

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Future Consumer Limited 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, 2024 and year to date from April 01, 2024 to December 31, 2024 (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 has been approved by the Company's Board of Directors their meeting held on February 14, 2025, 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 specified under section 143(10) of Companies Act, 2013 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. Modified Review Conclusion

As described in Note 3 to 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 December 31, 2024. 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. 9,991.69 lakhs and the consequent impact



thereof. Our conclusion/opinion was also modified in respect of this matter for the quarter ended December 31, 2023, March 31, 2024 & September 30, 2024 respectively.

5. Material Uncertainty Related to Going Concern

We refer to Note 6 to the Statement, the Company is currently facing significant liquidity crunch which has impacted the operations of the Company during the quarter and year to date ended December 31, 2024. The Company has incurred loss before tax during the quarter and year to date ended December 31, 2024, amounting to Rs. 982.92 lakhs and Rs. 3,562.05 lakhs respectively and has a net capital deficiency of Rs. 33,067.21 lakhs as at December 31, 2024. The Company has also suffered consistent downgrades in its credit ratings, as a result of which the Company's ability to raise funds has been significantly impaired, with normal business operations being substantially curtailed. Further, the Company has defaulted on payment of interest/repayment of principal amount on loans from banks/financial institution and unlisted debts securities as a result the banks have classified the loans given to the Company as non-performing assets (NPA). Certain Banks has liquidated the specific collateral assets against specific borrowing to recover the amount during the quarter. The Company has been unable to conclude re-negotiations or obtain replacement financing or monetise its assets as agreed with the lenders. These conditions, along with other matters, set forth in said note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. As explained in aforesaid note, management is of the view that the appropriateness of going concern assumption is dependent upon Company's ability to arrange sufficient liquidity by monetisation of its assets and other strategic initiatives including fresh investment to meet its obligations.

Our conclusion is not modified with respect to this matter.

6. Based on our review conducted as above, except for the possible effects of our observations in para 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.

Emphasis of Matters

7. We draw attention to Note 4 to the Statement, which more fully describes certain forensic audits that have been initiated on the Company, by SEBI and by lenders, which are currently in progress. In case of Future Retail Limited, the liquidation process has been admitted by Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") vide Order dated July 29, 2024.



8. We draw attention to Note 6 of the Statement, the Company had outstanding debt obligation for Term Loan from "RBL Bank", which is secured against immovable property comprising of land and building situated at Veerasandra Village in the district of Bangalore admeasuring 44116 Sq. Fts. ("Secured Assets") owned by Appu Nutritions Private Limited ('wholly owned subsidiary'). On January 23, 2024, RBL Bank took physical possession of the mortgaged property under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act). Subsequently, on April 23, 2024, RBL Bank issued a notice for an e-auction sale of mortgaged property, scheduled for May 30, 2024. However, after the failure of the Holding Company and its subsidiary to redeem the mortgage within the prescribed timeline, RBL Bank informed the Company on August 7, 2024, that it would proceed with the sale of the property via private treaty on August 26, 2024. The sale was conducted on an "As is where is," "As is what is," and "Whatever there is" basis, meaning the property was sold in its current condition without any further recourse. On September 25, 2024, RBL Bank successfully sold the mortgaged property and recovered ₹1,820.60 lakhs towards the outstanding dues of the Holding Company.

Our conclusion is not modified in respect of the above matters.

For and on behalf of
Borkar & Muzumdar
Chartered Accountants
FRN: 101569W



Deepak Kumar Jain
Partner

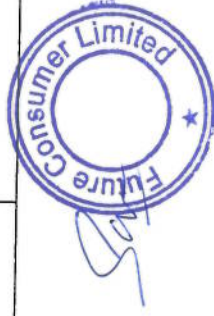
Membership No.: 154390
UDIN: 25154390BMOTCY9070



Date: February 14, 2025

Place: Mumbai

PARTICULARS (Refer Notes below)		(Rs. in lakhs except per share data)			
		For the Quarter ended December 31, 2024 (Unaudited)	For the Quarter ended September 30, 2024 (Unaudited)	For the Quarter ended December 31, 2023 (Unaudited)	For the Nine Months ended December 31, 2024 (Unaudited)
1	Income				
	(a) Revenue from operations	9.22	5.80	28.39	201.90
	(b) Other Income	616.51	413.82	285.23	924.72
	Total Income	625.73	419.62	313.62	1,126.62
2	Expenses				
	(a) Cost of materials consumed	-	-	-	-
	(b) Purchases of Stock in Trade	-	-	9.11	3.87
	(c) Changes in inventories of finished goods and stock-in-trade	-	-	113.51	118.08
	(d) Employee benefits expense	33.77	36.52	113.51	482.75
	(e) Finance Costs	1,403.32	1,396.47	1,264.35	3,824.36
	(f) Depreciation and Amortisation expense	24.53	24.70	27.83	221.75
	(g) Other expenses	147.03	129.15	127.96	2,029.10
	Total Expenses	1,608.65	1,586.84	1,542.76	6,679.91
3	Profit / (Loss) before exceptional items and tax (1-2)	(982.92)	(1,167.22)	(1,229.14)	(5,553.29)
4	Exceptional items (Refer Note 5)	-	-	138.05	(6,734.44)
5	Profit / (Loss) before tax (3+4)	(982.92)	(1,167.22)	(1,091.09)	(12,287.73)
6	Tax expense / (benefit)	-	-	-	-
	Current Tax	-	-	-	-
	Tax relating to prior years	-	-	-	-
	Deferred Tax	-	-	-	-
7	Profit / (Loss) for the period (5-6)	(982.92)	(1,167.22)	(1,091.09)	(19,077.66)
8	Other comprehensive income (OCI)				
A	(i) Items that will not be reclassified to statement of profit or loss	-	-	-	-
	(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	-	-	-	-
9	Total Other comprehensive income (OCI)	(982.92)	(1,167.22)	(1,091.09)	(0.32)
10	Total comprehensive income (7+8)	(982.92)	(1,167.22)	(1,091.09)	(19,077.98)
11	Paid-up equity share capital (Face Value of Rs.6/- per share)				1,19,629.04
12	Reserves excluding Revaluation Reserves				(1,49,171.91)
	Earnings per share (EPS) after exceptional item (of Rs.6/- each) (not annualised for interim periods):				
	a) Basic (Rs.)	(0.05)	(0.06)	(0.05)	(0.62)
	b) Diluted (Rs.)	(0.05)	(0.06)	(0.05)	(0.62)
	Earnings per share (EPS) before exceptional item (of Rs.6/- each) (not annualised for interim periods):				
	a) Basic (Rs.)	(0.05)	(0.06)	(0.06)	(0.28)
	b) Diluted (Rs.)	(0.05)	(0.06)	(0.06)	(0.28)

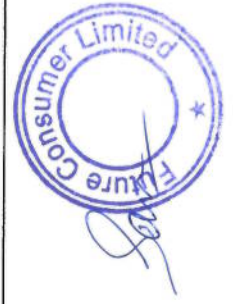


Notes:

- 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 During the period there was no acquisition of treasury shares by the ESOP trust or issue of shares due to exercise of stock options. However, during the period, the ESOP trust has sold 32,17,293 number of shares in the open market.
- 3 **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. 9,991.69 lakhs including investments, loans and other assets (as on March 31, 2024: Rs. 9,564.13 lakhs). There is a dispute between the Company and said JV partners and due to non-availability of financial results for the quarter and period ended December 31, 2024, 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 results. However, the Management believe that it will not have a material impact on the financial results for the quarter and period ended December 31, 2024.
- 4 a) The Company has received through email a letter from Securities and Exchange Board of India Bearing Ref.: SEBI/HO/CFID_SEC2/P/O/W/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 account of the Company and some other entities for review period being the financial year ended March 31, 2020, March 31, 2021, and March 31, 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. Subsequently, the Company has submitted the data as requested in this regard. Forensic audit has been conducted and Future Retail Limited has been admitted for liquidation process by Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") vide Order dated July 29, 2024. Mr. Sanjay Gupta, having IBBI Registration No. IBBI/IPA-002/IP-N00982-C01/2017-2018/10354, has been appointed as the Liquidator of the Company in terms of Section 34 of the Insolvency and Bankruptcy Code, 2016
b) During the previous year, bank borrowing accounts of the Company have been classified as Non Performing Asset (NPA) by all banks and as per the extant guidelines of Reserve Bank of India (RBI), account need to be reviewed for conducting Forensic Audit. Accordingly, the lead bank (State Bank of India) had appointed a firm of Chartered Accountants, to carry out forensic audit of the books of account of the Company for the period April 01, 2018 to September 30, 2022, inter-alia in relation to specific transactions provided in the scope. The Company has submitted reply for observation to forensic auditor, however there are no further communication between the forensic auditor and the lead bank.

5 Exceptional items include the following :

Particulars	(Rs. in lakhs)				
	For the quarter ended December 31, 2024	For the quarter ended September 30, 2024	For the quarter ended December 31, 2023	For the Nine Months ended December 31, 2023	For the year ended March 31, 2024
Impairment of Property, Plant and Equipments and Intangibles assets	-	-	-	442.23	442.23
Impairment of Investments	-	-	-	20.96	1,099.38
Impairment of Intercorporate deposits including interest thereon	-	-	-	6,422.11	8,986.39
Gain on sale of property, plant and equipments	-	-	-	(12.81)	(12.81)
Provisions/Payables written back	-	-	(138.05)	(138.05)	-
Total	-	-	(138.05)	6,734.44	10,515.18



Notes:

6 The Company is currently facing significant liquidity crunch which has impacted the operations of the Company during the quarter and period ended December 31, 2024. The Company has incurred loss before tax during the quarter and period ended December 31, 2024 amounting to Rs. 982.92 lakhs and Rs. 3,562.05 lakhs respectively primarily owing to the lower volumes, finance costs and depreciation and also has accumulated losses as at December 31, 2024 of Rs. 2,00,621.41 lakhs. Company's current liabilities exceeded its current assets by Rs. 62,336.89 lakhs as at the quarter and period end. The Company has also suffered consistent downgrades in its credit ratings, as a result of which the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed. Further, the Company has defaulted on payment of interest/repayment of principal amount on loans from banks/financial institution and unlisted debts securities as a result the banks have classified the loans given to the Company as non-performing assets (NPA). The Company has total debt servicing obligations due (including interest accrued) aggregating to Rs. 51,319.97 lakhs as at December 31, 2024.

Also, RBL Bank Limited ("RBL Bank") had a debt exposure secured by immovable property, consisting of land and buildings located in Veerasandra Village, Bangalore, with a total area of 44,116 sq. ft., owned by Appu Nutritions Private Limited, a wholly owned subsidiary of the Company. On January 23, 2024, RBL Bank took physical possession of the mortgaged property under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act). Subsequently, on April 23, 2024, RBL Bank issued a notice for an e-auction sale of the mortgaged property, scheduled for May 30, 2024. However, after the failure of the Company and its subsidiary to redeem the mortgage within the prescribed timeline, RBL Bank informed the Company on August 7, 2024, that it would proceed with the sale of the property via private treaty on August 26, 2024. The sale was conducted on an "As is where is," "As is what is," and "Whatever there is" basis, meaning the property was sold in its current condition without any further recourse. On September 25, 2024, RBL Bank successfully sold the mortgaged property and recovered ₹1,820.60 lakhs towards the outstanding dues of the Company.

Further, the Company has outstanding 11.07% Non Convertible Debentures of Rs. 15,882.35 lakhs and interest of Rs. 7,517.13 lakhs aggregating to Rs. 23,399.48 lakhs as at December 31, 2024 to British International Investment Plc ("BIIT") Catalyst Trustee Limited ('debenture trustee' or 'CTL') which is secured against fixed assets of the Integrated Food Park Limited ('Wholly Owned Subsidiary' or 'IFPL'). On April 26, 2024 the CTL has issued notice to the Company and IFPL to repay the outstanding amount within 15 days from the date of notice, failure of which shall lead to initiation of mortgaged immovable properties situated at Tumkur, Karnataka, owned by IFPL.

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. 37,803.97 lakhs and had recorded an expected credit loss on the entirety of the receivable from the said customer in earlier year(s).

The Company has also discussed the Asset Monetisation Plan with the lenders of the Company in a joint-lender's meeting (JLM) held on July 06, 2022. Considering the Asset Monetisation Plan, the lenders allowed the Company to repay its borrowings till January 31, 2023. However, the Company was unable to conclude re-negotiations or obtain replacement financing or monetise its assets as agreed with the lenders during the said period. During subsequent meeting held time to time with JLM, the Company updated them about the status and likely timelines for assets monetisation and /or fresh investments, besides few proposals parallelly in pipeline on individual business verticals, and in either case the Company being able to settle the loans amicably with the lenders. JLM has also indicated initiation of legal action for recovery of dues.

These events/conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as going concern. The financial results do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

To address the liquidity crunch and to maintain the sufficient working capital, the Company has adopted several measures including sales to other customers, earning royalty income on brands like Kara, Thinkskin and other brands, cost optimisation, discussion with banks for restructuring / one time settlement of loans, other strategic initiatives for fresh investments, monetisation of identified assets, etc. The expected proceeds from monetisation of these assets which includes property plant and equipment, investments and other assets and/or fresh investments will be utilised to repay the borrowings (including interest) 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 5 above). 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 closure with the potential buyers for monetisation of its assets and / or fresh investments into the Company which is dependent on many internal / external factors. The management is confident that they will be able to arrange sufficient liquidity by either monetization and /or fresh investments, increase in operations and other strategic initiatives. Accordingly, the financial results are prepared on a going concern basis.




Notes:

- 7 Hain Future Natural Products Private Limited ('Hain'), a joint venture of the Company and Histon Sweet Spreads Limited ('JV Partner'). On June 28, 2024 the Company has signed the Joint Venture Termination Agreement ("JVTA") with JV Partner and accordingly the joint venture between the Company and Hain stands terminated.
- 8 On July 20, 2022, the Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") has ordered commencement of the corporate insolvency resolution process of Future Retail Limited, one of the major customer of the Company (Corporate Debtor) in terms of the provisions of Insolvency and Bankruptcy Code, 2016 (the 'Code').
During May 2023, an interlocutory application has been filed against the Company in Hon'ble National Company Law Tribunal (NCLT) wherein the resolution professional being Applicant has prayed to declare payments made by the Corporate Debtor to the Company during FY 2020-21 and FY 2021-22 towards supply of goods to be preferential in nature and accordingly direct the Company to refund monies to the tune of Rs. 83,918 lakhs to the Corporate Debtor, in accordance with Section 41 of the Code.
The Company is of the view that all payments received from Future Retail Limited were in the ordinary course of business and there were no preferential payments received. The Company is in the process of filing response in this regard.
- 9 **Business Combination**
The Scheme of Amalgamation between Future Food and Products Limited and Future Food Processing Limited and the Future Consumer Limited ("The Company") and their respective shareholders under section 230 to 232 and other applicable provisions of the Companies Act, 2013 (hereinafter "the Scheme") was filed in the year 2021. NCLT has approved the said scheme of merger vide order C.A.(CAA)/234/MB-V/2021 dated November 22, 2023 having effective date as November 30, 2023 and appointed date as April 01, 2021. The accounting treatment for the said transaction have been taken in Book of Accounts effective from appointed date. Accordingly, figures for the quarter and period ended December 31, 2023 have been restated.
- 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 February 14, 2025.
- 12 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 14, 2025



By Order of the Board
For Future Consumer Limited


Samson Samsuel
Managing Director
DIN : 07523995



Corporate Identity Number of Future Consumer Limited is L52602MH1996PLC192090