

Limited Review Report - Consolidated Financial Results

**Review Report to
The Board of Directors
Future Consumer Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Future Consumer Group comprising Future Consumer Limited (the 'Company') comprising its subsidiaries (together referred to as 'the Group'), its joint ventures and associate, for the quarter ended September 30, 2018 and year to date from April 01, 2018 to September 30, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue express a conclusion on the Statement based on our review.
3. We conducted our review 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.
4. Based on our review conducted as above and based on the consideration of the reports of other auditors on the unaudited separate quarterly and half yearly financial results and on the other financial information of subsidiaries, associate and joint ventures, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review, the interim financial results and other financial information, in respect of 8 subsidiaries, whose interim financial information reflects total assets of Rs. 49,554.62 Lakhs and net assets of Rs. 4,135.22 Lakhs as at September 30, 2018 and total revenues of Rs. 20,080.49 Lakhs and Rs. 38,644.72 Lakhs for the quarter and period ended on that date and the interim financial results of 8 joint ventures and 1 associate which reflects Group's share of net loss of Rs. 557.88 Lakhs and Rs. 717.35 Lakhs for the quarter and period ended on September 30, 2018. These interim financial results and other financial information have been reviewed by other auditors whose reports have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries, joint ventures and associate is based solely on the report of other auditors. Our conclusion is not modified in respect of this matter.



S R B C & CO LLP

Chartered Accountants

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6. The consolidated financial results also include the Group's share of net loss of Rs. 99.08 Lakhs and Rs. 489.90 Lakhs for the quarter and for the six period ended September 30, 2018 respectively, as considered in the consolidated financial results, in respect of 5 joint ventures, whose financial results and other financial information have not been reviewed and whose unaudited financial results, other unaudited financial information have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of these joint ventures, is based solely on such unaudited financial results and other unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial results and other financial information are not material to the Group. Our conclusion is not modified in respect of this matter.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Pramod Kumar Bapna
Partner
Membership No.: 105497



Place of Signature: Mumbai
Date: November 3, 2018

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, 2018

(Rs. in lakhs except per share data)

PARTICULARS (Refer Notes below)	For the Quarter ended September 30, 2018 (Unaudited)	For the Quarter ended June 30, 2018 (Unaudited)	For the Quarter ended September 30, 2017 (Unaudited)	For the Six Months ended September 30, 2018 (Unaudited)	For the Six Months ended September 30, 2017 (Unaudited)	For the Year ended March 31, 2018 (Audited)
1 Income						
(a) Revenue from operations	1,01,114.71	84,088.12	75,104.99	1,85,202.83	1,41,367.87	3,00,741.81
(b) Other Income	846.69	830.66	523.18	1,677.35	1,103.46	3,193.51
Total Income	1,01,961.40	84,918.78	75,628.17	1,86,880.18	1,42,471.33	3,03,935.32
2 Expenses						
(a) Cost of materials consumed	3,044.33	3,299.00	3,277.28	6,343.33	7,483.41	14,056.45
(b) Purchases of Stock in Trade	87,398.17	71,837.37	63,749.97	1,59,235.54	1,19,494.82	2,50,484.88
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,692.14)	(2,868.44)	(2,297.90)	(5,560.58)	(5,208.07)	(4,797.57)
(d) Employee benefits expense	3,214.81	3,462.36	3,230.33	6,677.17	6,028.92	12,581.18
(e) Finance Costs	1,716.92	1,593.17	1,218.17	3,310.09	2,499.40	5,268.20
(f) Depreciation, Amortisation and Impairment expenses	1,269.49	1,225.39	1,134.97	2,494.88	2,031.48	4,547.84
(g) Other expenses	7,605.51	6,349.77	5,865.41	13,955.28	11,428.65	22,946.11
Total Expenses	1,01,557.09	84,898.62	76,178.23	1,86,455.71	1,43,758.61	3,05,087.09
3 Profit / (Loss) before share of profit / (Loss) of an Associate/a Joint Venture and Exceptional items (1-2)	404.31	20.16	(550.06)	424.47	(1,287.28)	(1,151.77)
4 Share of Profit / (Loss) in Associate Company and Joint Ventures	(623.26)	(626.60)	(480.29)	(1,249.86)	(758.66)	(2,162.30)
5 Profit / (Loss) before Exceptional items and Tax (3+4)	(218.95)	(606.44)	(1,030.35)	(825.39)	(2,045.94)	(3,314.07)
6 Exceptional items	-	-	-	-	-	-
7 Profit / (Loss) before tax (5-6)	(218.95)	(606.44)	(1,030.35)	(825.39)	(2,045.94)	(3,314.07)
8 Tax expense						
Current Tax	104.46	-	-	104.46	-	17.99
Deferred Tax	-	-	-	-	-	(267.71)
9 Profit / (Loss) for the period (7-8)	(323.41)	(606.44)	(1,030.35)	(929.85)	(2,045.94)	(3,064.35)
10 Other comprehensive income (OCI)						
A (i) Items that will not be reclassified to statement of profit or loss	4.02	(0.65)	3.20	3.37	3.20	(125.87)
(ii) Income tax relating to items that will not be reclassified to statement of profit or loss	-	-	-	-	-	27.69
B (i) Items that may be reclassified to statement of profit or loss	(49.40)	-	-	(49.40)	-	-
Total other comprehensive income	(45.38)	(0.65)	3.20	(46.03)	3.20	(98.18)
11 Total comprehensive income (9+10)	(368.79)	(607.09)	(1,027.15)	(975.88)	(2,042.74)	(3,162.53)
Profit / (Loss) for the year attributable to :						
- Owners of the company	(300.02)	(590.62)	(881.00)	(890.64)	(1,765.57)	(2,598.42)
- Non-controlling interests	(23.39)	(15.82)	(149.35)	(39.21)	(280.37)	(465.93)
Other Comprehensive income for the year attributable to :						
- Owners of the company	(25.62)	(0.65)	3.20	(26.27)	3.20	(98.18)
- Non-controlling interests	(19.76)	-	-	(19.76)	-	-
Total Comprehensive income for the year attributable to :						
- Owners of the company	(325.64)	(591.27)	(877.80)	(916.91)	(1,762.37)	(2,696.60)
- Non-controlling interests	(43.15)	(15.82)	(149.35)	(58.97)	(280.37)	(465.93)
12 Paid-up equity share capital (Face Value of Rs.6/- per share)	1,14,301.48	1,14,259.71	1,00,854.69	1,14,301.48	1,00,854.69	1,14,128.91
13 Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)						(14,603.76)
14 Earnings per share (EPS) (of Rs.6/- each) (not annualised for interim periods) : a) Basic (Rs)	(0.03)	(0.03)	(0.05)	(0.05)	(0.10)	(0.14)
b) Diluted (Rs.)	(0.03)	(0.03)	(0.05)	(0.05)	(0.10)	(0.14)
15 Paid up Debt Capital						
16 Debenture Redemption Reserve				68,590.01	55,292.58	61,765.77
17 Networth						
18 Debt Equity Ratio (no. of times)				99,156.53	93,405.71	99,525.15
19 Debt Service Coverage Ratio (no. of times)				0.69	0.59	0.62
20 Interest Service Coverage Ratio (no. of times)				0.21	(0.22)	(0.04)
				0.56	(0.30)	(0.18)



Notes:

1. CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

PARTICULARS	(Rs. in lakhs)	
	As at September 30, 2018	As at March 31, 2018
	(Unaudited)	(Audited)
A ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	51,957.34	50,469.32
(b) Capital Work-in-progress	7,496.12	6,948.57
(c) Investment Property	704.96	710.08
(d) Goodwill	16,389.35	16,389.35
(e) Other Intangible Assets	22,553.51	23,386.40
(f) Intangible Assets under development	37.05	-
(g) Financial Assets		
(i) Investments	1,807.45	3,405.11
(ii) Loans	2,306.86	2,915.90
(iii) Other Financial Assets	835.06	742.63
(h) Deferred Tax Assets (net)	45.90	29.10
(i) Other Non-Current Assets	3,199.48	2,922.56
Total non-current assets	1,07,333.08	1,07,919.02
Current Assets		
(a) Inventories	27,874.16	22,424.31
(b) Financial Assets		
(i) Investments	2.74	895.69
(ii) Trade Receivables	54,503.87	49,294.97
(iii) Cash and cash equivalents	2,780.76	4,306.69
(iv) Bank Balances other than (iii) above	1,069.95	168.52
(v) Loans	11,030.71	8,821.43
(vi) Other Financial Assets	4,362.50	5,343.25
(c) Other Current Assets	4,232.56	3,071.43
Assets held for Sale (Refer note 10)	1,05,857.25	94,326.29
Total current assets	1,726.38	-
TOTAL ASSETS	2,14,916.71	2,02,245.31
B EQUITY AND LIABILITY		
Equity		
(a) Equity Share Capital	1,14,301.48	1,14,128.91
(b) Other Equity	(15,144.95)	(14,603.76)
Equity attributable to owners of the Group	99,156.53	99,525.15
(c) Non-controlling interests	(208.36)	423.24
Total Equity	98,948.17	99,948.39
LIABILITY		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowing	28,832.72	31,014.16
(ii) Other financial liabilities	318.00	77.57
(b) Provisions	710.07	627.52
(c) Deferred Tax Liabilities (net)	4,221.17	4,133.47
(d) Other non-current liabilities	3,978.49	4,075.33
Total non-current liabilities	38,060.45	39,928.05
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	32,429.58	23,035.48
(ii) Trade Payables	31,257.35	24,145.55
(iii) Other Financial Liabilities	10,933.13	12,046.82
(b) Provisions	1,676.35	1,356.74
(c) Other Current Liabilities	1,611.68	1,784.28
Total current liabilities	77,908.09	62,368.87
TOTAL EQUITY AND LIABILITY	2,14,916.71	2,02,245.31



2. The name of the Company has changed from Future Consumer Enterprise Limited to Future Consumer Limited w.e.f. October 13, 2016.
3. 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'.
4. During the quarter, the Company made additional investment in MNS Foods Private Limited of Rs. 75 lakhs.
5. Issued and paid up share capital of the Company has been reduced by 21,03,404 shares due to acquisition of treasury shares by the ESOP trust and increased by 49,79,537 equity shares due to exercise of stock options during the quarter.
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 are as follows:

Sr No	Particulars	Series	ISIN	Security ID	Previous Due Date (From 01-April -2018 to 30-September-2018)	Next Due Date (From 01-October -2018 to 31-March-2019)	Rating Assigned by Rating Agency
					Principal and Interest	Principal and Interest	
A	Non Convertible Debentures Series I	STRPP 1	INE220J07030	1100FCL18	16-Sept-2018	-	CARE A
B	Non Convertible Debentures Series I	STRPP 2	INE220J07048	1100FCL19A	-	16-Mar-2019	CARE A
C	Non Convertible Debentures Series I	STRPP 3	INE220J07055	1100FCL20	-	16-Mar-2019	CARE A
D	Non Convertible Debentures Series II	STRPP 1	INE220J07063	1055FCL18	16-June-2018 16-Sept-2018	-	CARE A
E	Non Convertible Debentures Series II	STRPP 2	INE220J07071	1055FCL19A	16-June-2018 16-Sept-2018	16-Dec-2018 16-Mar-2019	CARE A
F	Non Convertible Debentures Series II	STRPP 3	INE220J07089	1055FCL20A	16-June-2018 16-Sept-2018	16-Dec-2018 16-Mar-2019	CARE A
G	Non Convertible Debentures Series III	STRPP 1	INE220J07097	995FCL19	5-Sept-2018	5-Mar-2019	CARE A
H	Non Convertible Debentures Series III	STRPP 2	INE220J07105	995FCL19A	5-Sept-2018	-	CARE A
I	Non Convertible Debentures Series III	STRPP 3	INE220J07113	995FCL20	5-Sept-2018	-	CARE A
J	Non Convertible Debentures Series	I	INE220J07121	-	15-May-2018 15-Aug-2018	15-Nov-2018 15-Feb-2019	Unrated

Interest and Principal has been paid on due dates

7. The Listed Secured Non-Convertible Debentures of the Company aggregating to Rs. 235 crores as on September 30, 2018 are secured by way of exclusive charge on specific fixed assets of the Company and / or its subsidiaries and unconditional and irrevocable guarantee of Mr Kishore Biyani, Director of the Company, for principal and its interest thereon. The asset cover in respect of Non-Convertible Debentures of the Company as on September 30, 2018 exceeds 100% of the principal amount of the said listed Non-Convertible Debentures.
8. Formula for computation of ratios are as follows :
 (a) Paid up Debt Capital = (Long term borrowings + Short term borrowings + Current maturities of Long term borrowings).
 (b) Debt Equity Ratio = (Long term borrowings + Short 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.

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

PARTICULARS	For the Quarter ended	For the Quarter ended	For the Quarter ended	For the Six Months ended	For the Six Months ended	For the Year ended
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	80,489.50	65,042.69	61,609.80	1,45,532.19	1,13,342.67	2,43,110.96
Profit / (Loss) before Tax	(202.64)	1,088.65	855.81	886.01	1,480.47	3,262.37
Total comprehensive income	(202.64)	1,088.65	855.81	886.01	1,480.47	3,172.75



- 10 The Company has entered into a definitive agreement to sale its stake in Amar Chitra Katha Private Limited ("ACK"). Accordingly, the lower of its carrying value and fair value of investments in ACK amounting to Rs. 1726.38 lakhs as on September 30, 2018 has been classified as "Assets held for sale" as per Ind AS 105.
- 11 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 3, 2018. The above results have been subjected to Limited Review by the statutory auditors.
- 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).



Place: Mumbai

Date: November 3, 2018

By Order of the Board
For Future Consumer Limited

A handwritten signature in blue ink, appearing to read "Ashni Biyani".

Ashni Biyani
Managing Director

Corporate Identity Number of Future Consumer Limited is L52602MH1996PLC192090