

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone 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 standalone financial results of Future Consumer Limited (the "Company") for the quarter ended September 30, 2022 and year to date from April 1, 2022 to September 30, 2022 (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, as amended (the "Listing Regulations").
2. The 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 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. As described in Note 6 of the Statement, due to non-availability of financial information and ongoing dispute with the JV partner, the Company is unable to determine the fair value of Company's investments in Aussee Oats Milling Private Limited (joint venture) and Aussee Oats India Private Limited (step down joint venture) as of September 30, 2022. In absence of sufficient and appropriate evidence, we are unable to comment on the carrying value of above investments (including loans and other assets) amounting to Rs. 8,967.41 lakhs and the consequent impact thereof.
5. Emphasis of Matter
  - a. We draw attention to Note 5 of the Statement which indicates the existence of material uncertainty on going concern as regards the Company's ability to meet its debt obligations. The appropriateness of going concern assumption is dependent upon Company's ability to arrange sufficient liquidity by monetization of its assets, increase in operations and other strategic initiatives to meet its obligations.



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- b. We draw attention to Note 7 of the Statement, which describes that forensic audit has been initiated on the Company's related party transactions with Future Retail Limited for the financial year ended March 31, 2020, March 31, 2021, and March 31, 2022.

Our conclusion is not modified in respect of these matters.

6. Based on our review conducted as above, except for the possible effects of our observation in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') 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.

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



per Pramod Kumar Bapna  
Partner  
Membership No.: 105497



UDIN: 22105497BCROWD9924


Mumbai  
November 10, 2022

Future Consumer Limited  
Regd. Office : Knowledge House, Shyam Nagar, Off. Jogeshwari Vikhroli Link Rd., Jogeshwari (E), Mumbai-60.  
Visit us at: www.futureconsumer.in

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2022

(Rs. in lakhs except per share data)


PARTICULARS (Refer Notes below)	For the Quarter ended September 30, 2022 (Unaudited)	For the Quarter ended June 30, 2022 (Unaudited)	For the Quarter ended September 30, 2021 (Unaudited)	For the Six Months ended September 30, 2022 (Unaudited)	For the Six Months ended September 30, 2021 (Unaudited)	For the Year ended March 31, 2022 (Audited)
1 Income						
(a) Revenue from operations	1,773.06	2,235.31	31,777.77	4,008.37	49,311.73	97,008.98
(b) Other Income	1,458.10	1,336.75	1,415.33	2,794.85	3,216.38	5,943.19
Total Income	3,231.16	3,572.06	33,193.10	6,803.22	52,528.11	1,02,952.17
2 Expenses						
(a) Cost of materials consumed	97.01	253.28	2,563.00	350.29	4,030.08	7,633.06
(b) Purchases of Stock In Trade	847.98	1,018.99	25,121.33	1,866.97	40,350.32	76,359.44
(c) Changes in inventories of finished goods and stock-in-trade	612.61	2,113.14	(340.23)	2,725.75	(2,293.83)	(389.79)
(d) Employee benefits expense	453.63	595.85	1,057.92	1,049.48	2,209.28	4,268.45
(e) Finance Costs	1,257.97	1,262.78	1,607.53	2,520.75	3,227.78	6,134.83
(f) Depreciation and Amortisation expense	570.57	721.55	960.67	1,292.12	1,924.87	3,771.17
(g) Other expenses	1,001.22	1,233.68	2,869.56	2,234.90	4,988.69	32,996.66
Total Expenses	4,840.99	7,199.27	33,839.78	12,040.26	54,437.19	1,30,773.82
3 Profit / (Loss) before exceptional items and tax (1-2)	(1,609.83)	(3,627.21)	(646.68)	(5,237.04)	(1,909.08)	(27,821.65)
4 Exceptional items (Refer Note 8)	(15,180.61)	(4,186.96)	-	(19,367.57)	-	(76,865.77)
5 Profit / (Loss) before tax (3+4)	(16,790.44)	(7,814.17)	(646.68)	(24,604.61)	(1,909.08)	(54,687.37)
6 Tax expense / (benefit)	-	-	-	-	-	-
Current Tax	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-
7 Profit / (Loss) for the period (5-6)	(16,790.44)	(7,814.17)	(646.68)	(24,604.61)	(1,909.08)	(54,687.37)
8 Other comprehensive income (OCI)	-	-	-	-	-	-
A (i) Items that will not be reclassified to statement of profit or loss	-	-	-	-	-	8.33
(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	-	-	(0.04)	-	(1.50)	(1.50)
Total Other comprehensive income (OCI)	-	-	(0.04)	-	(1.50)	6.83
9 Total comprehensive income (7+8)	(16,790.44)	(7,814.17)	(646.72)	(24,604.61)	(1,910.58)	(54,680.54)
10 Paid-up equity share capital (Face Value of Rs.6/- per share)						1,19,014.91
11 Reserves excluding Revaluation Reserves						(77,630.63)
12 Earnings per share (EPS) after exceptional item (of Rs.6/- each) (not annualised for interim periods):						
a) Basic (Rs.)	(0.85)	(6.39)	(0.03)	(1.24)	(0.10)	(2.76)
b) Diluted (Rs.)	(0.85)	(6.39)	(0.03)	(1.24)	(0.10)	(2.76)
Earnings per share (EPS) before exceptional item (of Rs.6/- each) (not annualised for interim periods):						
a) Basic (Rs.)	(0.08)	(0.18)	(0.03)	(0.26)	(0.10)	(1.41)
b) Diluted (Rs.)	(0.08)	(0.18)	(0.03)	(0.26)	(0.10)	(1.41)

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Notes:

1. STATEMENT OF STANDALONE ASSETS AND LIABILITIES

		(Rs. in lakhs)	
PARTICULARS		As at September 30, 2022 ( Unaudited )	As at March 31, 2022 ( Audited )
<b>A ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment		3,553.78	12,476.70
(b) Goodwill		-	2,951.82
(c) Other Intangible Assets		1,457.56	8,612.09
(d) Right-of-use assets		1,441.02	3,504.32
(e) Financial Assets			
(i) Investments		15,498.06	19,613.90
(ii) Loans		31,975.95	31,645.05
(iii) Other Financial Assets		10,910.56	10,072.64
(f) Other Assets		1,304.41	1,190.41
<b>Total non-current assets</b>		<b>66,141.34</b>	<b>90,066.93</b>
<b>Current Assets</b>			
(a) Inventories		955.91	4,672.23
(b) Financial Assets			
(i) Trade Receivables		4,071.89	15,573.44
(ii) Cash and cash equivalents		186.08	1,989.57
(iii) Bank Balances other than (ii) above		157.25	26.44
(iv) Loans		-	5,503.57
(v) Other Financial Assets		6.39	2,275.15
(c) Other Assets		1,217.84	1,271.25
<b>Assets held for Sale</b>		<b>6,595.36</b>	<b>31,311.65</b>
<b>Total current assets</b>		<b>15,766.43</b>	<b>36,569.64</b>
<b>TOTAL ASSETS</b>		<b>81,907.77</b>	<b>1,26,636.57</b>
<b>B EQUITY AND LIABILITY</b>			
<b>Equity</b>			
(a) Equity Share Capital		1,19,014.91	1,19,014.91
(b) Other Equity		(1,02,225.74)	(77,630.63)
<b>Total Equity</b>		<b>16,789.17</b>	<b>41,384.28</b>
<b>LIABILITY</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		-	12,987.45
(ii) Lease Liabilities		1,764.03	3,726.69
(iii) Other financial liabilities		-	1,034.00
(b) Provisions		286.72	286.72
<b>Total non-current liabilities</b>		<b>2,050.75</b>	<b>18,034.86</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		40,883.71	38,239.40
(ii) Lease Liabilities		340.12	557.20
(iii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises		514.44	409.52
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		8,008.00	7,905.55
(iv) Other Financial Liabilities		2,841.36	1,408.77
(b) Provisions		316.69	568.94
(c) Other Current Liabilities		10,163.53	18,128.05
<b>Total current liabilities</b>		<b>63,067.85</b>	<b>67,217.43</b>
<b>TOTAL EQUITY AND LIABILITY</b>		<b>81,907.77</b>	<b>1,26,636.57</b>


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## 2. Statement of Standalone Cash flows for the six months September 30, 2022

(Rs. in lakhs)

Particulars	Six Months ended September 30, 2022 (Unaudited)	Six Months ended September 30, 2021 (Unaudited)
<b>Cash flows from operating activities</b>		
Net loss before tax as per the Statement of Profit and Loss	(24,604.61)	(1,909.08)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Exceptional items (Refer note 8)	19,367.57	-
Finance costs (including fair value change in financial instruments)	2,520.76	3,227.78
Finance income (including fair value change in financial instruments)	(1,913.35)	(2,486.10)
Interest on income tax refund	-	(57.09)
Provision no longer required written back	-	(123.25)
Net loss on disposal of property, plant and equipment	177.66	16.94
Net gain on financial assets measured at fair value through profit or loss	(179.04)	(155.69)
Net unrealised exchange (gain)/ loss	(457.62)	(1.50)
Impairment loss recognised on trade receivables or reversal thereof	(1.03)	-
Amortisation of intangible assets	536.15	549.45
Depreciation and Impairment of Property, Plant & Equipment & Right-of-Use Assets	755.97	1,375.42
Share-based payment expenses	9.59	13.85
Net gain on financial guarantees contract	-	(2.95)
Gain on termination of Lease Asset	(209.27)	(262.95)
	20,607.39	2,093.91
	(3,997.22)	184.83
<b>Working capital adjustments:</b>		
(Increase) / decrease in trade and other receivables	12,990.64	18,327.63
(Increase) / decrease in inventories	2,961.34	(2,271.53)
(Increase) / decrease other assets	53.42	(564.77)
Increase/ (decrease) in trade payables	207.37	(1,486.21)
Decrease in provisions	(252.24)	(81.00)
Decrease in other liabilities	(9,214.71)	(8,295.69)
	6,745.82	5,628.43
<b>Cash flow from operations</b>	2,748.60	5,813.26
Income taxes (paid)/ refund	(92.56)	924.26
<b>Net cash flow from operating activities</b>	2,656.04	6,737.52
<b>Cash flows from investing activities</b>		
Investment in Subsidiaries/Joint Ventures	-	(550.00)
Proceeds on sale of financial assets	300.00	-
Loans given	-	(10.00)
Loans refunded (net of exchange gains and losses)	5,503.57	203.22
Interest received	2,178.62	163.19
Purchase of property, plant and equipment including CWIP	(21.29)	(631.81)
Proceeds from sale of property, plant and equipment	196.27	1.29
<b>Net cash flow from/(used in) investing activities</b>	8,157.18	(824.11)
<b>Cash flows from financing activities</b>		
Repayment of long term borrowings	(2,350.00)	(2,320.71)
Repayment of Lease Liabilities	(150.40)	(263.93)
Repayment from short term borrowings (net)	(7,999.45)	(2,077.13)
Interest paid	(2,116.86)	(1,828.89)
<b>Net cash flow used in financing activities</b>	(12,616.71)	(6,490.66)
<b>Net decrease in cash and cash equivalents</b>	(1,803.49)	(577.25)
Cash and cash equivalents at the beginning of the period	1,989.57	2,439.32
<b>Cash and cash equivalents at the end of the period</b>	186.08	1,862.07

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**Notes:**

- 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 - 198 'Operating Segments'.
- 4 During the period there was no acquisition of treasury shares by the ESOP trust or issue of shares due to exercise of stock options.
- 5 The Company is currently facing significant liquidity crunch which has impacted the operations of the Company during the period ended September 30, 2022. The Company has debt servicing obligations aggregating to Rs. 40,883.71 lakhs within the next twelve months, comprising of Current Maturities of Long-Term debt amounting to Rs. 20,448.41 lakhs and short-term borrowings of Rs. 20,435.30 lakhs. The Company has incurred loss before tax during the quarter and period ended September 30, 2022 amounting to Rs. 16,790.44 lakhs & Rs. 24,604.61 lakhs respectively (including exceptional item (refer note 8 below) primarily owing to the exceptional items, lower volumes, finance costs and depreciation and also has accumulated losses as at September 30, 2022 of Rs. 1,42,726.76 lakhs. Company's current liabilities exceeded its current assets by Rs. 47,301.42 lakhs as at the period end. Also, the Company has defaulted on payment of interest/repayment of principal amount on loans from banks/financial institution and unlisted debt securities as on September 30, 2022 amounting to Rs. 7,933.71 lakhs. Further, during the current period the banks have classified the bank accounts of the Company as non performing assets (NPA). Due to default in borrowings, non-current borrowings including interest accrued thereof aggregating to Rs. 8,938.60 lakhs has been reclassified to current borrowings and other financial liabilities.
- 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 Company, Future Retail Limited. The Company has significant amount of receivables from the said Customer amounting to Rs. 37,824.06 lakhs and has recorded an expected credit loss on the entirety of the receivable from the said customer during the previous year ended March 31, 2022.
- These events/conditions indicate the existence of material uncertainty on the Company's ability to continue as going concern. To address the liquidity crunch and to maintain the sufficient working capital, the Company has adopted several measures including sales to other customers, cost optimisation etc. Further, the Board of Directors of the Company has approved the plan for monetisation of some of the assets including investments, to repay the debts 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 Company has recognised impairment loss on the said assets and disclosed the same under 'exceptional items' (refer note 8(i) below). The management has initiated the plan to locate the prospective buyers of these assets.
- The success of the above measures adopted by the Company is dependent on the effective implementation of its operating plans and timely identification of the prospective buyers for monetisation of its assets including investments which is dependent of many internal / external factors. The management is confident that they will be able to arrange sufficient liquidity by monetization of its assets, increase in operations and other strategic initiatives. Accordingly, the financial results are prepared on a going concern basis.
- 6 **Note on Qualification in Review Report**  
The Company has investments in Aussee Oats Milling Private Limited (joint venture) and Aussee Oats India Private Limited (step down joint venture) (together referred to as 'JV') of Rs. 8,967.41 lakhs including investments, loans and other assets (as on March 31, 2022: Rs. 9,311.50 lakhs). There is a dispute between the Company and said JV Partners and due to non-availability of financial results for the period ended September 30, 2022 as a consequence of non-cooperation of the said JV partners which is in direct contravention of court rulings, the Company is unable to determine the fair value of Company's investments in JV as at period end date and consequent impact thereof on the half yearly results. However, the Management believe that it will not have a material impact on the financial results for the quarter and period ended September 30, 2022.
- 7 The 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 accounts of the Company and some other entities for review period being the financial year ended 31st March, 2020, 31st March, 2021, and 31st March, 2022. The said appointment has been made in terms of the provisions laid down under Regulations 5 of SEBI (PFUTP) Regulations, 2003 read with applicable provisions contained in SEBI Act, 1992. Audit of the Company will be with respect to the related party transactions with FRL only. During the quarter, the Company has submitted the data as requested in this regard.
- 8 Exceptional items include the following:  
(i) Impairment of property, plant and equipments for the quarter and period ended September 30, 2022 of Rs. 333.48 lakhs (Rs. 3,497.00 lakhs for quarter ended June 30, 2022) and Rs. 3,830.48 lakhs respectively;  
(ii) Impairment of Goodwill and brand usage rights for the quarter and period ended September 30, 2022 of Rs. 9,567.32 lakhs;  
(iii) Impairment of investments, other receivables and deposits for the quarter and period ended September 30, 2022 of Rs. 4,524.83 lakhs (Rs. 689.96 lakhs for quarter ended June 30, 2022) and Rs. 5,214.79 lakhs respectively;  
(iv) Provision for inventory of packing material for the quarter and period ended September 30, 2022 of Rs. 754.98 lakhs.
- 9 Government of India's Code for Social Security 2020 (the 'Code') received assent from the President in September 2020. However, the date from when the Code will become applicable and the rules have not yet been notified. The Company will assess the impact of the Code and account for the same once the Code becomes effective and rules are notified.
- 10 The figures for the corresponding previous period have been regrouped/reclassified wherever necessary, to make them comparable.
- 11 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 10, 2022.
- 12 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 NSF ([www.nseindia.com](http://www.nseindia.com)).

Place: Mumbai  
Date: November 10, 2022



Corporate Identity Number of Future Consumer Limited is L52602M;119961C192090

By Order of the Board  
For Future Consumer Limited

Amit Kumar Agrawal  
Executive Director