

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**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 Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint ventures for the quarter ended June 30, 2023 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for 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 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 (the "Circular") issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

The Statement includes the results of the entities as detailed out in Annexure 1.

5. As described in note 6 of the Statement as regards non-availability of financial information and ongoing dispute with Joint Venture partner of 2 Joint Venture companies, which are not considered for consolidation in the attached Statement, which is a non-compliance of IND AS 27 and Listing Regulations. Consequently, we are unable to determine the impact of such non-compliance on the loss, earnings per share for the quarter ended June 30, 2023 and investment in joint venture, other equity as of June 30, 2023. Our conclusion was also modified in respect of this matter for the quarter and year ended March 31, 2023.



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6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors and the financial results/ financial information certified by the management referred to in paragraph 9 and 10 below respectively, except for the possible effects of our observations in para 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. **Material Uncertainty Related to Going Concern**

We refer to Note 4 to the Statement, the Group has incurred a loss before taxes of Rs. 2,604.14 lakhs for the quarter ended June 30, 2023 and has a net capital deficiency of Rs. 20,873.20 lakhs as at June 30, 2023. The Holding Company has also suffered consistent downgrades in its credit ratings, as a result of which the Group's ability to raise funds has been significantly impaired, with normal business operations being substantially curtailed. In addition, the Holding Company has defaulted in repayment of loans and interest thereon to banks and consequently the lenders have classified the Holding Company's account as Non performing asset. The Holding Company has been unable to conclude re-negotiations or obtain replacement financing or monetise its assets as agreed with the lenders. These conditions, along with other matters, set forth in said note, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. As explained in aforesaid note, management is of the view that the appropriateness of Going concern assumption is dependent upon Group's ability to arrange sufficient liquidity by monetisation of its assets and other strategic initiatives including fresh investment to meet its obligations. Our conclusion is not modified with respect to this matter.

8. **Emphasis of Matter**

We draw attention to Note 7 of the Statement, which more fully describes certain forensic audits that have been initiated on the Holding Company, by SEBI and by lenders, which are currently in progress. Our conclusion is not modified in respect of the above matter.

9. The accompanying Statement includes the unaudited interim financial results/statements and other financial information, in respect of:
- 7 subsidiaries, whose unaudited interim financial results/statements and other financial information include total revenues of Rs 7,976.75 lakhs, total net loss after tax of Rs. 217.32 lakhs and total comprehensive loss of Rs. 217.32 lakhs for the quarter ended June 30, 2023, as considered in the Statement which have been reviewed by their respective independent auditors.
 - 3 joint ventures, whose unaudited interim financial results/statements and other financial information include Group's share of net loss of Rs. 14.16 lakhs and Group's share of total comprehensive loss of Rs. 14.16 lakhs for the quarter ended June 30, 2023, as considered in the Statement whose interim financial results and other financial information have been reviewed by their respective independent auditors.



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The independent auditor's reports on interim financial statements/ financial information/ financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint ventures is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

10. The accompanying Statement includes unaudited interim financial results /statements and other unaudited financial information in respect of:

- 3 subsidiaries, whose unaudited interim financial results/statements and other financial information reflect total revenues of Rs. Nil, total net loss after tax of Rs. 14.80 lakhs and total comprehensive loss of Rs. 13.68 lakhs, for the quarter ended June 30, 2023.
- 2 joint ventures, whose interim financial results/statements and other financial information includes the Group's share of net loss of Rs. 29.52 lakhs and Group's share of total comprehensive loss of Rs. 29.52 lakhs for the quarter ended June 30, 2023.

The unaudited interim financial statements/ financial information/ financial results and other unaudited financial information of these joint ventures have not been reviewed by any auditor and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these joint ventures, is based solely on such unaudited interim financial statement/financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial statements/financial information/financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 9 and 10 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results/financial information certified by the Management.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



per Pramod Kumar Bapna
Partner
Membership No.: 105497
UDIN : 23105497BGXBPE9566



Place : Mumbai
Date : August 14, 2023

Future Consumer Limited

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Annexure 1- List of Entities


Sr No.	Name of the Entity
A	Subsidiaries
1	Aadhaar Wholesale Trading and Distribution Limited
2	Appu Nutritions Private Limited
3	Bloom Foods and Beverages Private Limited
4	Delect Spices and Herbs Private Limited
5	FCEL Overseas FZCO
6	FCL Tradevest Private Limited
7	Future Food and Products Limited
8	Future Food Processing Limited
9	Integrated Food Park Limited
10	Nilgiri's Mechanised Bakery Private Limited
11	Nilgiris Franchise Limited
12	The Nilgiri Dairy Farm Private Limited
B	Joint Venture
1	Aussee Oats India Limited (refer para 5 of the report)
2	Aussee Oats Milling (Private) Limited (refer para 5 of the report)
3	Fonterra Future Dairy Private Limited
4	MNS Foods Limited
5	Sublime Foods Limited
6	FCL Speciality Foods Private Limited
7	Hain Future Natural Products Private Limited
C	Associate
1	Amar Chitra Katha Private Limited



STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

(Rs. in lakhs except per share data)

PARTICULARS (Refer Notes below)	For the Quarter ended June 30, 2023 (Unaudited)	For the Quarter ended March 31, 2023 (Audited)	For the Quarter ended June 30, 2022 (Unaudited)	For the Year ended March 31, 2023 (Audited)
1 Income				
(a) Revenue from operations	8,876.63	8,506.93	10,426.82	38,115.08
(b) Other Income	410.02	536.54	551.04	2,452.41
Total Income	9,286.65	9,043.47	10,977.86	40,567.49
2 Expenses				
(a) Cost of materials consumed	451.36	379.90	398.42	1,431.87
(b) Purchases of Stock in Trade	6,820.99	6,533.73	9,213.22	29,938.34
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	183.12	178.17	1,508.12	3,520.74
(d) Employee benefits expense	729.13	703.96	1,007.50	3,409.16
(e) Finance Costs	1,354.20	1,398.06	1,338.43	5,345.97
(f) Depreciation, Amortisation and Impairment expenses	538.60	570.01	1,078.39	3,220.52
(g) Other expenses	1,422.56	1,469.46	2,230.89	7,652.89
Total Expenses	11,459.56	11,233.29	16,774.98	54,519.49
3 Profit / (Loss) before share of profit/(Loss) of an Associate/a Joint Venture and Exceptional items (1-2)	(2,213.51)	(2,189.82)	(5,797.12)	(13,952.00)
4 Share of Profit / (Loss) in Associate Company and Joint Ventures	(43.68)	119.71	(219.64)	(276.25)
5 Profit / (Loss) before Exceptional items and Tax (3+4)	(2,256.99)	(2,070.11)	(6,016.76)	(14,228.25)
6 Exceptional items (Refer Note 8)	(347.15)	(3,403.38)	(2,948.36)	(18,665.72)
7 Profit / (Loss) before tax (5+6)	(2,604.14)	(5,473.49)	(8,965.12)	(32,893.97)
8 Tax expense / (benefit)	-	(76.75)	566.36	420.11
Current Tax	-	(76.75)	566.36	420.11
Deferred Tax	(163.60)	253.47	-	253.47
9 Profit / (Loss) for the period (7-8)	(2,440.54)	(5,638.57)	(9,514.15)	(33,503.31)
10 Other comprehensive income (OCI)				
A (i) Items that will not be reclassified to statement of profit or loss	-	57.82	-	68.71
(ii) Income tax relating to items that will not be reclassified to statement of profit or loss	-	-	-	-
B (i) Items that will be reclassified to statement of profit or loss	1.10	3.76	(34.98)	(42.75)
Total other comprehensive income (9+10)	1.10	61.58	(34.98)	25.96
11 Profit / (Loss) for the year attributable to :	(2,439.44)	(5,576.99)	(9,549.13)	(33,477.35)
- Owners of the company	(2,439.06)	(5,633.47)	(9,513.75)	(33,496.90)
- Non-controlling interests	(1.48)	(5.10)	(0.40)	(6.41)
Other Comprehensive income for the year attributable to :				
- Owners of the company	1.10	61.58	(34.98)	25.96
- Non-controlling interests	-	-	-	-
Total Comprehensive income for the year attributable to :	(2,437.96)	(5,571.89)	(9,548.73)	(33,470.94)
- Owners of the company	(2,437.96)	(5,571.89)	(9,548.73)	(33,470.94)
- Non-controlling interests	(1.48)	(5.10)	(0.40)	(6.41)
12 Paid-up equity share capital (Face Value of Rs.6/- per share)				
13 Reserves excluding Revaluation Reserves				
14 Earnings per share attributable to owners of the Group after exceptional items (of Rs.6/- each) (not annualised for interim periods) :				
a) Basic (Rs.)	(0.22)	(0.28)	(0.48)	(1.69)
b) Diluted (Rs.)	(0.22)	(0.28)	(0.48)	(1.69)
Earnings per share attributable to owners of the Group before exceptional items (of Rs.6/- each) (not annualised for interim periods) :				
a) Basic (Rs.)	(0.11)	(0.11)	(0.33)	(0.75)
b) Diluted (Rs.)	(0.11)	(0.11)	(0.33)	(0.75)

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Notes:

1 The Group 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'.

2 During the quarter there was no acquisition of treasury shares by the ESOP trust or issue of shares due to exercise of stock options.

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

PARTICULARS	For the Quarter ended June 30, 2023	For the Quarter ended March 31, 2023	For the Quarter ended June 30, 2022	For the Year ended March 31, 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Revenue from operations	101.50	334.76	2,235.31	5,173.26
(Loss) before Tax	(2,565.09)	(16,664.46)	(7,814.17)	(54,770.40)
Total comprehensive loss	(2,565.09)	(16,336.80)	(7,814.17)	(54,642.74)

4 The Group is currently facing significant liquidity crunch which has impacted the operations of the Group during the quarter ended June 30, 2023. The Group has incurred loss before tax during the quarter ended June 30, 2023 amounting to Rs. 2,604.14 lakhs (including exceptional items, refer note 8 below) primarily owing to the exceptional items, lower volumes, finance costs and depreciation and also has accumulated losses as at June 30, 2023 of Rs. 1,80,354.87 lakhs. Group's current liabilities exceeded its current assets by Rs. 33,523.77 lakhs as at the quarter end. The Holding Company has also suffered consistent downgrades in its credit ratings, as a result of which the Group's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed. Further, the Holding Company has defaulted on payment of interest/repayment of principal amount on loans from banks/financial institution and unlisted debts securities as a result the banks have classified the loans given to the Holding Company as non-performing assets (NPA). The Group has total debt servicing obligations due (including interest accrued) aggregating to Rs. 46,677.64 lakhs as at June 30, 2023.

Further, the Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") has pronounced an order dated July 20, 2022 admitting application under Section 7 of the Insolvency and Bankruptcy Code, 2016 against one of the major customer of the Group, Future Retail Limited. The Group has significant amount of receivables from the said customer amounting to Rs. 39,082.75 lakhs and had recorded an expected credit loss on the entirety of the receivable from the said customer in earlier year(s).

The Group has also discussed the Asset Monetisation Plan with the lenders of the Holding Company in a joint-lender's meeting (JLM) held on July 06, 2022. Considering the Asset Monetisation Plan, the lenders allowed the Holding Company to repay its borrowings till January 31, 2023. However, the Holding Company was unable to conclude re-negotiations or obtain replacement financing or monetise its assets as agreed with the lenders during the said period. On February 9, 2023, March 21, 2023 and June 12, 2023 the Holding Company held meetings with JLM and updated them about the status and likely timelines for assets monetisation and /or fresh investments, besides few proposals parallelly in pipeline on individual business verticals, and in either case the Holding Company being able to settle the loans amicably with the lenders. Currently, JLM has restricted the banking transactions of the Holding Company. JLM has also indicated initiation of legal action for recovery of dues.

These events/conditions indicate the existence of material uncertainty that may cast significant doubt about the Group's ability to continue as going concern. The financial results do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

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To address the liquidity crunch and to maintain the sufficient working capital, the Group has adopted several measures including sales to other customers, cost optimisation, discussion with banks for restructuring / one time settlement of loans, other strategic initiatives for fresh investments, monetisation of identified assets, etc. The expected proceeds from monetisation of these assets which includes property, plant and equipment, investments and other assets and/or fresh investments will be utilised to repay the borrowings (including interest) and manage the working capital requirements. These identified assets for monetisation have been classified as assets held for sale in accordance with Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations' at lower of their carrying value and fair value less costs to sell. Accordingly, the Group has recognised impairment loss on the said assets and disclosed the same under 'exceptional items' (refer note 8 below). The management has initiated the plan to locate the prospective buyers of these assets.

The success of the above measures adopted by the Group is dependent on the effective implementation of its operating plans and timely closure with the potential buyers for monetisation of its assets and / or fresh investments into the Group which is dependent on many internal / external factors. The management is confident that they will be able to arrange sufficient liquidity by either monetization and / or fresh investments, increase in operations and other strategic initiatives. Accordingly, the financial results are prepared on a going concern basis.

- 5 On July 20, 2022, the Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") has ordered commencement of the corporate insolvency resolution process of Future Retail Limited, one of the major customer of the Group (Corporate Debtor) in terms of the provisions of Insolvency and Bankruptcy Code, 2016 (the 'Code').

During May 2023, an interlocutory application has been filed against the Holding Company, certain subsidiaries and JV in Hon'ble National Company Law Tribunal (NCLT) wherein the resolution professional being Applicant has prayed to declare payments made by the Corporate Debtor to the Group during FY 2020-21 and FY 2021-22 towards supply of goods to be preferential in nature and accordingly direct the said companies to refund monies to the tune of Rs. 1,01,149 lakhs to the Corporate Debtor, in accordance with Section 44 of the Code.

The Group is of the view that all payments received from Future Retail Limited were in the ordinary course of business and there were no preferential payments received. The Group is in the process of filing response in this regard.

6 Note on Qualification in Review Report

The Group has investments in Joint Ventures Aussee Oats Milling Private Limited and Aussee Oats India Private Limited (together referred to as 'JV') of Rs. 6,605.06 lakhs including investments, loans, and other assets (As on March 31, 2023 Rs. 6,545.04 lakhs). There is a dispute between the Group and said JV partners and due to non-availability of financial results for the quarter ended June 30, 2023, as a consequence of non-cooperation of the said JV partners which is a direct contravention of court rulings, the Group is unable to determine the fair value of Group's investments in JV as at June 30, 2023 and consequent impact thereof on the results. However, the Management believe that it will not have a material impact on the consolidated financial results for the quarter ended June 30, 2023.

- 7 a) The Holding Company has received through email a letter from Securities and Exchange Board of India Bearing Ref.: SEBI/HO/CFID_SEC2/P/OW/2022/34082/1 dated 3rd August, 2022 ("SEBI Letter") addressed to Interim Resolution Professional ("IRP") of Future Retail Limited ("FRL") intimating about appointment of M/s Chokshi & Chokshi LLP, Chartered Accountants as forensic auditors with respect to Consolidated Financial Statements of FRL and audit of books of account of the Holding Company and some other entities for review period being the financial year ended March 31, 2020, March 31, 2021 and March 31, 2022. The said appointment has been made in terms of the provisions laid down under Regulations 5 of SEBI (PFRUITP) Regulations, 2003 read with applicable provisions contained in SEBI Act, 1992. Audit of the Holding Company will be with respect to the related party transactions with FRL only. Subsequently, the Holding Company has submitted the data as requested in this regard. Forensic audit is currently in progress.

b) During the previous year, bank accounts of the Holding Company have been classified as Non Performing Asset (NPA) and as per the extant guidelines of Reserve Bank of India (RBI), account need to be reviewed for conducting Forensic Audit. Accordingly, the lead bank (State Bank of India) had appointed a firm of Chartered Accountants, to carry out forensic audit of the books of account of the Holding Company for the period April 01, 2018 to September 30, 2022, inter-alia in relation to specific transactions provided in the scope. The above forensic audit is currently in progress.

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8 Exceptional items include the following :

Particulars	For the quarter ended June 30, 2023	For the quarter ended March 31, 2023	For the quarter ended June 30, 2022	For the year ended March 31, 2023
Gain on sale of property, plant and equipments	-	-	(588.76)	(1,222.15)
Impairment of Assets held for Sale	(70.42)	1,912.04	-	5,273.98
Impairment of Inter corporate deposits including interest thereon	-	223.17	-	232.62
Impairment of Investments	(21.85)	156.64	-	156.64
Impairment of Property, Plant and Equipments, CWIP and Intangibles assets	439.42	924.54	3,497.00	16,769.74
Provisions/ Payables written back	-	-	-	(4,340.20)
Others	-	187.58	40.12	1,795.09
Total	347.15	3,403.98	2,948.36	18,665.72

(Rs. in lakhs)

9 The figures for the corresponding previous period have been regrouped/reclassified wherever necessary, to make them comparable.

10 Figures for the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the full financial year ended on that date and the published reviewed year-to-date figures upto the third quarter of that financial year.

11 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on August 14, 2023.

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

Place: Mumbai
Date : August 14, 2023

Amit Kumar Agrawal
Amit Kumar Agrawal
Executive Director

Corporate Identity Number of Future Consumer Limited is L52602MH1996PLC192090

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