S R B C & CO LLP
Chartered Accountants

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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 December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (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. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared 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. 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. Based on our review conducted as 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.

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5. Emphasis of Matter
   We draw attention to Note 2 of the Statement, which describes the uncertainties and the impact of COVID -19 pandemic on the Company's operations and recoverability of assets. The estimates as at the date of approval of these financial results may differ based on the ongoing impact of the pandemic, improvement in the economy and the business of the Company. 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

S R B C & CO LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

UDIN: 21105497AAAAAI7650

Place: Mumbai
Date: February 05, 2020

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 NINE MONTHS ENDED DECEMBER 31, 2020

(Rs. in lakhs except per share data)

	PARTICULARS (Refer Notes below)	For the Quarter ended December 31, 2020 (Unaudited)	For the Quarter ended September 30, 2020 (Unaudited)	For the Quarter ended December 31, 2019 (Unaudited)	For the Nine Months ended December 31, 2020 (Unaudited)	For the Nine Months ended December 31, 2019 (Unaudited)	For the Year ended March 31, 2020 (Audited)
1	Income						
	(a) Revenue from operations	4,413.47	7,540.79	67,529.88	32,147.87	2,33,765.48	3,02,608.82
	(b) Other Income	1,439.83	1,683.78	1,649.36	4,681.58	4,715.52	6,624.68
	Total Income	5,853.30	9,224.57	69,179.24	36,829.45	2,38,481.00	3,09,233.50
2	Expenses						
	(a) Cost of materials consumed	235.12	112.42	3,678.63	1,179.99	12,122.10	16,157.22
	(b) Purchases of Stock in Trade	4,939.55	4,989.32	55,836.89	19,058.48	1,83,881.03	2,34,545.77
	(c) Changes in inventories of finished goods and stock-in-trade	(454.87)	2,648.32	(2,517.94)	10,557.72	1,907.74	7,803.99
	(d) Employee benefits expense	1,174.10	1,110.69	1,910.73	3,473.43	7,720.32	9,457.10
	(e) Finance Costs	1,808.02	1,849.12	1,977.70	5,490.45	5,997.90	7,993.45
	(f) Depreciation and Amortisation expense	929.57	997.52	1,298.37	3,065.76	3,829.95	5,112.59
	(g) Other expenses (Refer note 2)	6,302.53	5,721.14	5,002.55	14,963.37	16,757.68	29,217.58
	Total Expenses	14,934.02	17,428.53	67,186.93	57,789.20	2,32,216.72	3,10,287.70
3	Profit / (Loss) before Exceptional items (1-2)	(9,080.72)	(8,203.96)	1,992.31	(20,959.75)	6,264.28	(1,054.20)
4	Exceptional items (Refer note 2)	-	(3,558.80)	-	(3,558.80)	-	(29,162.74)
5	Profit / (Loss) before tax (3+4)	(9,080.72)	(11,762.76)	1,992.31	(24,518.55)	6,264.28	(30,216.94)
6	Tax expense / (benefit)						
	Current Tax	-	-	-	-	-	-
	Tax relating to prior years	-	-	-	-	76.17	76.17
	Deferred Tax	(1,099.50)	(709.18)	516.75	(1,798.58)	2,127.99	272.31
7	Profit / (Loss) for the period (5-6)	(7,981.22)	(11,053.58)	1,475.56	(22,719.97)	4,060.12	(30,565.42)
8	Other comprehensive income (OCI)						
	A (i) Items that will not be reclassified to statement of profit or loss	-	-	-	-	-	2.88
	(ii) Income tax relating to items that will not be reclassified to statement of profit or loss	-	-	-	-	-	(0.72)
	B (i) Items that will be reclassified to statement of profit or loss	0.74	2.23	(0.66)	2.80	(0.86)	(5.52)
9	Total comprehensive income (7+8)	(7,980.48)	(11,051.35)	1,474.90	(22,717.17)	4,059.26	(30,568.78)
10	Paid-up equity share capital (Face Value of Rs.6/- per share)	1,18,415.29	1,14,459.41	1,14,478.76	1,18,415.29	1,14,478.76	1,14,459.41
11	Reserves excluding Revaluation Reserves						19,821.04
12	Earnings per share (EPS) after exceptional item (of Rs.6/- each) (not annualised for interim periods) :						
	a) Basic (Rs.)	(0.40)	(0.58)	0.08	(1.15)	0.21	(1.60)
	b) Diluted (Rs.)	(0.40)	(0.58)	0.07	(1.15)	0.21	(1.60)
	Earnings per share (EPS) before exceptional item (of Rs.6/- each) (not annualised for interim periods) :						
	a) Basic (Rs.)	(0.40)	(0.39)	0.08	(0.97)	0.21	(0.07)
	b) Diluted (Rs.)	(0.40)	(0.39)	0.07	(0.97)	0.21	(0.07)

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S R B C & CO LLP
MUMBAI

Notes:

1 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'.

2 The COVID-19 pandemic is unprecedented and the Company has experienced its adverse impact. The Company has faced issues in supply chain, warehousing, packing centres, administrative offices, etc. which has impacted its ability to be consistent with supplies and sales and which in turn has also impacted liquidity position of the Company. While the Company continues to work very closely with all the stakeholders, the situation continues to be still evolving.

The Company has incurred loss before tax during the period ended December 31, 2020 primarily owing to the lower volumes, finance costs, depreciation and ECL provision. The Company has a positive net worth of Rs. 1,13,487.32 lakhs, a net current asset position of Rs. 31,701.52 lakhs (excluding short term borrowing of Rs. 30,735.27 lakhs) and outstanding borrowings of Rs. 56,720.99 lakhs, out of which Rs. 7,615.88 lakhs (excluding short term loans of Rs. 30,735.27 lakhs which are due for renewal) is due for repayment in next one year. Further, the Company has defaulted in repayment of principal on Non-Convertible Debentures of Rs. 2,000 lakhs, working capital demand loan of Rs. 9,800 lakhs, along with Interest of Rs. 2,074 lakhs which was due during the period ended December 31, 2020. The Company is adopting several cost reductions measures to address the liquidity crunch to maintain sufficient operational cash flows. The Company has sought deferment period for repayment of loans and interest from lenders and has invoked One-Time Restructuring (OTR) process. The OTR process is underway and Inter Creditor Agreement has been signed by all lenders on November 27, 2020 toward the same.

Further, in light of the ongoing economic scenario and downgrade in credit ratings of one of the Company's major customers, the Company has recorded an additional provision of Rs. 4,169.75 lakhs during the current quarter (Rs. 7,370.86 lakhs during the period ended December 31, 2020) on Trade and Other Receivables which is included in other expenses for the quarter and period ended December 31, 2020 respectively. Also, due to Covid-19 pandemic and resulting lockdowns, one of the Company's major customers has invoked force majeure clause and claimed losses on inventory due to expiry / deterioration in quality of the goods as either the stores were closed or experiencing very low footfalls. Pursuant to the same, the Company has recognised a loss of Rs. 3,558.80 lakhs (during the quarter ended December 31, 2020: Nil) which is included in exceptional items for the period ended December 31, 2020.

The Company, as at the date of approval of these financial results, has relied on available internal and external sources of information and indicators of economic forecasts, including the impact of Covid-19 while assessing the carrying amounts of current and non-current assets and its repayment obligations on a timely basis up to the date of approval of these financial results. However, the future impact of the global health pandemic and other events may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

3 The Board of Directors of the Company at its meeting held on August 29, 2020 has inter-alia, considered and approved the Composite Scheme of Arrangement ('the Scheme') for amalgamation of Future Consumer Limited ("FCL" or "the Company") along with other Transferor Companies with Future Enterprises Limited (FEL) and their respective Shareholders and Creditors pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, subject to requisite regulatory approvals and consent of shareholders and lenders. FEL will subsequently sell, by way of a slump sale, the retail and wholesale business and logistics and warehouse business to Reliance Group entities (Reliance).

On 5th October, 2020, Amazon.com NV Investment Holdings LLC (Amazon) filed a Notice of Arbitration against the promoters of Future Retail Limited (FRL) and FRL (one of the transferor companies to the Scheme) and also made an application for Emergency Interim Relief under Singapore International Arbitration Centre ('SIAC') Rules. Amazon has received an interim arbitration order from SIAC in its favour inter alia injuncting the Respondents from giving effect to the Scheme.

Delhi High Court vide its order dated February 2, 2021 has directed inter alia the parties to the Scheme to maintain status quo. FRL has moved before the Division Bench of the Delhi High Court in appeal against the order directing status quo on the Scheme.

The Company is of the view that the interim order is unlikely to have an impact either on the FRL or the Company and accordingly the same will not affect the Scheme.

4 During the quarter and period ended December 31, 2020, the Company has allotted 4,95,15,599 fully paid up equity shares to International Finance Corporation and 1,64,15,600 fully paid up equity shares to Verlinvest SA, against conversion of Compulsorily Convertible Debentures along with unpaid coupon thereon at a conversion price of Rs. 45.02 per share.

5 Share warrants amounting to Rs. 7,000 lakhs have lapsed during the quarter ended December 31, 2020. The Company has transferred Rs. 1,750 lakhs received against the lapsed warrants to Capital Reserve.

6 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.

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

8 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 5, 2021. The above results have been subjected to Limited Review by the statutory auditors.

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).

By Order of the Board
For Future Consumer Limited

Ashni Biyani
Managing Director

SIGNED FOR IDENTIFICATION BY
S R B C & CO LLP
MUMBAI

Place: Mumbai
Date: February 5, 2021

Corporate Identity Number of Future Consumer Limited is L52602MH1996PLC192090