

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED 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 nine months ended December 31, 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.

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



Name of the Company	Relationship
- IBH Books and Magazines Distributors Limited (ACK's Subsidiary)	Joint Venture's Subsidiary
- ACK Media Direct Limited (ACK's Subsidiary)	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)	Wholly Owned 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 (subsidiary from May 30, 2016 till December 05, 2016)	Joint Venture

* Subsidiary by virtue of control through composition of board.

4. We did not review the interim information of 14 subsidiaries (including sub-subsidiaries) included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. 16,303.53 lakhs and Rs. 48,718.76 lakhs for the quarter and nine months ended December 31, 2016, respectively, and total loss after tax of Rs. 1,222.73 lakhs and Rs. 3,384.30 lakhs and Total comprehensive income (loss) of Rs. 1,222.73 lakhs and Rs. 3,380.76 lakhs for the quarter and nine months ended December 31, 2016, respectively, as considered in the consolidated unaudited financial results.



The consolidated unaudited financial results also includes the Group's share of profit / (loss) after tax of Rs. 371.96 lakhs and Rs. 1,579.89 lakhs and Total comprehensive income / (loss) of Rs. 371.96 lakhs and Rs. 1,579.89 lakhs for the quarter and nine months ended December 31, 2016, respectively, as considered in the consolidated unaudited financial results, in respect of 7 joint ventures and their 4 subsidiaries and 1 associate, whose interim financial information have not been reviewed by us.

These interim financial 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 associates, 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.
6. The comparative financial information for the quarter and nine months ended December 31, 2015 in respect of 12 subsidiaries, 4 joint ventures and their 5 subsidiaries and 2 associates included in this Statement prepared in accordance with the Indian Accounting Standards ("Ind AS") have been reviewed by other auditors and have been relied upon by us.

For DELOITTE HASKINS & SELLS

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



Ketan Vora

Partner

(Membership No. 100459)

MUMBAI, February 11, 2017

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 NINE MONTHS ENDED DECEMBER 31, 2016

(Rs. in lakhs except per share data)

PARTICULARS	For the Quarter ended December 31, 2016 (Unaudited)	For the Quarter ended September 30, 2016 (Unaudited)	For the Quarter ended December 31, 2015 (Unaudited)	For the Nine Months ended December 31, 2016 (Unaudited)	For the Nine Months ended December 31, 2015 (Unaudited)
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1 Income from operations					
(a) Net Sales / Income from operations	54,732.84	55,982.94	50,147.45	156,994.27	127,154.53
(b) Other operating income	425.01	388.63	332.87	1,245.00	1,067.95
Total Income from Operations	55,157.85	56,371.57	50,480.32	158,239.27	128,222.48
2 Expenses					
(a) Cost of materials consumed	4,604.61	4,403.80	4,219.70	13,320.27	10,721.27
(b) Purchases of Stock in Trade	43,316.25	45,954.84	38,757.05	128,767.56	102,514.55
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(585.30)	(1,446.48)	138.88	(5,749.69)	(4,145.27)
(d) Employee benefits expense	2,645.70	2,359.13	2,654.39	7,387.27	7,631.36
(e) Depreciation and Amortisation expense	884.99	899.35	765.34	2,558.62	2,234.87
(f) Other expenses	4,856.91	4,793.72	4,608.35	13,806.94	13,079.14
Total Expenses	55,723.16	56,964.36	51,143.71	160,090.97	132,035.92
3 Profit / (Loss) from Operations before Other Income, Finance costs and Exceptional items (1-2)	(565.31)	(592.79)	(663.39)	(1,851.70)	(3,813.44)
4 Other Income	645.06	534.87	575.83	1,700.01	2,098.20
5 Profit / (Loss) from Ordinary Activities before Finance costs and Exceptional items (3+4)	79.75	(57.92)	(87.56)	(151.69)	(1,715.24)
6 Finance Costs	1,206.39	1,058.52	1,585.96	3,601.62	4,733.12
7 Profit / (Loss) from Ordinary Activities after Finance cost but before Exceptional items (5-6)	(1,126.64)	(1,116.44)	(1,673.52)	(3,753.31)	(6,448.36)
8 Exceptional items	-	-	-	-	-
9 Profit / (Loss) from Ordinary Activities before tax (7-8)	(1,126.64)	(1,116.44)	(1,673.52)	(3,753.31)	(6,448.36)
10 Tax expense	-	-	5.33	72.32	5.79
11 Net Profit / (Loss) for the period (9-10)	(1,126.64)	(1,116.44)	(1,678.85)	(3,825.63)	(6,454.15)
12 Share of (loss) in Associate Company and Joint Ventures	(371.96)	(594.92)	(431.24)	(1,579.89)	(1,576.58)
13 Non controlling interest	97.68	94.29	78.26	314.16	227.50
14 Net Profit / (Loss) after taxes, non controlling interest and share of loss of Associate and Joint Ventures (11+12+13)	(1,400.92)	(1,617.07)	(2,031.83)	(5,091.36)	(7,803.23)
15 Other comprehensive income	-	3.54	-	3.54	(1.16)
16 Total comprehensive income (14+15)	(1,400.92)	(1,613.53)	(2,031.83)	(5,087.82)	(7,804.39)
17 Paid-up equity share capital (Face Value of Rs.6/- per share) (Refer note 3)	98,827.42	98,717.90	99,139.02	98,827.42	99,139.02
18 Basic and diluted earnings per share (EPS) (of Rs.6/- each) not annualised (in Rs.)	(0.08)	(0.09)	(0.12)	(0.28)	(0.47)

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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 changed from Future Consumer Enterprise Limited to Future Consumer Limited w.e.f. October 13, 2016.

3 The paid up equity share capital of the Company is Rs. 99,749.54 lakhs as at December 31, 2016 (as at December 31, 2015: Rs. 99,446.52 lakhs) which includes an amount of Rs. 922.12 lakhs (as at December 31, 2015: Rs. 307.50 lakhs) in respect of 15,368,634 equity shares (as at December 31, 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 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 December 31, 2015 Unaudited (Rs. In lakhs)	For the Nine months ended December 31, 2015 Unaudited (Rs. In lakhs)
Loss After tax as reported under previous GAAP		(2,286.90)	(8,695.96)
Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)	A	(1.36)	13.00
Impact of recognising the cost of Employee stock option scheme at Fair Value	B	(102.28)	(288.31)
Reversal of Amortisation of Intangibles	C	478.01	1,400.54
Measurement of Financial Liability at Amortised Cost using Effective Interest Rate Method	D	(169.43)	(354.89)
Measurement of Security Deposit at amortized cost	E	(2.88)	(12.98)
Income recognition on amortisation of government grant	F	48.30	144.89
Change in share of Profit / (Loss) from Associate and Joint ventures		4.75	(9.34)
Reversal of absorption of negative minority interest		(0.04)	(0.18)
Loss after Tax as reported under Ind AS		(2,031.83)	(7,803.23)
Other comprehensive for the year (net of tax)		-	(1.16)
Total comprehensive income under Ind AS		(2,031.83)	(7,804.39)

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

PARTICULARS	(Rs. In lakhs)			
	For the Quarter ended December 31, 2016 (Unaudited)	For the Quarter ended September 30, 2016 (Unaudited)	For the Quarter ended December 31, 2015 (Unaudited)	For the Nine Months ended December 31, 2015 (Unaudited)
Total Income from operations	43,412.58	43,862.49	40,862.79	101,751.22
Profit / (Loss) before Tax	129.32	(4.11)	(940.75)	(4,341.73)
Profit / (Loss) after Tax	129.32	(4.11)	(940.75)	(4,341.73)

7 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 11, 2017. The above results 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.

8 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 nine months are not comparable with that of the corresponding previous quarter and nine months.

9 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: February 11, 2017

By Order of the Board
For Future Consumer Limited



Ashni Biyani
Wholetime Director

Corporate Identity Number of Future Consumer Limited is L52602MH1996PLC192090

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