

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

### TO THE BOARD OF DIRECTORS OF FUTURE CONSUMER ENTERPRISE LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **FUTURE CONSUMER ENTERPRISE LIMITED** ("the Company") for the Quarter ended June 30, 2016 ("the Statement"), being submitted by the Company 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. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the 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 Company 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. Based on our review conducted as stated 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.
4. We have not reviewed the financial results and other financial information for the Quarter ended June 30, 2015 which have been presented solely based on the financial information compiled by the Management.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm's Registration No. 117364W)



**Ketan Vora**  
Partner

(Membership No. 100459)

MUMBAI, August 12, 2016

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# Future Consumer Enterprise Limited

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

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## STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

(Rs. in lakhs except per share data)

PARTICULARS (Refer Notes below)	For the Quarter ended	For the Quarter ended
	June 30, 2016	June 30, 2015
	(Unaudited)	(Unaudited)
<b>1 Income from operations</b>		
(a) Net Sales/Income from operations	35,598.50	26,139.73
(b) Other operating income	127.59	110.96
<b>Total Income from Operations</b>	<b>35,726.09</b>	<b>26,250.69</b>
<b>2 Expenses</b>		
(a) Cost of materials consumed	836.69	356.65
(b) Purchases of Stock in Trade	33,446.94	25,709.51
(c) Changes in inventories of finished goods and stock-in-trade	(3,372.75)	(3,303.00)
(d) Employee benefits expense	1,558.91	1,585.61
(e) Depreciation and amortisation expense	447.49	431.99
(f) Other expenses	2,706.66	2,661.70
<b>Total Expenses</b>	<b>35,623.94</b>	<b>27,442.46</b>
<b>3 Profit / (Loss) from Operations before Other Income, Finance costs and Exceptional items (1-2)</b>	<b>102.15</b>	<b>(1,191.77)</b>
<b>4 Other Income</b>	<b>702.50</b>	<b>860.85</b>
<b>5 Profit / (Loss) from Ordinary Activities before Finance costs and Exceptional items (3+4)</b>	<b>804.65</b>	<b>(330.92)</b>
<b>6 Finance Costs</b>	<b>1,157.71</b>	<b>1,523.56</b>
<b>7 (Loss) from Ordinary Activities after Finance cost but before Exceptional items (5-6)</b>	<b>(353.06)</b>	<b>(1,854.48)</b>
<b>8 Exceptional items</b>	<b>-</b>	<b>-</b>
<b>9 (Loss) from Ordinary Activities before tax (7-8)</b>	<b>(353.06)</b>	<b>(1,854.48)</b>
<b>10 Tax expense</b>	<b>-</b>	<b>-</b>
<b>11 Net (Loss) for the period (9-10)</b>	<b>(353.06)</b>	<b>(1,854.48)</b>
<b>12 Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>13 Total comprehensive income (11+12)</b>	<b>(353.06)</b>	<b>(1,854.48)</b>
<b>14 Paid-up equity share capital (Face Value of Rs.6/- per share) (Refer note 3)</b>	<b>98,714.05</b>	<b>99,121.14</b>
<b>15 Basic and diluted earnings per share (EPS) (of Rs.6/- each) not annualised ( in Rs.)</b>	<b>(0.02)</b>	<b>(0.11)</b>

Notes:

- 1 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.
- 2 The name of the Company has been changed from Future Ventures India Limited to Future Consumer Enterprise Limited w.e.f. September 30, 2013. Additional information required in terms of regulation 33 (1)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to change in name of a Company, suggesting a new line of business, is not given since the numbers disclosed in the above results for the quarter is in respect of the new line of business only.
- 3 The paid up equity share capital of the Company is Rs. 99,446.53 lakhs as at June 30, 2016 (as at June 30, 2015: Rs. 99,428.64 lakhs) which includes an amount of Rs. 732.48 lakhs (as at June 30, 2015: Rs. 307.50 lakhs) in respect of 12,207,988 equity shares (as at June 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.
- 4 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'.
- 5 Pursuant to shareholders' approval granted on June 17, 2016, the Company has on July 2, 2016 issued and allotted 100 Equity Shares of Rs.6 each at a premium of Rs.16.73 per equity share and 13,400 Compulsorily Convertible Debenture (CCDs) of Rs.1,00,000/- each to International Finance Corporation on preferential allotment basis. The CCDs are convertible into equity shares at a conversion price of Rs. 22.73 per equity share.
- 6 During the current quarter, the Company has acquired controlling stake in Genoa Rice Mills Private Limited and FCEL Food Processors Limited (formerly ACK Edutainment Limited).
- 7 A reconciliation of the standalone financial results to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarized as follows:

Particulars	Notes	For the Quarter ended June 30, 2015 (Rs. In lakhs)
Loss After tax as reported under previous GAAP		(2,108.70)
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	A	36.05
Measurement of financial guarantee contracts issued (net of tax)	B	7.24
Impact of recognising the cost of Employee stock option scheme at Fair Value	C	(56.79)
Reversal of Amortisation of Intangibles	D	357.01
Measurement of Financial Liability at Amortised Cost using Effective Interest Rate Method	E	(89.29)
Loss after Tax as reported under Ind AS		(1,854.48)
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, there was no accounting for fair value of Corporate Guarantees given and was shown as contingent liability. Under Ind AS the same is fair valued on the date on giving the guarantee and subsequently unwinded over the period of guarantee given.		
C. 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.		
D. Under previous GAAP, Goodwill was amortised based on estimated useful life. Under Ind AS the same is tested for impairment and not amortised.		
E. 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.		

- 8 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 12, 2016. The results for quarter ended June 30, 2016 have been subjected to Limited Review by the statutory auditors.
- 9 The financial results and other financial information for the quarter ended June 30, 2015 have not been reviewed 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.
- 10 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. Consequently, the figures for the current quarter are not comparable with that of the corresponding previous quarter.
- 11 The financial results will be available on the Company's website - [www.futureconsumer.in](http://www.futureconsumer.in), and on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

**By Order of the Board  
For Future Consumer Enterprise Limited**



**Ashni Biyani  
Wholetime Director**

**Place: Mumbai  
Date: August 12, 2016**

Corporate Identity Number of Future Consumer Enterprise Limited is L52602MH1996PLC192090