



*an integrated food & FMCG company*

***Sharing the Joy of Food***

***Investor Update – Q1 FY 2016***



# Disclaimer

---

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized.

The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



# Contents

S No	Particulars	Page No
1	Business Overview	4-6
	Footprint Across Food Value Chain is Now in Place	05
	Business Overview at a Glance: Q1 FY16	06
2	Business Portfolio	07-17
	Building Portfolio of Brands in Emerging Categories	08
	Nilgiris Enabled Expansion of Branded Portfolio	09
	Existing Portfolio of Brands	10
	New Product Launches & Brand Extensions	11
	International Tie-up in Beverage Category	12
	Food Park to Enable Expansion of Product Portfolio	13-15
	Convenience Store Network	16-17
3	Highlights of Q1 FY16	18-21
	Key Milestones Achieved in Q1 FY16	19-21
4	Financial Overview	22-24
	Consolidation Footprint	23
	Consolidated Income Statement	24



# BUSINESS OVERVIEW



# Footprint Across Food Value Chain is Now in Place



## Agri Sourcing

- Strong presence in sourcing of all kinds of agri commodities and fresh produces.
- Network of distribution center across 32 locations in 16 states
- Provides aggregating, cleaning, grading, packing services to organized retailers



## Food Processing

- Operates India's largest food processing facility in Tumkur, Karnataka
- Food park provides "Plug & Play" infrastructure for companies looking to set up processing units in the food space



## Brands

- Introduced various FMCG products. In processed food such as cookies, jam, chips, corn flakes, namkins & others and in Home & Personal care - cleaning range, aluminum foil, tissues, diapers etc
- Expanding across new age underpenetrated categories



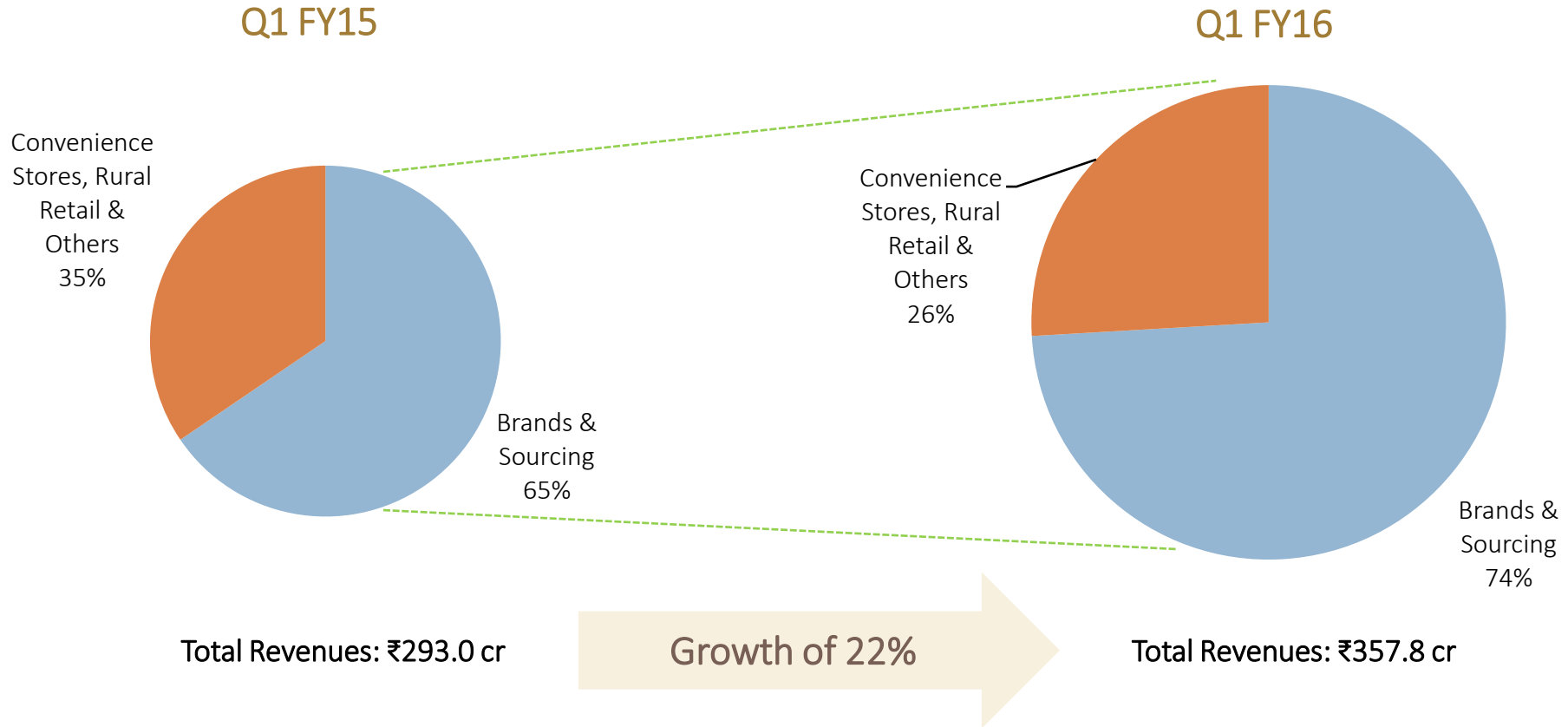
## Convenience Store & Rural Distribution

- Connecting consumer in urban and rural regions, operates 3 major retail chains:
- **KBCY** - convenience store spread across Delhi, Mumbai and Bengaluru.
  - **Nilgiri's** - franchisee operated convenience stores in southern India
  - **Aadhaar** – Rural distribution

## Value Chain from Farm to Fork



# Business Overview at a Glance: Q1 FY16



\* Does not includes brands sold through KBCY, FBFP, Aadhaar and Nilgiris stores

\*Nilgiris was acquired by FCEL in November – end 2014 hence not included in Q1FY15



# BUSINESS PORTFOLIO



# Building Portfolio of Brands in Emerging Categories

## Frozen Snacks

Western & Indian RTC snacks, Desserts, Condiments & Chutneys



## Edible Oils

26 Variants of Flour





# Nilgiris Enabled Expansion of Branded Portfolio

... Into Dairy, Bakery & Confectionery



# Existing Portfolio of Brands – Food & FMCG

**Tasty  
Treat.**



**Clean  
Mate.**



**care  
mate**™





# New Product Launches & Brand Extensions

*Sharing The Joy of Food*

**Savour the cool burst of Mint!**



**Indulge your taste buds with Nilgiri's New Mint Chocolate!**

Available at all Nilgiri's Stores from April 2nd

*Nilgiri's*

*Sharing The Joy of Food*

**Happiness Is A Pulpy Spread Away!**

Sunkist jams come in three delectable flavours – Mixed Fruit, Strawberry and Apple



**Take home a jar today!**

These are available for Rs. 57 (250 gms) and Rs. 147 (670 gms) at Big Bazaar, Foodhall, KB's FairPrice & KB's Convenience Stores.

*Sharing The Joy of Food*

**Crispier & Crunchier Tasty Treat Cornflakes**

Filling, ready to eat & hearty, cornflakes are a popular breakfast choice.



Enjoy Tasty Treat Corn Flakes with hot or cold milk.

Available at all Big Bazaar, KB's Convenience Stores, KB's FairPrice and Nilgiri's Stores.

*Sharing The Joy of Food*

**Have You Tried Ektaa Ujjain Poha?**



Ektaa Ujjain Poha lends a very unique flavor to breakfast preparations and snacks. The rich, fertile soil and clear waters of Ujjain in which it's grown makes it the best quality Poha. It can be easily used for a variety of dishes owing to its non sticky and fluffy texture.



Available in 500gm & 1kg Packs

*Sharing The Joy of Food*

**A Bite Sized Portion Of Goodness and Health!**

The Date is a Super fruit packed with nutrition.

**Benefits:**

- Low in fat, rich in prebiotic fiber to help control cholesterol levels.
- Minerals that boost immunity as well as protect the heart.
- Vitamins B and C for general health and immunity.



Nature's Choice Black Arabian Dates are available in 500 gm packs at Big Bazaar in West & South zones

*Sharing The Joy of Food*

Get a bottle of **Think Skin Body wash** at the price of soap!



Body wash is more hygienic than soap. Longer coverage. Skin. No storage required. Easy to carry when travelling.

Think Skin Aqua Body Wash 500 ml at **Rs. 59**

is available at Big Bazaar, KB's FairPrice, KB's Convenience Stores and Nilgiri's



# International Tie-up in Beverage Category

Sunkist, a \$1.2 billion global brand with around 700 SKUs in 77 countries  
Exclusively licensed, packaged and distributed in India by Future Group



Mibelle is a division of Migros Group – the largest retailer in Switzerland with an interest in various retail / consumer related businesses and a turnover of ~€25 billion

Board of Directors have approved a joint venture to manufacture, export, distribute, market and sell personal care products in India





# Food Park to Enable Expansion of Product Portfolio

## One of India's Leading Integrated Food Park



**ENTRANCE**



**Integrated Cold Chain Infrastructure**

89510 sq. ft. Single span.  
High Bay & low Bay Building



**Multi Produce Pulping Line**



**Grain Silos**



**Warehouse & Packhouse**

Finished Goods - 57,260 sqft. Raw Material - 38,413 sqft.  
Staple Pack house - 51218 sqft



**Cold Rooms**

600 MT (2-8 deg C)  
G+5 Racking. 1140 Palette locations



**IQF Facility**



**Spiral Freezer & RTE Conveyor**



# Activities Undertaken At Food Park



## Capacity & Process

- Farm sourced
- Grading/ Sorted
- Packed

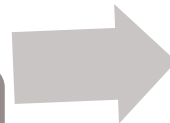


## Products

- Whole
- Cuts
- Assortments/ Salads`

## Capacity & Process

- Farm sourced
- Grading
- Sorted
- 4 Ripening Chambers



## Products

- Ripened and packaged Banana – G9 Robusta Variety



## Capacity & Process

- IQF
- Bulk breaking
- Retail packing



## Products

- Green peas
- Sweet corn
- Mix Veg
- Carrot



# Activities Undertaken At Food Park

Frozen Ready to  
Cook / Ready to  
Eat

## Capacity & Process

- Cooking
- Spiral Freezing
- Bulk packing
- Retail packing

## Products

- Punjabi Samosa
- Cocktail Samosa
- Spring roll
- Malabar Paratha



Punjabi Samosa



Spring Rolls



Potato smilies



Potato Wedges



Malabar Paratha



Cocktail Samosa



French Fries



Veg Nuggets





# Convenience Store Network

....To enable distribution of FCEL brands



**Delhi Gets Its First  
KB's Conveniently Yours!**

This New Age self help store is the right mix of convenient shopping and an enticing range of upgraded products.






**KB's** Located at Main Market,  
Hauz Khas, New Delhi

Copyright By : Internal Communications





# Distribution Network As of Q1 FY16

	<u># of stores</u>	<u># of franchise</u>	<u>Total Stores</u>	<u>Presence</u>
 *	127	-	127	NCR Mumbai
	6	147	153	South India
	21	35	56	Punjab Gujarat
Total Stores	154	182	336	

\* Includes KB's Fairprice Stores



# HIGHLIGHTS OF Q1 FY16

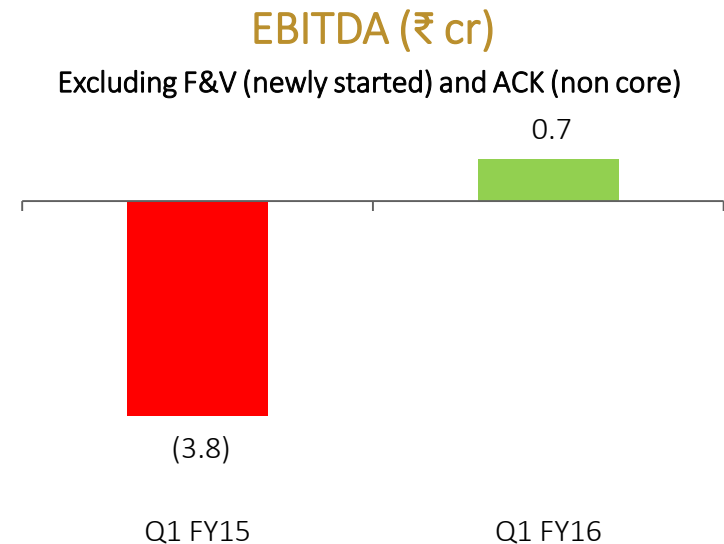


# Key Milestones Achieved in Q1 FY16 (1/3)

## Business Initiatives

### a. Improved performance at operating level

- i. Revenues of the consolidated entity has increased by 22% from ₹293.0 cr (Q1FY15) to ₹357.8 cr (Q1FY16)
- ii. Gross Margins witnessed 400bps improved compared to last year with margin expansions in convenience stores, brands and sourcing businesses
- iii. Consolidated EBITDA\*\* loss decreased by 25% compared to Q1FY15
- iv. Excluding newly commenced F&V business and ACK the EBITDA was positive ₹0.7 cr in Q1 FY16 as compared to loss of ₹3.8 cr in Q1 FY15



\*\* : Adjusted for Profit/(loss) in Associate/Minority Interest/Adj on acquisition of subsidiary



# Key Milestones Achieved in Q1 FY16 (2/3)

## Business Initiatives

- b. Rebranded existing KB's Fairprice stores into KB's Conveniently Yours (KBCY)**
  - i. With the aim of capturing urban consumption, the new age store offers a wider assortment of products focused on high margin categories
  - ii. Store is well-stocked with products that sell the most in the locality and offers a mix of 'Good-Better-Best' range of products
  - iii. Same model to be replicated across existing and new store additions during FY16
- c. New Brand Launches**
  - i. Desi Atta Company with 10 different types of Atta
  - ii. Karmiq in Edible Oil
  - iii. Veg Affaire for Frozen Vegetables
  - iv. Soo Fresh for Fresh Fruits & Vegetables
- d. Brands to be retailed through PDS**
  - i. FCEL has been awarded distribution of its brands and staple food products across 500 Public Distribution Shops (PDS) by a state government



# Key Milestones Achieved in Q1 FY16 (3/3)

## Strategic Initiatives

- a. **Acquired Tissue Paper & Wipes Business (“Kara”) from Grasim Industries**
  - i. Kara is one of the largest wet wipes brands in India with an integrated manufacturing facility
  - ii. Segments includes: skin care, home care, hand sanitizers and baby care
  - iii. Being repositioned as a women’s on the go beauty brand
  - iv. Brand is sold through the general trade and modern trade formats
  - v. Strong distribution network like a typical FMCG – master stockists who sell to retail outlets through agents and field staff



# FINANCIAL OVERVIEW



# Consolidation Footprint

Q1 (FY15)	Business Entity	Q1 (FY16)	Q4 (FY15)
FCEL Consolidated			
✓	FCEL Standalone	✓	✓
✓	Future Agrovet	✓	✓
✓	Aadhaar	✓	✓
✓	Amar Chitra Katha	✓	✓
✗	Nilgiri's	✓	✓
✗	Integrated Food Park	✓	for 2 months
✗	Sublime Foods	✓	✓
✗	Aussee Oats	✓	✓



# Consolidated Income Statement

Q1 (FY15)	Particulars (In ₹ cr)	Q1 (FY16)	Q4 (FY15)
293.0	<b>Total Operating Income</b>	357.8	358.8
36.2	<b>Gross Margin</b>	58.6	51.7
12.3%	<b>Gross Margin%</b>	16.4%	14.4%
7.7	Other Income	7.4	7.7
43.9	Total Income	66.1	59.3
49.2	Other Operating Cost	70.8	71.2
-5.3	<b>EBITDA</b>	-4.7	-11.9
1.9	Profit/(loss) in Associate/Minority Interest/Adj on acquisition of subsidiary	2.2	1.9
-3.5	<b>Consolidated EBITDA</b>	-2.6	-10.0
0.0	Exceptional Items (Profit / (Loss))	0.0	-9.3
3.1	Interest	16.0	13.5
10.6	Depreciation	13.7	16.4
-17.2	PBT	-32.4	-49.2
-17.2	<b>Consolidated PAT</b>	-32.3	-49.7
-5.9%	<b>PAT %</b>	-9.0%	-13.8%





# NAMASTE!!

## Disclaimer:

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized.

The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

## Registered and Corporate Office:

Future Consumer Enterprise Limited

Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060 ☎: +91 22 30841300 🌐: [www.futureconsumer.in](http://www.futureconsumer.in)

Incase if any queries please contact: [investor.care@futureconsumer.in](mailto:investor.care@futureconsumer.in)

