

## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF FUTURE CONSUMER ENTERPRISE LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **FUTURE CONSUMER ENTERPRISE LIMITED** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its jointly controlled entity and its share of loss of its associates for the year ended March 31, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. We did not audit the financial statements of 23 subsidiaries (including sub-subsidiaries) included in the consolidated financial results, whose financial statements reflect total assets of Rs. 46,528.96/- lakhs as at March 31, 2016, total revenues of Rs. 46,086.35/- lakhs for the year ended March 31, 2016, and total loss after tax of Rs. 5,952.55/- lakhs for the year ended March 31, 2016, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of loss after tax of Rs. 111.58/- lakhs for the year ended March 31, 2016, as considered in the consolidated financial results, in respect of 2 associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors.



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4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, the Statement:
  - a. includes the results of the entities stated in the Annexure.
  - b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the consolidated net loss and other financial information of the Group for the year ended March 31, 2016.
5. The Statement includes the results for the Quarter ended March 31, 2016 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
6. The consolidated financial results includes the financial statements / financial information of 1 jointly controlled entity, whose financial statements / financial information have been subject to a limited audit as per the laws of its country of incorporation and reflect total assets of Rs. 203.30/- lakhs as at March 31, 2016, total revenue of Rs. Nil for the year ended March 31, 2016, and total loss after tax of Rs. 5.94/- lakhs for the year ended March 31, 2016, as considered in the consolidated financial results. Our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the jointly controlled entity, is based solely on such financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the Statement is not modified in respect of our reliance on the financial statements/ financial information of the jointly controlled entity mentioned above.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 117364W)



**Ketan Vora**  
Partner  
(Membership No. 100459)

MUMBAI, May 19, 2016

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## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 4(a) to our Auditor's Report)

Name of the Company	Relationship
Future Consumer Enterprise Limited	Holding 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)	Subsidiary
- IBH Books and Magazines Distributors Limited (ACK's Subsidiary)	Subsidiary's Subsidiary
- ACK Edutainment Limited (ACK's Subsidiary)	Subsidiary's Subsidiary
- ACK Media Direct Limited (ACK's Subsidiary)	Subsidiary's Subsidiary
- Karadi Tales Company Private Limited (ACK's Subsidiary) (till July 16, 2015)	Subsidiary's Subsidiary
- Ideas Box Entertainment Limited (ACK's Subsidiary)	Subsidiary's Subsidiary
- Karadi Path Education Company Private Limited (ACK's Associate) (From July 17, 2015 to October 03, 2015)	Subsidiary's Associate
Future Food Processing Private Limited (Formerly known as Future Personal Care and Hygiene Private Limited)	Wholly Owned Subsidiary
Aussee Oats Milling (Private) Limited - Srilanka	Subsidiary
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	Subsidiary
MNS Foods Private Limited (w.e.f. August 04, 2015)	Subsidiary
Integrated Food Park Private Limited	Subsidiary
FCEL Overseas FZE*	Subsidiary
Bloom Fruit and Vegetables Private Limited (w.e.f. January 15, 2016)	Subsidiary
Aussee Oats India Private Limited (w.e.f. February 19, 2016)	Subsidiary
Sarjena Foods Private Limited	Associate
Mibelle Future Consumer Products AG – Switzerland (w.e.f. October 09, 2015)	Jointly Controlled Entity

\* Subsidiary by virtue of control through composition of board



# 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](http://www.futureconsumer.in)

## STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

PARTICULARS (Refer Notes below)	(Rs. in lakhs except per share data)			
	For the Quarter ended March 31, 2016 (Audited)	For the Quarter ended December 31, 2015 (Unaudited)	For the Quarter ended March 31, 2015 (Audited)	For the Year ended March 31, 2015 (Audited)
	March 31, 2016 (Audited)	December 31, 2015 (Unaudited)	March 31, 2015 (Audited)	March 31, 2015 (Audited)
<b>1 Income from operations</b>				
(a) Net Sales/Income from operations (net of excise duty)	42,474.05	51,295.87	35,157.13	173,053.94
(b) Other operating income	836.05	635.56	718.85	2,217.53
<b>Total Income from Operations (net)</b>	<b>43,310.10</b>	<b>51,931.43</b>	<b>35,875.98</b>	<b>175,781.29</b>
<b>2 Expenses</b>				
(a) Cost of materials consumed	4,867.32	4,377.80	3,211.63	16,134.48
(b) Purchases of Stock in Trade	27,812.65	39,232.85	25,038.06	131,883.62
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3,584.54	255.16	2,464.39	(380.49)
(d) Employee benefits expense	2,455.98	2,870.25	2,560.84	10,757.89
(e) Depreciation and Amortisation expense	1,678.24	1,519.26	1,643.56	6,031.12
(f) Other expenses	4,669.58	5,148.27	4,557.59	19,352.19
<b>Total Expenses</b>	<b>45,068.31</b>	<b>53,403.59</b>	<b>39,476.07</b>	<b>183,778.81</b>
<b>3 (Loss) from Operations before Other Income, Finance costs and Exceptional items (1-2)</b>	<b>(1,758.21)</b>	<b>(1,472.16)</b>	<b>(3,600.09)</b>	<b>(10,269.61)</b>
<b>4 Other Income</b>	458.45	410.82	765.60	2,269.30
<b>5 (Loss) from Ordinary Activities before Finance costs and Exceptional items (3+4)</b>	<b>(1,299.76)</b>	<b>(1,061.34)</b>	<b>(2,834.49)</b>	<b>(6,753.50)</b>
<b>6 Finance Costs</b>	1,642.33	1,449.54	1,347.57	6,108.82
<b>7 (Loss) from Ordinary Activities after Finance cost but before Exceptional items (5-6)</b>	<b>(2,942.09)</b>	<b>(2,510.88)</b>	<b>(4,182.06)</b>	<b>(9,946.73)</b>
<b>8 Exceptional items</b>	-	-	930.88	930.88
<b>9 (Loss) from Ordinary Activities before tax (7-8)</b>	<b>(2,942.09)</b>	<b>(2,510.88)</b>	<b>(5,112.94)</b>	<b>(12,307.16)</b>
<b>10 Tax expense</b>	0.51	2.62	48.31	6.30
<b>11 Net (Loss) for the period (9-10)</b>	<b>(2,942.60)</b>	<b>(2,513.50)</b>	<b>(5,161.25)</b>	<b>(12,313.46)</b>
<b>12 Share of (loss) in Associate Companies</b>	(30.84)	(27.39)	(45.74)	(111.58)
<b>13 Minority Interest</b>	391.02	253.99	(118.76)	1,146.68
<b>14 Adjustment on Acquisition of Subsidiaries</b>	-	-	357.08	357.08
<b>15 Net (Loss) after taxes, minority interest and share of loss of Associates (11+12+13+14)</b>	<b>(2,582.42)</b>	<b>(2,286.90)</b>	<b>(4,968.67)</b>	<b>(11,278.38)</b>
<b>16 Paid-up equity share capital (Face Value of Rs.6/- per share)</b>	99,446.52	99,446.52	99,428.64	99,428.64
<b>17 Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)</b>	-	-	-	-
<b>18 Basic and diluted earnings per share (EPS) (of Rs.6/- each) not annualised other than year ended ( in Rs.)</b>	<b>(0.16)</b>	<b>(0.14)</b>	<b>(0.31)</b>	<b>(0.68)</b>

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

PARTICULARS	(Rs. in lakhs)	
	As at March 31, 2016 (Audited)	As at March 31, 2015 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>I Shareholders' Funds</b>		
(a) Share Capital	99,428.64	99,428.64
(b) Reserves and Surplus	(33,469.43)	(22,470.58)
(c) Money received against share warrants	1,675.00	-
<b>Sub-total - Shareholders' funds</b>	<b>67,634.21</b>	<b>76,958.06</b>
<b>II Minority Interest</b>	<b>2,147.02</b>	<b>3,382.76</b>
<b>III Non -Current Liabilities</b>		
(a) Long Term Borrowings	32,539.28	36,622.94
(b) Deferred Tax Liability (Net)	0.02	0.02
(c) Other Long term Liabilities	907.33	851.12
(d) Long Term Provisions	668.43	737.84
<b>Sub-total - Non-current liabilities</b>	<b>34,115.06</b>	<b>38,211.92</b>
<b>IV Current Liabilities</b>		
(a) Short Term Borrowings	20,655.50	29,694.16
(b) Trade Payables	13,165.67	12,389.44
(c) Other Current Liabilities	10,796.58	3,692.80
(d) Short Term Provisions	337.77	356.05
<b>Sub-total - Current liabilities</b>	<b>44,955.52</b>	<b>46,132.45</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>148,869.69</b>	<b>164,685.19</b>
<b>B ASSETS</b>		
<b>I Non-Current Assets</b>		
(a) Fixed Assets	63,370.91	57,019.38
(b) Goodwill on Consolidation	36,420.78	36,849.19
(c) Non-Current Investments	1,205.02	1,163.11
(d) Long term loans and advances	8,276.11	6,022.75
(e) Other Non-Current Assets	15.11	-
<b>Sub-total - Non-current assets</b>	<b>109,287.93</b>	<b>101,054.43</b>
<b>II Current Assets</b>		
(a) Current Investments	2,000.30	10,000.16
(b) Inventories	12,239.78	11,147.49
(c) Trade receivables	17,909.10	15,458.56
(d) Cash and cash equivalents	2,997.73	4,330.68
(e) Short-term loans and advances	4,238.24	21,766.58
(f) Other current assets	196.61	927.29
<b>Sub-total - Current assets</b>	<b>39,581.76</b>	<b>63,630.76</b>
<b>TOTAL ASSETS</b>	<b>148,869.69</b>	<b>164,685.19</b>

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**Notes:**

- 1 The name of the Company has changed from Future Ventures India Limited to Future Consumer Enterprise Limited w.e.f. September 30, 2013.
- 2 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 under Accounting Standard on "Segment Reporting" (AS 17).
- 3 Pursuant to shareholders' approval, during the current quarter w.e.f. February 1, 2016, the Company has re-aligned its business such that the convenience format stores which were operated by the Company and its subsidiaries under various format brands ("KBFT", "KBC", "Big Apple", "Aadhaar" and "Nilgiris") will be operated by franchisees appointed by the Company.
- 4 Pursuant to shareholders' approval on January 22, 2016, Company on 5th February, 2016 issued and allotted 6,700 Warrants of Rs. 1,00,000/- each to Srishti Mall Management Company Private Limited, a promoter group Company, on preferential allotment basis on receipt of 25% of the total consideration price for the warrants. The warrants shall be converted into equity shares at a conversion price of Rs. 22.73 per equity share.
- 5 Further, pursuant to the shareholders' approval mentioned above, the Company has on April 26, 2016 issued and allotted 100 Equity Shares of Rs.6 each at a premium of Rs.16.73 per equity share and 29,985 Compulsorily Convertible Debenture (CCDs) of Rs.1,00,000/- each to Black River Food 2 Pte. Ltd on preferential allotment basis. The CCDs shall be converted into equity shares at a conversion price of Rs. 22.73 per equity share.
- 6 During the current quarter, the Company has acquired majority stake in Bloom Fruit and Vegetables Private Limited and Aussee Oats India Private Limited. Further, the Company has also acquired 50% stake in Mibelle Future Consumer Products AG, being a Joint Venture with Mibelle Group, Switzerland.
- 7 Disclosures under regulation 52(4) and 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Non-Convertible Debentures issued by the Company are given in Annexure A.
- 8 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 Year ended	For the Year ended
	March 31, 2016 (Audited)	December 31, 2015 (Unaudited)	March 31, 2015 (Audited)	March 31, 2016 (Audited)	March 31, 2015 (Audited)
Total Income from operations	32,236.65	41,007.69	78,205.03	134,379.99	108,255.39
(Loss) before Tax	(1,296.43)	(1,166.64)	(6,021.87)	(6,355.01)	(9,374.91)
(Loss) after Tax	(1,296.43)	(1,166.64)	(6,021.87)	(6,355.01)	(9,374.91)

9 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. The figures for the current quarter and year are not comparable with those of the corresponding previous quarter and year on account of acquisition of various subsidiaries and associates in the previous and current year and events mentioned in the note 3 above.

10 Figures for the quarter ended March 31, 2016 and March 31, 2015 are the balancing figures between audited figures in respect of the full financial years ended on those dates and the published year-to-date figures upto the third quarter of the respective financial year.

11 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 19, 2016.

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 NSE ([www.nseindia.com](http://www.nseindia.com)).

By Order of the Board  
For Future Consumer Enterprise Limited



Ashni Biyani  
Wholetime Director

Place: Mumbai  
Date: May 19, 2016

Corporate Identity Number of Future Consumer Enterprise Limited is L52602MH1996PLC192090



## Annexure-A

## 1 Details of previous due dates for payment of interest and repayment of principal amount of Non-Convertible Debentures and rating assigned by rating agency:

Interest and Principal has been paid on due dates

Sr No	Particulars	Series	ISIN	Security ID	Previous Due Date (From 01-Oct-2015 to 31-Mar-2016)	Rating Assigned by Rating Agency
A	Non Convertible Debentures	A	INE220J07014	1195FCEL17	17-Dec-15	CARE A-
B	Non Convertible Debentures	B	INE220J07022	1195FCEL18	17-Dec-15	CARE A-
C	Non Convertible Debentures	A	INE220J07014	1195FCEL17	17-Mar-16	CARE A-
D	Non Convertible Debentures	B	INE220J07022	1195FCEL18	17-Mar-16	CARE A-

2 Asset cover available as on March 31, 2016 is 1.25.

3 The Listed Secured Non-Convertible Debentures of the Company aggregating to Rs. 100 crores as on March 31, 2016 are secured by way of exclusive charge on specific fixed assets of the company and / or its subsidiaries to the extent of 1.25 times of outstanding borrowing and unconditional and irrevocable guarantee of Mr. Kishore Biyani for principal and its interest thereon.

4 Other Information relating to Debt Capital and relevant ratios as on March 31, 2016 is as below :

Paid up Debt Capital = Rs. 40,140.73 lakhs

Debt Redemption Reserve = NIL

Networth = Rs. 65,977.09 lakhs

Debt Equity Ratio (no. of times) = 0.61

Debt Service Coverage Ratio (no. of times) = (1.56)

Interest Service Coverage Ratio (no. of times) = (2.13)

(a) Paid up Debt Capital = (Long term loans + Current maturities of Long term loan).

(b) Debt Equity Ratio = (Long term loans + Current maturities of Long term loan) / (Equity + Reserves).

(c) Debt Service Coverage Ratio = (Profit from ordinary activities before tax + Interest on long-term loans) / (Interest on long-term loans + Repayment of long-term loans during the period).

(d) Interest Service Coverage Ratio = (Profit from ordinary activities before tax + Interest on long-term loans) / Interest on long-term loans.

For the purpose of calculation, loans having original maturity of more than 565 days are considered as long-term loans.

