



FUTURE CONSUMER LIMITED (Formerly Future Consumer Enterprise Limited)
Corporate Office : 247 Park, Tower "C", 8th Floor, LBS Marg, Vikhroli (W), Mumbai - 400 083
(T) +91 22 6119 0000 | www.futureconsumer.in
Regd. Office : Knowledge House, Shyam Nagar, Off JVL R, Jogeshwari (East), Mumbai - 400 060
(T) +91 22 6644 2200 | CIN: L52602MH1996PLC192090

8th August, 2018

To,
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001
Scrip Code: 533400

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai-400 051
Scrip Code : FCONSUMER

Dear Sir/Madam,

Sub.: Outcome of Board Meeting

In continuation to our earlier letter for outcome of Board Meeting sent today, please note that the Board of Directors of the Company have, *inter alia*, considered and approved the following:

- 1) To enter into a 50:50 joint venture arrangement with Fonterra (Europe) Coöperatie U.A, subsidiary of Fonterra Co-operative Group Limited, New Zealand, a leading global dairy nutrition company ("**Fonterra**"). The objective of the joint venture is to introduce full range of consumer and foodservice dairy products in India. The Company and Fonterra shall, subject to such further consents and approvals that may be required, make investment at face value in the equity capital of the joint venture company to be formed. The copy of Investors Press release is enclosed herewith.

Pursuant to the aforesaid, the Company has entered into an Joint Venture Agreement dated 8th August, 2018 ("**JV Agreement**") with Fonterra on terms and conditions agreed under the said JV Agreement.

The additional important terms and conditions of the said JV Agreement *inter alia* are as follows:

- a. The Company and Fonterra each shall hold 50.00% of the paid-up share capital of the JV Company.
- b. The Company and Fonterra *inter alia* shall have the right:
 - i. To nominate three Directors each, on the Board of the JV Company
 - ii. To vote on few customary items in the Reserved Matters as provided under the JV Agreement.





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- c. Fonterra is not related to any of the Promoter and/or Promoter Group entities of the Company and the provisions of Related Party Transactions do not apply in this matter.
- 2) Monetizing the investment held by the Company in Amar Chitra Katha Private Limited, a subsidiary of the Company ("**ACK**"), for an equity valuation of Rs. 60.00 crore with an additional option to hold convertible securities in ACK, equivalent to the value of outstanding loans (including interest accrued thereon) granted by the Company to ACK, convertible after the expiry of 3 years at the then prevailing fair value, subject to such further consents and approvals that may be required. Details in respect of the same are enclosed herewith as **Annexure 'A'**.
- 3) To acquire the entire stake in Affluence Food Processors Private Limited ("**Affluence**") by way of purchase of equity shares of Affluence held by E.K. Sons Agro Foods ("**JV Partner**") and the Promoters of Affluence, in one or more tranches. Pursuant to the said acquisition, Affluence shall become a wholly-owned subsidiary of the Company. Details in respect of the same are enclosed herewith as **Annexure 'B'**.

Kindly take the same on record in compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and acknowledge receipt.

Yours truly,

For **Future Consumer Limited**

(Formerly known as Future Consumer Enterprise Limited)


Manoj Gagvani
Company Secretary & Head – Legal

Encl: as above



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Disclosure of information pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015

Annexure A

Monetizing the investment held by the Company in Amar Chitra Katha Private Limited, a subsidiary of the Company ("ACK")

1.	The amount and percentage of the turnover or revenue or income and net worth contributed by the subsidiary during the last financial year (As on 31 st March, 2018)	Consolidated Turnover of ACK was Rs. 3,068.23 lakhs. Consolidated Net Worth of ACK is Rs. -2,660.07 lakhs.
2.	Date on which the agreement for sale has been entered into	The binding agreements are yet to be executed.
3.	The expected date of completion of sale/disposal	Since the transaction would be subject to obtaining of requisite approvals, the expected date for completion of sale/disposal cannot be envisaged.
4.	Consideration received from such sale/disposal	At Rs. 60.00 Crore equity valuation of ACK, the consideration to be received from such disposal shall be Rs. 44.39 Crore for the Company. The Company shall also hold convertible securities in ACK, equivalent to the value of outstanding loans (including interest accrued thereon) granted by the Company to ACK, which shall be convertible after expiry of 3 years at the then prevailing fair value.
5.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof	The buyer is Griffin Partners Limited, a Mauritius company. The buyer does not belong to the promoter/ promoter group/group companies of the Company.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	No

Since the binding agreements in terms hereof are not yet executed, the relevant information consequential to the closure of this transaction shall be provided accordingly.





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Annexure B

Acquisition of stake in Affluence Food Processors Private Limited, a joint venture company

1.	Name of the target entity, details in brief such as size, turnover etc.	Affluence Food Processors Private Limited ("Affluence") is a joint venture entity of the Company with E.K. Sons Agro Foods ("JV Partner"). Turnover of Affluence (as on 31 st March, 2018) : Rs. 40.66 lakhs Net worth of Affluence (as on 31 st March, 2018): Rs -30.29 lakhs
2.	Whether the acquisition would fall within related party transaction(s). Whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length".	No The Promoter/ Promoter Group/ Group Companies do have any interest in the entity being acquired.
3.	Industry to which the entity being acquired belongs.	Affluence is engaged in the business of manufacturing, marketing, sales, sourcing and distribution of 'Wheat products, Maida, Sooji, Whole Wheat Atta and Bran'.
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The Company is engaged in Food and FMCG sector. The activities carried out by Affluence is expected to add value to the business of the Company.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	Not Applicable
	Indicative time period for completion of the acquisition	Subject to completion of binding agreements, it is expected to complete the acquisition in the forthcoming calendar quarter.
7.	Nature of consideration - whether cash consideration or share swap and details of the same	The Company shall acquire the shares by way of cash consideration.





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8.	Cost of acquisition or the price at which the shares are acquired	The acquisition shall be at the book value of shares as on 31 st July, 2018 plus other incidental costs which in aggregate shall not exceed a sum of Rs. 30.00 Lakhs.
9.	Percentage of shareholding / control acquired and / or number of shares acquired	In terms of the aforesaid, the Company shall acquire entire stake of the JV Partner and the Promoters aggregating 50.33% of the capital of Affluence.
10	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	Affluence, incorporated on 9 th August, 2017, is a joint venture between the Company and E.K. Sons Agro Foods, It is engaged in the business of manufacturing, marketing, sales, sourcing and distribution of Wheat products, Maida, Sooji, Whole Wheat Atta and Bran'. Since Affluence is a newly incorporated entity, history of last 3 years turnover and other financial details are not applicable.

Since the binding agreements in terms hereof are not yet executed, the relevant information consequential to the closure of this transaction shall be provided accordingly.





FONTERRA AND FUTURE CONSUMER LIMITED JV TO PROVIDE HIGH VALUE DAIRY NUTRITION IN INDIA

8th August 2018, Mumbai: Fonterra has announced a joint venture partnership with one of India's largest consumer companies, Future Consumer Ltd, to produce a range of consumer and foodservice dairy products that will help meet the growing demand for high-quality dairy nutrition in India.

Lukas Paravicini, Fonterra's Chief Operating Officer Global Consumer and Foodservice, said the partnership, under the name Fonterra Future Dairy Partners, will enable Fonterra to establish a presence in India.

"It will allow us to prepare the groundwork and make the most of our expertise as we enter the world's largest and fastest growing dairy industry. Consumer demand for dairy in India over the next seven years is set to increase by 82 billion litres – seven times the forecasted growth for China.

"The partnership will be driven by growth through profitability. The initial stages of the partnership will focus on product development, and marketing with the right capital investment made during this period. The first consumer products will be launched by the middle of 2019, using both locally sourced milk and dairy products from New Zealand.

"We will also use this time to settle in the partnership infrastructure, learn the market and prioritise geographies."

Mr. Paravicini, added that the joint venture comes at a time when the Indian dairy industry is transforming itself.

"This has resulted in a big shift away from more traditional locally-based dairy businesses with limited product and brand differentiation, to a new era where more value-added and innovative dairy products are in high demand across the country," he said.

Fonterra MD Sri Lanka & Indian Subcontinent, Sunil Sethi, said that India was also witnessing the emergence of new FMCG organisations like Future Consumer which has a deep understanding of the Indian consumer, the experience of working with international partners, and a nationwide supply chain and retail network.

"These dynamics have created an opportunity for this partnership, where we will focus on leveraging our global dairy innovation, manufacturing and nutrition expertise," said Mr Sethi.

Kishore Biyani, Group Chief Executive Officer, Future Group, said the association with Fonterra comes at a time when the dairy industry in India is flourishing.

"Consumption of milk and other dairy products in India are increasing and will continue to receive strong demand. With Fonterra, Future Consumer will enhance its food and FMCG portfolio and will offer a variety of dairy products which are high in demand and consumed daily." he said.

Driving this growth is the country's young population where 70 per cent of people are below 45 years old. They are digital, live in urban areas, lead an active lifestyle, have more disposable income, and want to consume higher quality and higher nutritional dairy products.

Ashni Biyani, Managing Director of Future Consumer Limited, added: "As a company that stands for FMCG 2.0, Future Consumer is committed to provide not only the best, but the latest in food and other daily consumed products. We are delighted to partner with Fonterra, who globally leads the dairy industry in

quality and innovation. Through this partnership, we will be able to reach our customers daily with quality dairy products.”

Future Consumer Ltd is part of the Future Group which is leading the way in India by developing a new retail experience for consumers, with plans to launch 1,100 stores this year. The stores will be within close proximity of target consumers, and feature a complete digital experience both in-store and through a virtual market place.

The new retail experience will add to Future Group’s existing footprint. Future Group is present in 26 of 31 Indian states with over 2,000 modern trade outlets and 5,000 public distribution outlets and a nationwide cold-chain and ambient distribution network.

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ABOUT FONTERRA

We’re a global dairy nutrition company owned by 10,000 farmers and their families. We’ve built our expertise on the legacy of the thousands of farmers who’ve made New Zealand a world leader in dairy. With a can-do attitude and a collaborative spirit, we’re a world leading dairy exporter. Our 22,000 people share the goodness of dairy nutrition with the world through our innovative consumer, foodservice and ingredient solutions brands, and our farming and processing operations across four continents.

ABOUT FUTURE CONSUMER LIMITED (FCL)

Future Consumer Limited (FCL), a part of the Future Group, operates in the Food and FMCG space with 27 brands in over 65 categories. FCL is constantly expanding its already existing vast portfolio of established Food & FMCG brands. Currently it caters to various categories such as Basic Foods, Ready to Eat Meals, Snacks, Beverages, Personal Hygiene Care and Home Care. FCL has also set up India Food Park at Tumkur, Karnataka in partnership with the Ministry of Food Processing Industries, Government of India. Spread in 110 acres of land, this state-of-the-art food park facilitates end-to-end food processing along the value chain (grading, sorting, pulping, packaging & distribution) from the farm to the market.

For any further information, please contact:

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