016 are secured by way of exclusive charge on specific fixed assets of the company and / or its subsidiaries to the extent of 1.25 times of outstanding borrowing and unconditional and irrevocable guarantee of Mr Kishore Biyani, Director of the Company, for principal and its interest thereon.

4 Other Information relating to Debt Capital and relevant ratios as on September 30, 2016 is as below :

Paid up Debt Capital = Rs. 23,779.73 lakhs

Debenture Redemption Reserve = NIL

Networth = Rs. 96,872.20 lakhs

Debt Equity Ratio (no. of times) = 0.25

Debt Service Coverage Ratio (no. of times) = (0.12)

Interest Service Coverage Ratio (no. of times) = (1.42)

(a) Paid up Debt Capital = (Long term borrowings + Current maturities of Long term borrowings).

(b) Debt Equity Ratio = (Long term borrowings + Current maturities of Long term borrowings) / (Equity).

(c) Debt Service Coverage Ratio = (Profit from ordinary activities before tax + Interest on long-term borrowings) / (Interest on long-term borrowings + Repayment of long-term borrowings during the period).

(d) Interest Service Coverage Ratio = (Profit from ordinary activities before tax + Interest on long-term borrowings) / Interest on long-term borrowings.

For the purpose of calculation, loans having original maturity of more than 365 days are considered as long-term borrowings.

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Ans