

# Corporate Information

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## BOARD OF DIRECTORS

### **V. K. Chopra**

Chairman & Director  
DIN: 02103940

### **Kishore Biyani**

Vice-Chairman & Director  
DIN: 00005740

### **Vijay Biyani**

Managing Director  
DIN: 00005827

### **S. Doreswamy**

Director (up to 28/03/2019)  
DIN: 00042897

### **Anil Harish**

Director  
DIN: 00001685

### **Bala Despande**

Director  
DIN: 00020130

### **Dinesh Maheshwari**

Executive Director &  
Chief Financial Officer  
DIN: 00088451

### **Haresh Chawla**

Director (w.e.f. 28/03/2019)  
DIN: 00029828

## BANKERS

Axis Bank  
Central Bank of India  
IDBI Bank  
Indian Bank  
Indian Overseas Bank  
Lakshmi Vilas Bank  
South Indian Bank  
State Bank of India  
Syndicate Bank  
United Bank of India

## STATUTORY AUDITORS DMKH & CO.

## COMPANY SECRETARY Deepak Tanna

## SHARE TRANSFER AGENTS

### **Link Intime India Pvt. Ltd.**

C-101, Embassy 247,  
LBS Marg, Vikhroli (West),  
Mumbai - 400 083.  
Tel. No. : + 91 22 4918 6270  
Fax No. : + 91 22 4918 6060

## REGISTERED OFFICE

Knowledge House,  
Shyam Nagar,  
Off. Jogeshwari-Vikhroli Link  
Road, Jogeshwari (East),  
Mumbai - 400 060.  
Tel. No. : + 91 22 6644 2200  
Fax No. : + 91 22 6644 2201

## CORPORATE OFFICE

Embassy 247, 'C' Tower,  
LBS Marg,  
Vikhroli (West),  
Mumbai - 400 083  
Tel. No. : + 91 22 6119 0000  
Fax No. : + 91 22 6199 5019

## WEBSITE

[www.felindia.in](http://www.felindia.in)

## INVESTOR EMAIL ID

[Investorrelations@futuregroup.in](mailto:Investorrelations@futuregroup.in)

## CORPORATE IDENTITY NUMBER

L52399MH1987PLC044954

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# Vice-Chairman's Message



Dear Stakeholders,

We are pleased to share with you the Annual Report for the financial year 2018-19. Your Company posted a total income on consolidated basis of ₹ 6,064.96 crore, a growth of 14.7% and a net profit of ₹ 175.44 crore at the end of this financial year. Your Company owns and operates through its subsidiaries and associated businesses, some of the fundamental blocks that help run the extensive consumption ecosystem of Future Group.

Among the key businesses housed within your Company are critical functions like design, sourcing and manufacturing of its apparel business, creation and maintenance of the retail infrastructure network and the supply chain, warehousing, fulfilment network for the entire retail business of Future Group through its step down subsidiary, Future Supply Chain Solutions Limited. In addition, the Company owns substantial stakes in an office supplies business, various other group companies and two insurance joint ventures in life and general insurance space along with Italy's Generali Group. Extensive managerial skills, strategic acumen and

prudent resource allocation are crucial aspects of the business. The core business of the Company is engaged in owning, investing, operating and maintenance of the retail infrastructure that runs some of India's most popular retail brands such as Big Bazaar, fbb, Foodhall, easyday Club, among others. In addition, the Company operates two textile mills in joint venture with National Textile Corporation and also handles the design sourcing and manufacturing of millions of units of garments that are sold through these retail networks. The Company has been investing in these activities to keep them in line with the rapid rise in Future Group's retail businesses.

Future Supply Chain Solutions Limited (FSC) is a leading third-party supply chain solutions specialist and logistics service provider that caters to Future Group as well as a large number of blue-chip companies engaged in the consumption space. The business showed strong momentum with the addition of 12 new client acquisitions during the year including companies like Benetton, Wrogn, Voltbek Home Appliances (a Voltas JV), JK Helene Curtis and Tilda. Warehouse space

managed by FSC increased by 3.08 million sq. ft. to 7.66 million sq. ft. during the year and the business posted revenues of ₹ 1,112.8 crore and net profit of ₹ 65.2 crore, a growth of 113% year on year. Technology continued to remain at the forefront of its operations with the ethos of agility, authenticity and customer centricity at the heart of the business.

During the year FSC launched 'India Food Grid' project that will eventually have 38 integrated food distribution centres connected with a seamless network. FMCG and food brands can now enter the grid from anywhere in the country and benefit from improved supply chain efficiencies, reduced wastages and better inventory management.

In the life insurance business, gross written premium crossed the ₹ 1,000 crores mark for the first time in a fiscal year, ending at ₹ 1,243 crores. The Company now covers 793,070 lives. The general insurance business distributed over 1.8 million policies through the year. The general insurance business introduced a number of new policies such as Future Varistha Bima, a tailor

made product for senior citizens, Future Vector Care - a benefit product which Insures against vector - borne diseases and Shubh Yatra Group - a travel insurance policy that covers even daily commuters. Both the general and life insurance companies pioneered a WhatsApp based policy delivery platform - making them among the first in the country.

Digital technology is now at the heart of every business and your Company is making new investments in complimenting its play in physical infrastructure with digital networks that help grow the consumption ecosystem of Future Group. The scale and scope of the consumption play in India is vast and the Company will continue to prudently invest resources in building a stronger role in the sector. We thank you for being part of this journey and look forward to your continued support and encouragement.

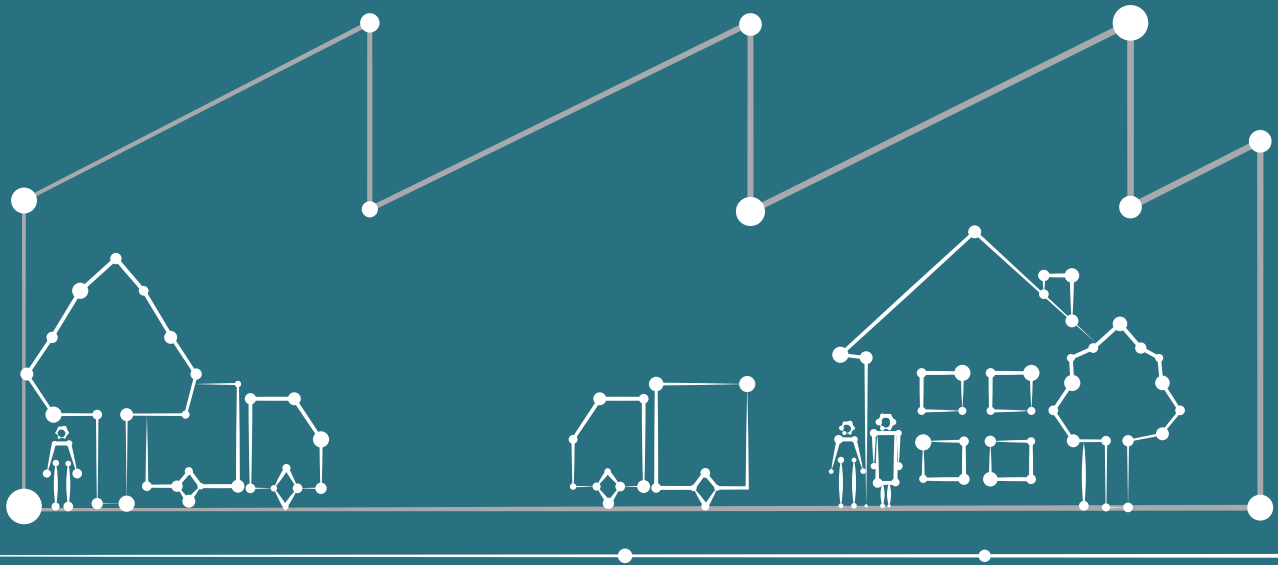
Rewrite Rules, Retain Values.



Kishore Biyani



# Completing the Cycle



## Manufacturing and Sourcing

The Company has developed extensive expertise and infrastructure that supports the growing fashion business of Future Group's wide portfolio of fashion brands and some of the country's leading retail chains including Big Bazaar, fbb, Central and Brand Factory. The Company has a specialised apparel design, merchandising and sourcing team, coupled with an in-house manufacturing facility at Tarapur in Maharashtra and at Bengaluru in Karnataka and through its joint venture companies, Apollo Design Apparel Park and Goldmohur Design and Apparel Park, located in the heart of Mumbai.

Some of the key brands sourced and manufactured across the above units include menswear brands like DJ&C, Buffalo, Knighthood, womenswear brands like Srishti and shyla and kidswear brand, Pink & Blue.

The sourcing relationships of the Company extend to over 300 small, medium and large enterprises across the country and also include specialised and handicraft-driven sectors like weavers in Benaras and Bhagalpur, printing units in Jaipur, Ikkat weavers in Andhra Pradesh, kantha embroidery workers in West Bengal and weavers in Salem and Erode. The Company's specialised fashion designers and merchandisers work closely with these enterprises in developing unique products that create a distinct market for the product brands and attract shoppers at the leading fashion retail chains. The Company is continuously upgrading its infrastructure, knowledge base and sourcing and manufacturing network to support the fast growing fashion business across Future Group's retail chains.



## Insurance

The Company owns substantial stakes in two insurance companies - life and general insurance, along with the Generali Group, the largest insurer in Europe. During the year the life insurance company launched three new products, opened 14 new branch offices taking total number of branches to 117 and added 7,098 new agents, ending the fiscal year at 12,669 agents. It also empanelled 9 new distribution partners including American Express Banking Corp, and Religare Broking and won the coveted Microsoft AI award for best use of technology to enhance customer engagement. In the life insurance business gross written premium crossed the ₹ 1,000 crores mark for the first time in a fiscal year, ending at ₹ 1,243 crores. The company's settlement ratio has improved and number of complaints reduced by

45%. The Net Promoter Score, a crucial indicator of customer satisfaction, increased from 1.9 in March 2018 to 12.3. The company now covers 793,070 lives.

The general insurance business introduced a number of new policies such as Future Varistha Bima, a tailor made product for senior citizens, Future Vector Care - a benefit product which Insures against vector-borne diseases and Shubh Yatra Group - a travel insurance policy that covers even daily commuters.

The company distributed over 1.8 million policies through the year. Both the general and life insurance companies pioneered a WhatsApp based policy delivery platform - making them among the first in the country.



Future Supply Chain's National Distribution Centre is located in MIHAN, Nagpur

## Supply Chain Solutions

The Company owns a substantial stake in Future Supply Chain Solutions Limited (FSC) through its subsidiary company. A listed entity, FSC is building upon its strong capabilities in consumer business supply chain services around the ethos of agility, authenticity and customer centricity.

During the year the company launched 'India Food Grid' project that will eventually have 38 integrated food distribution centres connected

with a seamless network. FMCG and food brands can enter the grid from anywhere in the country and benefit from improved supply chain efficiencies, reduced wastages and better inventory management.

During the year it added around 3.08 million square feet of warehousing capacity, taking the total capacity to over 7.66 million square feet. The expansion was supported by strong





The National Distribution Centre is heavily automated with conveyor belts and sorting machines

revenue visibility through addition of several prestigious clients including Benetton, Wrogn, Voltbek Home Appliances (a Voltas JV), JK Helene Curtis, Tilda Limited among others. It also continued to serve existing clients, such as Pepperfry, Snapdeal, TTK Prestige Limited, Reckitt Benckiser, Kellogg, Mondelez, Wildcraft, Pepe Jeans, and many more.

Technology continued to remain at the forefront of its operations. During 2018-19, it implemented

new tech-features like Voice Pick and inbound automation that would lead to notable productivity improvements. The company is also evaluating robotic arms and additional automation that will enhance productivity levels. It is in the process of launching an integrated real-time logistics platform that would bring all stakeholders in the value chain on to a common platform, a move that will provide it with a strong competitive advantage.

## MANAGEMENT DISCUSSION AND ANALYSIS

Indian economy has emerged as fastest growing economy in the world. As part of Indian economy, the retail industry has emerged as one of the most dynamic and fast-paced industries. Retail Industry accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and also accounts for about 8 per cent of the employment. Retail Industry has been one of the main contributors of this fastest growing economy. The Company being associated with the retail industry and having a niche area of operations, continues to receive the corresponding benefit of this growth in terms of increase in the business and prospective business growth in coming years from capex requirements of the retail businesses. Future Group's experience in modern retail, helps it to take positive and calculated expansion plans, which in turn requires support from the Company in form of infrastructure support. Further the Company also had its foray in manufacturing and trading of fashion garments, which enables it to reap additional benefits of retail growth. The Company continues to enjoy the first mover advantage in field of providing the retail infrastructure assets as well as creating fashion hub for retail entities with support of insight and vast experience of the human capital of the Company with regard to the managing and forecasting retail businesses and consumption patterns to optimise its capex spend and manufacturing as well as trading operations. The Company continues to provide the advantage of its experience to its clients in terms of minimal setup cost of efficient infrastructure and fashion garments and at the same time provide the best customer experience at stores setup with its infrastructure in various formats. The Company initiative to increase its manufacturing footprint and widen its fashion vendor network enabled it to provide wider range of fashion products to its client retail entities. Further the Company would continue to review all its investments and is pleased to inform that all the active investee companies have started reporting profits. This would ensure the accretion in valuation of investments made by the Company. Further the Company is also proposing to take benefit of its position to acquire the consumption data and use its analytics capabilities to add one more revenue stream. Further the Company's efforts to optimise its overall finance cost and improve debt maturity profile are continue and giving desired results. Further while engaging in various activities, the Company also emphasis upon the customer centric approach being part of the retail industry, where the customer is the most important constituent of this industry.

### Operational Overview

The Company's activities related to providing the retail infrastructure for various retail formats of the Group, and

having large portfolio of assets which has already been put to use, enables the continuous revenue stream in form of assets rentals. Further the expertise knowledge to handle such large portfolio of assets and support being given for creation of new stores on turn key basis considering the best in class customer experience at optimised costs and space utilisation employing the technological upgradations, enables overall reduction in costs of capex on per store basis, giving benefits to the retail entities in reduced rentals per new store. Further the Company also ensures the replacement of the obsolete assets to safeguard the products as well as customers from any unwarranted losses/incidents. As a responsible corporate citizen, the Company also ensures maximum utilisation of more greener and environment friendly products in its infrastructure setup.

Being a first mover and having vast experience in predicting trends, the Company has been able to get a fully capacity order book for its manufacturing and trading operations. With increase in retail consumption and a major portion of the retail consumption now being on fashion requirements, the Company is taking multiple initiatives to strengthen its fashion business. With addition of one more manufacturing centre and widening the vendor base the Company was able to serve the more variety of the fashion garment demand of the ultimate customers through the retail entities to whom it supplies the fashion products. The procurement team and design team ensures that the Company order book is full and earns a reasonable profitability by optimising the cost of production and procurement of fashion garments.

The majority of the investments of the Company in various active investee companies, have now matured and started showing positive results. The management team at the Company level keeps a watch on operations and management of these investee companies and guide them for any specialised requirements in various fields. The overall positive outlook of economy also plays important role in improved valuation of these investee companies. The Company would continue to consider divestment of matured investments and have given mandates for such investments to the consultants. At appropriate time the divestment decisions would be considered for any investments to improve overall stakeholders valuation.

### Customer and Marketing Overview

Though the direct customer segment of the Company has reduced considerably due to its B2B nature of activities, the ultimate demand would depend upon the Company's insight about the choice and taste of the ultimate customers of these retail formats and in ensuring their

comfort and selection preferences for shopping and products. The Company continues to research about the retail customers' preferences while shopping as well as its taste with regard to various fashion needs.

The Company is also considering other business activities, which may be aligned and undertaken with its present activities and add additional revenue streams. At present the Company is scaling up its manufacturing and trading operations. For retail infrastructure provider business, the Company is considering various options, including reaching out to other retail operations as well as to consider providing expertise and consultancy services for minimising the setup costs while ensuring the optimum space utilisation and best in class shopping experience.

As explained above, with the support of the management expertise of the Company, its investee companies are doing better and adding to its profitability or reducing the losses by minimising the operating costs. This would help in better valuation of the investee companies and at the same time reduce the funding requirements. Further, the Company may consider the divestment opportunity of certain business, which have been fully nurtured and have willing investors.

### Awards & Recognition

The Group as well as the Company had been recognised and awarded for its various initiatives in the retail sector from time to time. The Company now being part of the B2B business initiative, there is no specific categories in which it would be recognised and awarded as in past. However, the various initiatives of the Company, are helping the other retail formats of the Group to compete for various award categories and get recognitions as in past. The Future Group ethos "rewrite rules, retain values" would continue to ensure that the Company continue to serve the retail sector and in specific the ultimate retail customer with objective to give them a shopping experience which shall improve continuously.

### Competition

The new areas of operations of the Company do not really have any direct competition. However, the Company need to consider the competition its immediate customers face, viz. retail formats and provide them the better competitive edge over and above other retail formats, which Company is successfully doing by providing the best turnkey solutions for setting up new retail stores and ensuring the minimised cost of operations as well as the best in class shopping experience for the ultimate retail customers of its retail formats. The insight of the customer and the shopping India, give the Company edge to provide such solutions and the fashion offerings to its retail formats, which help them to stand out of the competition for its

final offerings and the setup. The Company do have some competition from the NBFCs and other entities providing the operating equipment / fixed assets on lease basis, however, being the ready availability of the business from the various retail formats in the Group, the Company have a ready market for its retail infrastructure provider business, as long as the Company provide these services at arms' length to these retail formats. Further, the same retail formats also provide ready market for the Company's manufacturing and the trading business activities in the fashion segment. The Company also has the advantage of the large scale operations and hence is in position to provide most competitive rate to various retail formats for the fashion products supplied by the Company. The Company is now also considering the provisions of these services outside the group as well. These initiatives with other benefits at Company side will enable it to counter the competition.

### Human Resource Initiatives

The Company has one of the best human capital in retail sector and can boast about its strong domain knowledge. The Company ensures the continuous updation of its human capital to keep it abreast of the technological and behavioural changes in retail sector and corresponding changes it need to make for the provision of its services to retail sector. The human capital, pertaining to the designing and manufacturing and trading side, keep a close watch on the changing fashion trends to make necessary changes in the production plan and the procurements of the products to ensure that latest products are available to its purchasers and ultimate retail customers.

The Company also ensures the career development of individual employees by identifying the key resources and impart training for improvement of skills and the leadership qualities. The Company continues to have retention plans in form of the selective option grants and other methods of performance and role review.

### Business Outlook

Retail Industry has been one of the major contributors, in the economic growth of the country. Further the consumption section as expected is about to have exponential growth as the per capital income is increasing and major component of the increased per capita income is being spent for fashion and leisure activities. Thus the highest beneficiary of the incremental growth would continue to be retail sector and would also enable the Company to reap same benefit being part of the retail support sector and one of the larger fashion garment consolidator and provider. Further the Company may also get the benefit of the data aggregator and analytics services it propose to provide to its client retail entities and ultimate customers.



Further the investee business of the Company would also get the better business opportunities of the overall economic growth of the country and improve their respective valuation as well. Divestment of any such investee businesses would give better overall cash flow for the Company and enable it to reduce overall debt of the Company.

As explained above the Company continued to put all efforts to reduce overall debt burden and finance cost by improving the overall debt profile through acquisition of debts at better negotiated rate of return and at the same time also ensuring the improved maturity profile of debt to ease burden on the cashflow of the Company. As stated above, the Company would be having further avenue to reduce the overall debt by placing its divestments of the investee companies at appropriate time at a value which would be in best interest of the Company.

The Care Ratings Limited (CARE), rating for Long Term borrowings as well as Long Term Non-Convertible Debentures to CARE AA- Stable (Double A Minus; Outlook: Stable) as of March 31, 2019.

### Risks and Threats

The state of external environment, including factors like interest rates, inflation, and growth in economic activity and job creation and consumer sentiment continues to be the biggest source of threat as well as opportunity for the Company. Any slowdown in the economic activity in the country, significant job losses or high rates of inflation can severely impact the consumption and therefore growth of the Company. Other external factors, including a steep rise in interest rates or drastic changes in the policy or regulatory environment can pose financial challenge for the Company. However, the continued steps taken by the Company to deleverage its balance sheet, reducing its reliance on the debt funds, improving its debt maturity profile and thereby reducing stress on its cash flow, improved business efficiency reducing overall operating cost. We shall also note that at this time, we do not anticipate any major adverse change in macroeconomic factors.

The set controls and defined responsibilities at each level of management require evaluation of the various existing risks and new expected risks at an early stage and immediate action plan to mitigate such risks. Further the authorities given at each management level ensures implementation and execution of such action plan with minimised risk. Further, use of information technology for implementation as well as regular review and evaluation of such risks and risk mitigation action plan by management ensures minimisation of such risks.

### Internal controls and their adequacy

The Company had identified the key risks and control process to mitigate the same. Further the Company continues this process of Enterprise Risk Management as a continuing process, in order to identify the new risks and to define and establish the control process to mitigate the identified risks. Further the Internal Control Framework for financial reporting, organization structure, documented authorities & procedures and internal controls are being reviewed by internal audit team on continuous basis and any issues arising out of the said audit are addressed appropriately. The Company is continuously upgrading its internal control systems by measuring state of controls at various locations. Controls in SAP, an ERP system have been strengthened with help of review conducted by Ernst & Young.

The Audit Committee, comprising independent directors is involved in regular review of financial and risk management policies, significant audit findings, the adequacy of internal controls and compliance with the accounting standards.

### Review of Financial Performance of the Company for the year under review.

**Sales:** The Company's Sales and Other Operating Income has increased from ₹4,184.80 crore in previous twelve months to ₹4,565.64 crore with YOY growth of 9.10 % for the financial year ended March 31, 2019.

**Profit Before Tax:** Profit Before Tax (including exceptional items) of the Company for financial year ended March 31, 2019 stood at ₹ 2.24 crore as compared to Loss before tax of ₹ 18.64 crore during the previous twelve months.

**Interest:** Interest & Financial charges outflow has Increased from ₹ 568.41 crore incurred in previous twelve months of 2017-18 to ₹ 577.92 crore for financial year ended March 31, 2019. The Increase in interest and financial charges is due to increase of borrowings. The interest & financial charges cover for financial year ended March 31, 2019 under review is 2.33 times as compared to 2.20 times in the previous twelve months.

**Net Profit:** Net Profit (including exceptional items) of the Company for financial year ended March 31, 2019 stood at ₹ 24.02 crore as compared to Net Loss of ₹ 12.19 crore in the previous twelve months with increase of ₹ 36.21 crore over the previous twelve months.

**Dividend:** The Board of Directors has not recommended any dividend for year under review.

**Capital Employed:** The capital employed (net of cash) in the business is ₹ 10,410.89 Crore as at March 31, 2019. Return on capital employed (EBIDTA including exceptional item/average capital employed) during 2018-19 is 13.48% as compared to 13.45% during 2017-18.



**Surplus management:** The Company generated a cash profit of ₹ 771.43 Crore for financial year ended March 31, 2019 as compared to ₹ 686.21 Crore in the previous twelve months, registering the growth of 12.42%. The entire cash profit is ploughed back into the business to fund the growth. The growth of the Company has partly been funded by the cash generated from the business as well as from additional funds borrowed and equity funds infused during the financial period.

**Equity Share Capital:** The equity share capital of the Company has been increased from ₹ 98.67 Crore to ₹ 98.71 Crore due to issue of shares pursuant to ESOP shares during the financial year under review.

**Debt-Equity:** Debt-Equity ratio of the Company was 1.64 as at March 31, 2019.

**Earnings Per Share (EPS):** The Company's Basic EPS has gone up from ₹ (0.25) per share in previous financial year

to ₹ 0.48 per share for the current financial year ended March 31, 2019.

**Cash Earnings Per Share (CEPS):** The Company's Cash Earnings per Share (CEPS) has increased to ₹ 14.39 in current financial year in comparison to ₹ 13.18 in the preceding financial period.

**Investment:** The Company's investment portfolio has increased from ₹ 1,120.56 Crore to ₹ 1,152.36 Crore during the current financial year ended March 31, 2019. The addition in investment during the financial year is mainly investment in Future Generali India Life Insurance Company Limited, Sprint Advisory Services Private Limited, Livquick Technology (India) Private Limited and investment in CCD's of Galaxy Cloud Kitchens Limited.

**Net Worth:** The Net worth of the Company has increased from ₹ 3,910.63 Crore to ₹ 3,958.22 Crore due to Profit for the current year and shares issued during the financial year.

## DIRECTORS' REPORT

To  
The Members,  
Your Directors are pleased to present the Thirty-First Annual Report of the Company together with the Audited financial statements for the financial year ended March 31, 2019.

### FINANCIAL HIGHLIGHTS:

The financial performance of the Company is as follows:

(₹ in crore)

Particulars	Financial Year 2018-19		Financial Year 2017-18	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from operations	4,565.64	5,983.14	4184.80	5,103.09
Other Income	27.11	81.82	183.88	183.23
Total Income	4,592.75	6,064.96	4368.68	5,286.32
Profit before Depreciation & Amortization expense & Tax expense	771.43	948.61	679.76	780.48
Less: Depreciation and Amortization expense	769.19	815.58	698.40	725.21
Profit before tax	2.24	153.66	(18.64)	64.63
Less : Tax expense	(21.78)	(21.78)	(6.45)	24.89
Profit after Tax	24.02	175.44	(12.19)	39.74
Other Comprehensive Income for the year	12.57	13.90	20.60	14.42
Total Comprehensive Income for the year	36.59	189.34	8.41	54.16
Earnings Per Equity Share of Face Value of ₹ 2/- each				
- Basic and Diluted (in ₹)	0.48	2.93	(0.25)	0.13
Earnings Per Equity Shares - Class B (Series 1) of Face Value of ₹ 2/- each				
- Basic and Diluted (in ₹)	0.52	2.97	(0.25)	0.17

### REVIEW OF PERFORMANCE

During the year under review, the Company recorded an increase of 14.73 % in Consolidated Total Income which stood at ₹ 6,064.96 crore as compared to last year of ₹ 5,286.32 crore. The Company has once again performed at Standalone as well as Consolidated level and reported the Consolidated Profit after Tax of ₹ 175.44 crore for the year under review as compared to ₹ 39.74 crore in the previous financial year.

Furthermore, the Company also recorded nominal increase in Standalone Total Income which stood at ₹ 4,592.75 crore as compared to last year of ₹ 4,368.68 crore. The Company has reported the Standalone Profit after Tax of ₹ 24.02 crore for the year under review as compared to loss of ₹ 12.19 crore in the previous financial year.

During the year under review, there was no material change in the nature of business of the Company and it would continue to operate in overall retail industry.

### OUTLOOK

The Company vide special resolution, passed by means of postal ballot dated December 29, 2018, has changed

its objects by altering Memorandum and Articles of Association of the Company by adding 3 new clauses and enhancing its business activities by capturing consumption data accessible to it through various retail consumption centres of the group as well as other associated business partners. Further, the management is trying to create a consumption eco-system by offering various products and services directly / indirectly to its member / customer and for that purpose would be having tie-up / arrangements with various products / service providers.

### SHARE CAPITAL

During the year under review, the Company has issued and allotted 2,20,200 Equity Shares, the details of which are as under:

On May 25, 2018, the Company has made allotment of 2,20,200 Equity Shares of ₹ 2/- each to the employees of the Company upon exercise their rights of vested options granted to the said employees under Employees' Stock Option Plan – 2015 (FEL ESOP 2015). None of the employee is in receipt of Equity Shares the value of which exceeds

1% of Equity Share capital of the Company against the vested options exercised by them under FEL ESOP 2015.

During the year under review, the Company has not issued any sweat equity shares or bonus shares or equity shares with differential rights.

### DIVIDEND AND RESERVES

To conserve the funds for future business growth, your Directors have not recommended any dividend for the financial year 2018-19.

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 ("Listing Regulations"), Dividend Distribution Policy is given as Annexure I to this Report and same is also available on the website of the Company at the weblink: [https://felindia.in/pdf/Dividend\\_Distribution\\_Policy.pdf](https://felindia.in/pdf/Dividend_Distribution_Policy.pdf).

The Board has decided not transferred any amount towards General Reserve for the year under review.

The Board has transferred ₹ 24.02 crore to the Debenture Redemption Reserve.

### INVESTMENTS

During the year under review, the Company has made following investment which are as under:

- Subsidiaries Companies:**

Company has acquired 10,000 equity shares of nominal value of ₹ 10/- each of Ritvika Trading Private Limited ("RTPL") which is equivalent to 100% equity share capital of RTPL and subsequent to this acquisition, RTPL became the wholly owned subsidiary of Company.

- Joint Venture / SPV Companies**

The Company has made investment of ₹ 26.78 crore in Future Generali India Life Insurance Company Limited and ₹ 25.76 crore in Sprint Advisory Services Private Limited as a part of its entitlements and unsubscribed portion of other shareholders in Rights Issue .

- Other Investments:**

- Company has made investment of ₹ 11.40 crore in Galaxy Cloud Kitchens Limited ("GCKL") (f/k/a Galaxy Entertainment Corporation Limited) by subscribing 38,00,000 Compulsory Convertible Debentures ("CCDs") of GCKL.
- Company has made investment of ₹ 5 crore in Livquik Technology (India) Private Limited by subscribing 7,11,74,377 Partly Paid Equity Shares.

### DIVESTMENTS

On December 24, 2018, the Company has transferred 2,05,15,817 equity shares representing 51.22% of equity share capital of Future Supply Chain Solutions Limited ("FSCSL") to its wholly owned subsidiary Ritvika Trading Private Limited, by way of inter-se transfer. Consequent to this transaction, FSCSL became the step down subsidiary of the Company. Furthermore, as on March 31, 2019,

your Company directly holds 100 equity shares in Future Supply Chain Solutions Limited.

### DEBENTURES

During the year under review, the Company has raised long term funds through Non-Convertible Debentures aggregating ₹1,850 crore. The funds were utilised for the objects as stated in the offer document issued at the time of raising funds. This has helped the Company to improve its debt maturity profile and reduce the cost of debt.

The Company has made timely payment of interests and principal amount, as and when it becomes due on debentures, issued by the Company. The Company has repaid the principal amount of Secured Redeemable Non-Convertible Debentures of approximately ₹ 1,300 crore, which includes Non-Convertible Debentures due for payment in the year under review as well as for which the Company has exercised calls / put option for pre-payment together with accrued interest payable thereon.

### PUBLIC DEPOSITS

During the current financial year, the Company has accepted Fixed Deposits from its Members and Public in accordance with the provisions of Sections 73 and 76 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014.

The details relating to Deposits in terms of Rule 8(5) (v) of the Companies (Accounts) Rules, 2014 are given hereunder:

Sr. No.	Particulars	Amount (₹ crore)												
1	Deposits accepted during the year	44.30												
2	Deposit remaining unpaid or unclaimed at the end of the year	-												
3	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved:													
	<table> <tr> <th>Particulars</th><th>Number of such cases</th><th>Total Amount Involved</th></tr> <tr> <td>At the beginning of the year</td><td>-</td><td>-</td></tr> <tr> <td>Maximum during the year</td><td>-</td><td>-</td></tr> <tr> <td>At the end of the year</td><td>-</td><td>-</td></tr> </table>	Particulars	Number of such cases	Total Amount Involved	At the beginning of the year	-	-	Maximum during the year	-	-	At the end of the year	-	-	
Particulars	Number of such cases	Total Amount Involved												
At the beginning of the year	-	-												
Maximum during the year	-	-												
At the end of the year	-	-												
4	Details of the deposits which are not in compliance with the requirements of Chapter V of the Act	-												

## CREDIT RATING

The details pertaining to credit rating for the facilities obtained by the Company during the year under review is given in Corporate Governance Report forming part of this Annual Report.

## MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report as required under Regulation 34 read with Schedule V of the Listing Regulations, forms part of this Annual Report.

## CORPORATE GOVERNANCE

A Report on Corporate Governance along with a Certificate from the Statutory Auditors of the Company regarding the compliance with the conditions of Corporate Governance as stipulated under Regulation 17 to 27 and 46 of the Listing Regulations, forms part of this Annual Report.

## POLICIES AND DISCLOSURE REQUIREMENTS

The Company has in *inter-alia* following policies and code of conduct duly approved by the Board of Directors of the Company:

- Details of programmes for familiarisation of Independent Directors with the Company are available on the website of the Company at the link [https://felindia.in/pdf/ID\\_Familiarisation.pdf](https://felindia.in/pdf/ID_Familiarisation.pdf)
- Policy for determining Material Subsidiaries of the Company is available on the website of the Company at the link [https://felindia.in/pdf/Mat\\_Sub\\_Policy.pdf](https://felindia.in/pdf/Mat_Sub_Policy.pdf)
- Policy for determining Materiality of Events of the Company is available on the website of the Company at the link [https://felindia.in/pdf/Policy\\_for\\_Determining\\_Materiality\\_of\\_Events.pdf](https://felindia.in/pdf/Policy_for_Determining_Materiality_of_Events.pdf)
- Archival Policy of the Company is available on the website of the Company at the link [http://felindia.in/pdf/Archival\\_Policy.pdf](http://felindia.in/pdf/Archival_Policy.pdf)
- Code of Conduct of Board of Directors and Senior Management Personnel of the Company is available on the website of the Company at the link [https://felindia.in/pdf/Code\\_of\\_Conduct.pdf](https://felindia.in/pdf/Code_of_Conduct.pdf)
- The Remuneration Policy is available on the website of the Company at the link [https://felindia.in/pdf/Remuneration\\_Policy.pdf](https://felindia.in/pdf/Remuneration_Policy.pdf)
- Policy on dealing with Related Party Transactions is available on the website of the Company at the link [https://felindia.in/pdf/RPT\\_Policy.pdf](https://felindia.in/pdf/RPT_Policy.pdf)

Furthermore, the foregoing policies are approved and revised by the Board of Director (including concerned committees) from time to time.

## NUMBER OF BOARD MEETINGS

The Board of Directors has met 6 (Six) times during the financial year 2018-19. The details of Board meetings and the attendance of the Directors therein are provided in the Corporate Governance Report which forms part of this Annual Report.

## COMMITTEES OF THE BOARD OF DIRECTORS

Details of Committees of the Company along with their terms of reference, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this Annual Report.

## SUBSIDIARY COMPANIES

The Company has following Subsidiaries (including step down subsidiaries), as at the end of the financial year ended March 31, 2019.

### Futurebazaar India Limited

Futurebazaar India Limited ("FBIL") is a wholly owned subsidiary and is set up as the e-Retailing arm of the Future Group for providing on-line shopping experience through e-portal [www.futurebazaar.com](http://www.futurebazaar.com). FBIL is successfully operating its e-retailing business and during the financial year ended March 31, 2019, it has registered income from operations amounting to ₹ 101.60 crore and its net profit stood at ₹ 0.80 crore.

### Future Media (India) Limited

Future Media (India) Limited ("FMIL") is the Future Group's media venture, aimed at creation of media properties in the ambience of consumption and thus offers active engagement to brands and consumers. The Company holds equity capital of 93.10% in FMIL. During the financial year ended March 31, 2019, FMIL has incurred a net loss of ₹ 0.10 crore.

### Bluerock eServices Private Limited

Bluerock eServices Private Limited ("BEPL") is wholly owned subsidiary of the Company. BEPL deals in the business of providing services for operation and maintenance of IT enabled platforms. During the financial year ended March 31, 2019, BEPL has incurred net loss of ₹ 0.51 crore.

### Future E-Commerce Infrastructure Limited

Future E-Commerce Infrastructure Limited ("FECIL") is to capture the consumption space through the internet, as well as other technology based and digital modes and provide infrastructure services for the same. The Company holds equity capital of 86.71% however, considering total capital comprising of convertible preference capital the Company's holding in the total capital of FECIL works out to 63.98%. FECIL also has convertible preference shares,



which has not yet been converted into equity shares. During the financial year ended March 31, 2019, FECIL registered income from operations amounting to ₹ 100.40 crore and the net profit stood at ₹ 0.83 crore.

#### **Work Stores Limited**

Work Stores Limited ("WSL") is designed to capture the consumption space of office supplies, office equipment and products. WSL was formed as a joint venture between the Company and Staples Asia Investment Limited (a subsidiary of Staples Inc USA). Your Company holds equity capital of 61.67% in WSL however, considering the total capital comprising of convertible preference capital of WSL, the Company's holding in the total capital of WSL works out to 62.63%. During the financial year ended March 31, 2019, WSL has registered income from operations amounting to ₹ 87.29 crore and the net loss stood at ₹ 1.58 crore.

#### **Office Shop Private Limited**

Office Shop Private Limited ("OSPL") was incorporated to deal in the business of distribution of office products. OSPL is 100% subsidiary of WSL and accordingly, is a step-down subsidiary of the Company. OSPL has earned revenue of ₹ 0.19 crore & incurred net loss of ₹ 1.01 crore during the year ended March 31, 2019.

#### **Future Merchandising & Sourcing Pte. Ltd.**

Future Merchandising & Sourcing Pte. Limited ("FMSPL") is wholly owned subsidiary of Company based in Singapore to undertake the activity of global sourcing of food, fashion, footwear and others from international markets.

During the financial year ended March 31, 2019, FMSPL has incurred a net loss of ₹ 0.04 crore.

#### **Ritvika Trading Private Limited**

The Company acquired 100% equity share capital of Ritvika Trading Private Limited ("RTPL") on November 19, 2018 and consequently RTPL became the wholly owned subsidiary of the Company. The RTPL is in the business of buying, selling, importing, exporting, supplying, trading, dealing in all types of goods on retail and wholesale basis.

During the financial year ended March 31, 2019, RTPL has incurred a net loss of ₹ 0.13 crore.

#### **Future Supply Chain Solutions Limited**

Future Supply Chain Solutions Limited ("FSCSL") covers the entire gamut of supply chain services across logistics value chain including smart warehousing, an efficient transportation and distribution system, temperature-controlled logistics and last mile delivery logistics. The solution architecture is orchestrated through sophisticated and highly automated state-of-the-art technology systems, pan-India distribution network, integrated warehouse management systems and hub and spoke transportation model enabling innovative service

offering to the customers in an optimised and cost-efficient manner. Ritvika Trading Private Limited (RTPL) holds 51.22 % stake in FSCSL and accordingly FSCSL is step down subsidiary of the Company. During the year ended March 31, 2019, FSCSL has registered income from operations amounting to ₹ 1,112.77 crore and earned net profit of ₹ 65.16 crore.

#### **Vulcan Express Private Limited**

Vulcan Express Private Limited ("VEPL") is engaged in business of providing warehousing and logistics services and also involved in designing and deploying logistic management system and other activities of similar nature. VEPL is wholly owned subsidiary of FSCSL. VEPL has earned revenue of ₹ 2.94 crore & incurred net loss of ₹ 1.64 crore during the year ended March 31, 2019.

### **ASSOCIATE COMPANY**

#### **Leanbox Logistics Solutions Private Limited (w.e.f. July 27, 2017)**

Leanbox Logistics Solutions Private Limited ("LLSL") is Associate of FSCSL. LLSL has earned revenue of ₹ 57.64 crore & incurred net loss of ₹ 4.33 crore during the year ended March 31, 2019.

### **JOINT VENTURES**

#### **Apollo Design Apparel Parks Limited and Goldmohur Design & Apparel Park Limited**

The Company has entered into joint venture with National Textile Corporation ("NTC") for the restructuring and development of the Apollo Mills and Goldmohur Mills situated in Mumbai. For the same two separate SPV companies have been created viz. Apollo Design Apparel Parks Limited ("ADAPL") & Goldmohur Design & Apparel Park Limited ("GDAPL"). The ADAPL & GDAPL would be working for the restructuring and development of the Apollo Mills and Goldmohur Mills, respectively as per the memorandum of understanding and other documents signed between Company and NTC. During the financial year ended March 31, 2019, ADAPL registered income from operations amounting to ₹ 215.62 crore and earned net profit of ₹ 8.29 crore. Furthermore, GDAPL registered income from operations amounting to ₹ 230.83 crore and earned net profit of ₹ 7.42 crore.

#### **Future Generali India Life Insurance Company Limited**

Future Generali India Life Insurance Company Limited ("FGI-Life") is Company's joint venture with Participatie Maatschappij Graafsschap Holland NV, (Generali) in the Life insurance sector. FGI-Life has introduced many insurance products to suit requirements of various categories of customers. During the financial year ended March 31, 2019, FGI-Life has registered income from operations of ₹ 1,146.48 crore and net loss of ₹ 189.04 crore.

## **Future Generali India Insurance Company Limited**

Future Generali India Insurance Company Limited ("FGL-Nonlife") is Company's joint venture with Participatie Maatschappij Graafschap Holland NV, (Generali) in the general insurance sector. FGL-Nonlife has introduced insurance products for various general insurance needs of the different categories of customers. During the financial year ended March 31, 2019, FGL-Nonlife has registered income from operations of ₹ 2,366.69 crore and net profit of ₹ 118.84 crore.

## **Shendra Advisory Services Private Limited**

Shendra Advisory Services Private Limited ("Shendra") is a SPV with respect to the Company's insurance arm Future Generali India Insurance Company Limited. During the financial year ended March 31, 2019, Shendra has registered income from operations of ₹ 0.10 crore.

## **Sprint Advisory Services Private Limited**

Sprint Advisory Services Private Limited ("Sprint") is a SPV with respect to the Company's insurance arm Future Generali India Life Insurance Company Limited. During the financial year ended March 31, 2019, Sprint has registered income from operations of ₹ 0.01 crore and net loss of ₹ 0.10 crore.

## **CONSOLIDATED FINANCIAL STATEMENTS**

During the year under review, the Board has reviewed the affairs of subsidiaries and joint venture. The Consolidated Financial Statement of the Company is prepared in accordance with the Act and applicable IND AS along with the relevant documents and Auditors' Report thereon form part of this Annual Report.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statement of the subsidiaries and joint venture in the prescribed Form AOC-1 is attached to the financial statement, which forms part of this Annual Report.

In accordance to the provisions of Section 136(1) of the Act, the Annual report of the Company, containing therein Standalone and the Consolidated Financial Statements of the Company and the Audited Financial Statements of subsidiary Companies have been placed on the website of the Company at a weblink – [www.felindia.in](http://www.felindia.in). The Audited Financial Statements in respect of each subsidiary company shall also be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of ensuing Annual General Meeting. The aforesaid documents relating to subsidiary companies can be made available to any member interested in obtaining the same upon a request in that regards made to the Company.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, Mr. S. Doreswamy, an Independent Director of the Company has resigned

from the Board of the Company and consequently from the various Committees of the Board in which he was a Member / Chairman with effect from March 28, 2019 owing solely to compelling personal factors. It has also been confirmed that there are no other material reasons for his resignation. The Board places on record its sincere appreciation for the contribution made by him during his tenure.

Mr. Haresh Chawla was appointed as an Additional Director and Independent Director on March 28, 2019 for a period of 5 (Five) years, subject to approval of Members at ensuing General Meeting of the Company.

Mr. V. K. Chopra and Ms. Bala Despande were appointed as Independent Directors of the Company for a term of 5 (five) years and their first term as Independent Directors would come to an end on August 01, 2019.

The Nomination and Remuneration Committee ('NRC') and the Board of Directors ('Board') based on their performance evaluation have recommended the re-appointment of Mr. V. K. Chopra and Ms. Bala Despande as Independent Directors of the Company for a second term. Mr. V. K. Chopra as an Independent Director for second term commencing from August 02, 2019 to March 05, 2021 and re-appointment of Ms. Bala Despande for a term of 5 (five) years with effect from August 02, 2019 to August 01, 2024.

Due notices under Section 160 of the Act have been received from members of the Company proposing the appointment / re-appointment of Mr. Haresh Chawla, Mr. V. K. Chopra and Ms. Bala Despande as an Independent Director of the Company at ensuing Annual General Meeting.

The necessary resolutions for re-appointment Mr. V. K. Chopra and Ms. Bala Despande, are being placed before the Members for their approval at the ensuing Annual General Meeting.

In terms of section 152 of the Act, Mr. Vijay Biyani is liable to retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Brief resume, nature of expertise, details of directorships held in other companies of the above Directors proposed to be appointed / re-appointed, along with their shareholding in the Company, as stipulated under Secretarial Standard on General Meeting ("SS-2") and Regulation 36 of the Listing Regulations, is appended as an annexure to the Notice of ensuing Annual General Meeting.

During the year under review, there were no changes in the Key Managerial Personnel of the Company.

## DECLARATION OF INDEPENDENCE

The Company has received necessary declarations from all the Independent Directors that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated which could impair or impact their ability to discharge their duties with an objective of independent judgment and without any external influence.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act, has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

## PARTICULARS OF EMPLOYEE STOCK OPTION PLAN, 2012 AND 2015 ("FEL ESOP 2012 and 2015")

During the year under review, the Company has granted 47,45,000 options to eligible employees in the year under review. However, the Company has made allotment of 2,20,200 Equity Shares of ₹ 2/- each to the employees of the Company upon exercise their rights of vested options granted to the said employees under FEL ESOP 2012 and 2015.

The applicable disclosures as stipulated under Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, SEBI (Share Based Employee Benefits) Regulation, 2014 and SEBI Circular dated June 16, 2015 as on March 31, 2019 with regard to FEL ESOP 2012 and 2015 are provided in Annexure II to this Report which is available on the website of the Company.

## EXTRACT OF ANNUAL RETURN

In terms of provisions of Section 92 and 134 of the Act, an extract of Annual Return in prescribed format is annexed to this Report as Annexure III and copy of annual return is placed on the website of the Company at the web-link <https://felindia.in>.

## PARTICULARS OF LOANS GRANTED, GUARANTEE PROVIDED AND INVESTMENTS MADE PURSUANT TO THE PROVISIONS OF SECTION 186 OF THE COMPANIES ACT, 2013

Details of loans granted, guarantee provided and investment made by the Company which are covered under the provision of Section 186 of the Act, is provided in note no. 48 of Notes forming part of Financial Statements.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all transactions entered into by the Company with related parties as defined under the Act and the Listing Regulations, were in the ordinary course of business and on an arm's length basis.

Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature with related parties. A statement of all such related party transactions was presented before the Audit Committee on periodic and need basis for its review and approval.

There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company. Disclosure of transactions with related parties (including entity belonging to the Promoter/Promoter Group which hold(s) 10% or more shareholding in the Company) as required under Listing Regulations and the applicable Accounting Standards have been given in the Notes forming part of the financial statement

Particulars of contract or arrangements with related parties referred to in section 188(1) of the Act, in the prescribed Form AOC-2, is appended as Annexure IV, which forms part of this Report.

## SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

## INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the Section 124 and other applicable provisions of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after completion of seven years. Further, according to the rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends of ₹ 8,17,975/- relating to financial year 2010-11.

Further, 55,879 Equity & 5,416 Class B (Series 1) shares were transferred as per the requirements of the IEPF Rules. The details are provided on our website at <https://www.felindia.in>.

Further, sale proceeds of fractional of shares of ₹ 1,48,022/- were also transferred to IEPF as per the requirements stated above.

## MATERIAL CHANGES AND COMMITMENTS

Your Directors further state that there were no material changes have taken place that could have an impact on the financial position of the Company from the date of closure of financial year under review till the date of signing of this report.

## VIGIL MECHANISM

The Company has established a vigil mechanism to provide a framework of promoting responsible and

secure whistle blower mechanism and to provide a channel to the employee(s) and Directors to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company, as adopted, framed or revised from time to time. The mechanism provides for adequate safeguards against victimisation of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The Company has formulated and disseminated a Vigil Mechanism and Whistle Blower Policy for employees and Directors of the Company to report genuine concerns that could have serious impact on the operations and performance of the business of the Company. This Policy is in compliance with the provisions of the Act and the regulations of the Listing Regulations.

Furthermore, the policy outlining this mechanism is approved and revised by the Board of Directors from time to time.

### AUDITORS AND AUDITORS' REPORT

As per Section 139 of the Act and the rules made thereunder, M/s. DMKH & Co., Chartered Accountants, (Firm Registration No.: 116886W) was appointed as the Statutory Auditors of the Company to hold office for a period of 5 (Five) years consecutive years from the conclusion of the 29th Annual General Meeting of the Company held on August 29, 2017 till the conclusion of the 34th Annual General Meeting to be held in the year 2022.

The Company has received a written confirmation from the M/s DMKH & Co., Chartered Accountants, for their appointment as Statutory Auditors that their continued appointment shall be in accordance with the criteria and provisions as provided under Section 139 and 141 of the Act and rules made thereunder.

The Auditors' Report on the financial statements for the financial year ended March 31, 2019 does not contain any qualification, observation, emphasis of matter of adverse remark and doesn't contain any instances of fraud as mentioned under Section 143 of the Act. The Auditors' Report is enclosed with the financial statements as a part of this Annual Report.

### SECRETARIAL AUDITOR

Pursuant to Section 179 and 204 of the Act and rules made thereunder, M/s. Virendra Bhatt, Practising Company Secretary (Membership No. 1157 / Certificate of Practice No.124) was appointed as a Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2018-19, in the manner as stated above in forgoing provision.

The Secretarial Audit Report for the financial year 2018-19 is appended as Annexure V which forms part of this Report.

The said Secretarial Auditors' Report does not contain any qualifications, reservations or adverse remarks.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Act, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts for the financial year ended March 31, 2019, on a going concern basis.
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION ON FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.

The particulars as required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, are provided in Annexure VI which forms part of this report.

The Company being concentrating on the domestic consumption space does not have any specific exports initiatives to report to Members.

### AUDIT COMMITTEE

The Composition, terms of reference, powers and roles of Audit Committee of the Company are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

There were no instances where the Board did not accept the recommendations of the Audit Committee.



## RISK MANAGEMENT POLICY AND INTERNAL FINANCIAL CONTROL

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risk associated with the business of the Company.

The Board has delegated responsibility to the Risk Management Committee to monitor and review risk management, assessment and minimisation procedures and to develop, implement and monitor the risk management plan and identify, review and mitigate all elements of risk which the Company may be exposed to.

Moreover, as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the role of Committee has been widened by adding a function of looking after “*cyber security of the Company*”.

The Audit Committee and the Board also periodically review the risk management assessment and minimisation procedures.

The Company has in place adequate internal financial controls with reference to Financial Statements. Key risks and threats to the Company and internal controls are analysed and mentioned in the Management Discussion and Analysis which forms part of this Annual Report.

## CORPORATE SOCIAL RESPONSIBILITY (“CSR”)

The Company has constituted a Corporate Social Responsibility Committee (“CSR Committee”) in accordance with Section 135 of the Act. The Board of Directors of the Company has based on recommendation made by CSR Committee, formulated, approved and revised the CSR Policy of the Company from time to time and which has also been placed on website at a weblink: [https://felindia.in/pdf/CSR\\_Policy.pdf](https://felindia.in/pdf/CSR_Policy.pdf).

The Company has set up “Sone Ki Chidiya” Foundation Trust with an objective to consolidate and merge the CSR funds at Future Group level so that the combined corpus from all the Group entities would help in undertaking better and larger CSR initiatives.

The disclosures including *inter-alia* the composition of CSR Committee and the brief outline of CSR policy as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is annexed to this Report as Annexure VII.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company premises through various interventions and practices. The Company always endeavors to create and

provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. The Company has complied with the provisions relating to Internal Complaints Committee (“ICC”). Further, ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines as provided in the policy. ICC conducts training workshop mainly focusing on investigation skills, basic counselling skills like listening, paraphrasing and dealing with biases through various kind of case studies, role plays activities based on real life examples, role of ICC, critical attitudes of an ICC member and investigation process & report writing, etc.

The Detail regarding the cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are disclosed in the Corporate Governance Report which forms part of this Annual Report.

## PERFORMANCE EVALUATION OF BOARD

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of performance of its own, the Committees and Individual Directors thereof.

At the meeting of the Board, all the relevant factors that are material for evaluating the performance of the Committees and of the Board were discussed in detail.

A separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board except the Independent Director being evaluated. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Moreover, further detail regarding skill, expertise and competencies of Directors are disclosed in the Corporate Governance Report which forms part of this Annual Report.

## PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure VIII, which is annexed to this Report.

In terms of the provisions of first proviso to Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said rules are provided in this Annual Report.

During the year under review, none of the Directors were in receipt of Commission from the Company.

Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to Members of the Company. The said information is available for inspection at the registered office of the Company during working hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining such information, such member may write to the Company Secretary and the same will be furnished on request. The full Annual Report including aforesaid information is being sent electronically to all those Members who have registered their e-mail addresses and is also available on the Company's website.

#### SECRETARIAL STANDARDS

During the year under review, the Company has complied with Secretarial Standards on meetings of the Board of Directors ("SS-1") and on General Meetings ("SS-2") as amended and issued by the Institute of Company Secretaries of India in terms of Section 118(10) of the Act.

#### OTHER DISCLOSURES

During the year under review:

- There were no events relating to non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
- None of Managing Director or the Whole-time Directors of the Company is in receipt of any remuneration or commission from any of its subsidiary companies;
- Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

#### ACKNOWLEDGEMENT

Your Directors would like to thank and place on record their appreciation for the support and co-operation provided to your Company by its Shareholders, Future Group entities, and in particular, their employees, bankers and regulatory authorities. Your Directors would also like to place on record their appreciation for the efforts put in by employees of the Company during the year.

For and on behalf of the Board of Directors

Place: Mumbai  
Date : June 24, 2019

**V. K. Chopra**  
Chairman

## ANNEXURE I

### DIVIDEND DISTRIBUTION POLICY

#### Company's philosophy:

Future Enterprises strives to ensure and preserve stakeholders' value and work towards enhancing net worth of the Company as well as overall stakeholders' value. While achieving the above objective, the Company also ensures protecting the interest of all stakeholders, including the society at large.

Future Enterprises looks upon good Corporate Governance practices as a key driver of sustainable corporate growth and long term stakeholder value creation. Good Corporate Governance Practices enable a Company to attract high quality financial and human capital. In turn, these resources are leveraged to maximise long-term stakeholder value, while preserving the interests of multiple stakeholders, including the society at large. Our Dividend philosophy is in line with the above principles.

Our dividend pay-out ratio would be ranging from 25% to 60% of the earned profits for the year, after adjusting any carried forward losses. Dividend payout ratio would be reviewed every three year and would be based upon profitability and retained earnings and would be further subject to business requirements and general economic conditions. The Company will attempt to maintain a consistent dividend record to reward shareholders.

#### Declaration of Dividend:

In line with the philosophy described above, the Board reviews the operating performance every quarter and shall strive to distribute optimum and appropriate level of profits in the form of interim / final dividend, from time to time. All dividend are subject to statutory regulations and approvals, as applicable. Overall, the dividend payout in each year will depend upon business performance, investment requirements of the annual operating plan for the year and any other strategic priorities identified by the Company.

#### Per share basis:

The dividend will be declared on per share basis only.

#### Circumstances under which the shareholders of the listed entities may not expect dividend:

The Board may choose not to recommend a dividend, if there are important strategic priorities which require large investments that would deplete the company's cash reserves or uncertainties in the business performance in the near to medium term.

#### Financial parameters considered while declaring dividend:

The financial parameters that may be considered before declaring dividend are profitability, cash flow, obligations, taxation policy, past dividend rates and future growth and profitability outlook of the company.

#### Internal and external factors considered while declaring dividend:

The Board leads the strategic management of the company on behalf of the Shareholders, exercise supervision through direction and control and appoints various committees to handle specific areas of responsibilities. In this endeavour, the Board reviews various types of information provided to it which has a bearing on declaring dividend.

Key internal and external factors are listed below (not exhaustive):

##### Internal:

- Annual operating plans, budgets, updates
- Capital budgets
- Quarterly and Annual results
- Investments including Mergers and Acquisitions (M&A)
- Strategic updates / financial decisions
- Funding arrangements
- Any other matter / risks

##### External:

- Macro-economic environment
- Competition
- Legislations impacting business
- Statutory restrictions
- Changes in accounting policies and applicable standards
- Client related risks

Any other matter / risks apprehended by the Board

#### Usage of retained earnings:

Retained earnings would be used to further the company's business priorities. If there are excess reserves beyond the medium to long term business requirements, the retained earnings would be distributed to shareholders via Dividends or other means as permitted by applicable regulations.

#### Parameters that are adopted with regard to various classes of shares:

The Company would ensure compliance with statutory guidelines, terms and conditions of issue of shares of specific class and provisions contained in Article of Association. To the extent permitted, the Company would aim for highest level of transparency and equitable treatment of all investors to all shareholders.

## ANNEXURE II

### Future Enterprises Limited Employees Stock Option Plan - 2012 and 2015 (FEL ESOP - 2012 and 2015) of the Company as at March 31, 2019.

Future Enterprises Limited ("FEL") has granted Options to eligible employees in 2018 under Employee Stock Option Scheme, 2015 ("FEL ESOP 2015").

Sr. No.	Particulars	FEL ESOP 2015
A	Disclosure in terms of the Guidance note on accounting for employee share based payments issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Refer Note No. 36 and 37 in Notes to Financial Statements
B	Diluted Earnings Per Share (EPS) on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with Accounting Standard 20 - Earnings Per Share issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Refer Note No. 36 and 37 in Notes to Financial Statements

### C. Disclosure with respect to Future Enterprises Limited Employees Stock Option Plan – 2012 and 2015 (FEL ESOP 2012 and FEL ESOP 2015 ) of the Company as at March 31, 2019

Sr. No.	Particulars	FEL ESOP 2012	FEL ESOP 2015
I	Date of Shareholders' approval	Approved by the shareholders dated February 4, 2013	Approved by the shareholders dated March 30, 2015
II	Total number of options approved	25,00,000 (Twenty-Five Lakh only) Equity Shares of face value of ₹ 2/- each + 2,74,989 (Two Lakh Seventy Four Thousand Nine Hundred Eighty Nine) Equity Shares of face value of ₹ 2/- each.	75,00,000 (Seventy-Five Lakh only) Equity Shares of face value of ₹2/- each.
III	Vesting requirements	Exercise period for the options under the Employees Stock Option Plan, 2012 (FEL ESOP 2012) occurs immediate on Grant (since minimum vesting period has already lapsed since original grant)	Options granted under FEL ESOP 2015 would vest not less than 1 year and not more than 18 months from the date of such grant
IV	Exercise price or pricing formula	₹10 revised to ₹2	₹2
V	Maximum term of options granted	3 Years from the respective date of vesting of options granted	3 Years from the respective date of vesting of options granted
VI	Source of shares (primary, secondary or combination)	Primary	Primary
VII	Variation in terms of options	None	None
VIII	Method used to account for ESOP	Black Scholes Method	Black Scholes Method

### D. The stock-based compensation cost was calculated as per the fair value method, the total cost to be recognised in the financial statements for the year 2018-19 would be ₹ 3.62 crore.

### E. Option movement during the year ended on March 31, 2019

Sr. No.	Particulars	Details	
		FEL ESOP 2012	FEL ESOP 2015
I	Details Number of options outstanding at the beginning of the year	7,13,133	6,00,200
II	Number of options revised during the Year during the year	Nil	Nil
III	Number of options granted during the year	Nil	47,45,000
IV	Number of options forfeited / Cancelled / lapsed during the year	Nil	Nil
V	Number of options vested during the year	Nil	6,00,200
VI	Number of Options Unvested	Nil	47,45,000



Sr. No.	Particulars	Details	
		FEL ESOP 2012	FEL ESOP 2015
VII	Number of options exercised during the year	Nil	2,20,200
VIII	Number of shares arising as a result of exercise of options	Nil	2,20,200
IX	Exercise Price	Nil	2
X	Money realised by exercise of options, if scheme is implemented directly by the Company	Nil	4,40,400
XI	Loan repaid by the Trust during the year from exercise price received	N.A.	N.A.
XII	Total number of options outstanding (in force) at the end of the year	7,13,133	51,25,000
XIII	Number of options exercisable at the end of the year	7,13,133	51,25,000

**F. Weighted average Share Price of options granted during the year:**

		FEL ESOP 2012	FEL ESOP 2015
I	Exercise price equals market price (in ₹)	-	37.40 and 38.23
II	Exercise price is greater than market price (in ₹)	-	-
III	Exercise price is less than market price (in ₹)	-	-

**Weighted average Exercise Price of options granted during the year:**

		FEL ESOP 2012	FEL ESOP 2015
I	Exercise price equals market price (in ₹)	-	-
II	Exercise price is greater than market price (in ₹)	-	-
III	Exercise price is less than market price (in ₹)	2	2

**Weighted average Fair Value of options (Black Scholes) granted during the year:**

		FEL ESOP 2012	FEL ESOP 2015
I	Exercise price equals market price (in ₹)	-	-
II	Exercise price is greater than market price (in ₹)	-	-
III	Exercise price is less than market price (in ₹)	-	22.78 and 23.29

**G. Employee-wise details of options granted during the year on March 31, 2019**

<b>I Senior Managerial Personnel</b>			
	Name of the Employee	No. of options	
		FEL ESOP 2012	FEL ESOP 2015
1	Mr. Dinesh Maheshwari (KMP)	-	7,87,500
2	Mr. Sanjay Rathi	-	6,82,500
3	Mr. Deepak Tanna (KMP)	-	5,25,000
4	Mr. Anuraag Agarwal	-	12,00,000
II	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year		
	Name of the Employee	No. of options	
		FEL ESOP 2012	FEL ESOP 2015
1	Mr. Dinesh Maheshwari (KMP)	-	7,87,500
2	Mr. Sanjay Rathi	-	6,82,500
3	Mr. Vishal Kapoor	-	5,25,000
4	Mr. Rajesh Kalyani	-	5,25,000
5	Mr. Deepak Tanna (KMP)	-	5,25,000
6	Mr. Anuraag Agarwal	-	12,00,000
7.	Mr. Hardeep Singh	-	5,00,000
III	Identified employees who were granted option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grants:-		
	None		

#### H. Method and Assumptions used to estimate the fair value of options granted during the year

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows

	FEL ESOP 2012	FEL ESOP 2015
Risk Free Interest Rate	-	7.72% and 7.20%
Expected Life	-	3.65 years
Expected Volatility	-	44.03% and 43.75%
Expected Dividend	-	0
Price of underlying shares in the market at the time of Option grant (in ₹)		
Stock Price	Average price on NSE Limited on the date of grant has been considered.	
Volatility	Volatility was calculated using standard deviation of daily change in stock price. The historical period taken into account match the expected life of the option.	
Risk-free rate of return	The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities	
Exercise Price	Exercise Price of each specific grant has been considered	
Time to Maturity	Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live	
Expected Dividend Yield	Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.	

#### I. Details of the Company's Employees' Welfare Trust:

The details *inter-alia*, in connection with transactions made by the Trust meant for the purpose of administering the Future Enterprises Limited Employee Stock Option Plan - 2012 and 2015 are as under:

##### i. General Information of the Trust

Name of the Trust	Future Enterprises Limited Employees' Welfare Trust
Details of the Trustee(s)	Milestone Trusteeship Services Private Limited
Amount of loan disbursed by Company / any Company in the group, during the year	Nil
Amount of loan outstanding (repayable to Company / any Company in the group) as at the end of the year	Nil
Amount of loan, if any, taken from any other source for which Company / any Company in the group has provided any security or guarantee	Nil
Any other contribution made to the Trust during the year	Nil

##### ii. Brief details of transactions in shares by the Trust : None

##### iii. In case of secondary acquisition of shares by the Trust : None

For and on behalf of the Board of Directors

Place: Mumbai  
Date : June 24, 2019

**V. K. Chopra**  
Chairman

## ANNEXURE III

### FORM MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2019

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014)

#### I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L52399MH1987PLC044954
ii.	Registration Date	October 12, 1987
iii.	Name of the Company	Future Enterprises Limited
iv.	Category / Sub-Category of the Company	Public Company / Limited by shares
v.	Address of the Registered office and contact details	Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060 Tel No.: +91 22 6644 2200 Fax No.: +91 22 6644 2201 Email : investorrelations@futuregroup.in Website : www.felindia.in
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C - 101, Embassy 247, LBS Marg, Vikhroli (West), Mumbai - 400 083 Tel No.: +91 22 4918 6270 Fax No.: +91 22 4918 6060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1	Manufacturing and Trading	14 and 46	84%
2	Renting of Assets Activities	77	16%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	NAME & ADDRESS OF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Future Media (India) Limited Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060	U74300MH2006PLC160375	Subsidiary	93.10	Section 2(87) (iii)
2	Futurebazaar India Limited Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060	U51900MH2006PLC159197	Subsidiary	100.00	Section 2(87) (iii)
3	Future E-Commerce Infrastructure Limited Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060	U52399MH2007PLC171178	Subsidiary	86.71	Section 2(87) (iii)

<b>Sr. No.</b>	<b>NAME &amp; ADDRESS OF THE COMPANY</b>	<b>CIN / GLN</b>	<b>HOLDING / SUBSIDIARY / ASSOCIATE</b>	<b>% OF SHARES HELD</b>	<b>APPLICABLE SECTION</b>
4	Bluerock eServices Private Limited Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060	U72900MH2012PTC298230	Subsidiary	100.00	Section 2(87) (iii)
5	Work Store Limited Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060	U74999MH2007PLC166866	Subsidiary	61.67	Section 2(87) (iii)
6	Office Shop Private Limited* 509, Shah & Nahar Industrial Estate, Dr. E. Moses Road, Worli, Mumbai - 400 018	U30006MH2007PTC173922	Stepdown Subsidiary	61.67	Section 2(87) (iii)
7	Future Merchandising & Sourcing Pte. Ltd. 14, Robinson Road, #08-01A, Far East Finance Building, Singapore - 048 545	201718557K	Subsidiary	100.00	Section 2(87) (iii)
8	Ritvika Trading Private Limited** Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060	U74999MH2017PTC292801	Subsidiary	100.00	Section 2(87) (iii)
9	Future Supply Chain Solutions Limited*** Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060	L63030MH2006PLC160376	Stepdown Subsidiary	51.22	Section 2(87) (iii)
10	Vulcan Express Private Limited^ 61/1, Block III, Kirti Nagar, WHS New Delhi West, Delhi - 110 015	U63090DL2013PTC261203	Stepdown Subsidiary	51.22	Section 2(87)(iii)
11	Apollo Design Apparel Parks Limited 382, N. M. Joshi Marg, Chinchpokli, Mumbai - 400 011	U17291MH2007GOI195397	Joint Venture	39.00	Section 2(6)
12	Goldmohur Design and Apparel Park Limited Dada Saheb Phalke Road, Dadar (East), Mumbai - 400 014	U17291MH2007GOI195402	Joint Venture	39.00	Section 2(6)
13	Future Generali India Insurance Company Limited 6th Floor, Tower 3, Indiabulls Finance Centre, Senapati Bapat Marg, Prabhadevi (West), Mumbai - 400 013	U66030MH2006PLC165287	Joint Venture	25.51	Section 2(6)
14	Future Generali India Life Insurance Company Limited 6th Floor, Tower 3, Indiabulls Finance Centre, Senapati Bapat Marg, Prabhadevi Road (West), Mumbai - 400 013	U66010MH2006PLC165288	Joint Venture	7.77	Section 2(6)



Sr. No.	NAME & ADDRESS OF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
15	Sprint Advisory Services Private Limited Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060	U51909MH2005PTC151869	Joint Venture	49.81	Section 2(6)
16	Shendra Advisory Services Private Limited Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060	U45200MH2005PTC157267	Joint Venture	49.82	Section 2(6)
17	Leanbox Logistics Solutions Private Limited^^ C-603, Mangalya Building, Marol Maroshi Road Gamdevi, Near Leafio Hotel, Andheri (East) Mumbai - 400059	U74999MH2016PTC282290	Associate	25.61	Section 2(6)

\* 100% subsidiary of Work Store Limited

\*\* Became wholly owned subsidiary of Company with effect from November 19, 2018

\*\*\* Pursuant to transfer of 2,05,15,817 equity shares representing 51.22% of total equity share capital of Future Supply Chain Solutions Limited to Ritvika Trading Private Limited, by way of inter-se transfer, Future Supply Chain Solutions Limited became the step-down subsidiary of the Company.

^ Vulcan Express Private Limited is a wholly owned subsidiary of Future Supply Chain Solutions Limited.

^^ Leanbox Logistics Solutions Private Limited is an associate of Future Supply Chain Solutions Limited.

#### IV. SHAREHOLDING PATTERN

##### (i) (a) Equity Share Capital Breakup as percentage of total Equity Shares Categorywise Shareholding

Cat- egory code	Category of Shareholders	No. of Equity Shares held at the beginning of the year				No. of Equity Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoters and Promoter Group									
(1)	Indian									
(a)	Individuals/ Hindu Undivided Family / Nominee of Promoter	-	-	-	-	-	-	-	-	0.00
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	0.00
(c)	Bodies Corporate	20,57,60,572	-	20,57,60,572	45.32	22,80,10,572	-	22,80,10,572	50.20	4.88
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	0.00
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	0.00
	Sub-Total (A)(1)	205,760,572	-	20,57,60,572	45.32	22,80,10,572	-	22,80,10,572	50.20	4.88
(2)	Foreign									
(a)	Individuals (Non- Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	0.00
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	0.00
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	0.00
(d)	Any Other (specify)	-	-	-	-	-	-	-	-	0.00
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	0.00

Category code	Category of Shareholders	No. of Equity Shares held at the beginning of the year				No. of Equity Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	20,57,60,572	-	20,57,60,572	45.32	22,80,10,572	-	22,80,10,572	50.20	4.88
<b>(B)</b>	<b>Public shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
(a)	Mutual Funds/ UTI	47,01,443		47,01,443	1.04	47,11,443		47,11,443	1.04	0.00
(b)	Financial Institutions/ Banks	62,04,246		62,04,246	1.37	57,34,922		57,34,922	1.26	(0.10)
(c)	Central Government / State Government(s)	4,93,921	-	4,93,921	0.11	-	-	-	-	(0.11)
(d)	Alternate Investment Funds	-	-	-	-	-	-	-	-	0.00
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	0.00
(f)	Insurance Companies	26,16,004	-	26,16,004	0.58	26,16,004	-	26,16,004	0.58	0.00
(g)	Foreign Institutional Investor	-	-	-	-	-	-	-	-	0.00
(h)	Foreign Portfolio Investor	83,25,703	-	83,25,703	1.83	63,41,731	-	63,41,731	1.40	(0.44)
(i)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	0.00
(j)	Foreign Bodies Corporate	-	-	-	-	-	-	-	-	0.00
	<b>Sub-Total (B)(1)</b>	<b>2,23,41,317</b>	<b>-</b>	<b>23,41,317</b>	<b>4.92</b>	<b>1,94,04,100</b>	<b>-</b>	<b>1,94,04,100</b>	<b>4.27</b>	<b>(0.65)</b>
<b>(2)</b>	<b>Non-Institutions</b>									
(a)	Bodies Corporate									
	Indian	13,99,26,944	2,505	13,99,29,449	30.82	12,80,85,779	2,005	12,80,87,784	28.20	(2.62)
(b)	Individuals									
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	4,35,51,264	5,74,510	4,41,25,774	9.72	3,49,21,533	4,96,332	3,54,17,865	7.80	(1.92)
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3,45,76,653	-	3,45,76,653	7.62	3,34,13,262	-	3,34,13,262	7.36	(0.26)
(c)	NBFC registered with RBI	-	-	-	-	5,69,446	-	5,69,446	0.13	0.13
(d)	Any Other									
	1. N R I	26,25,229		26,25,229	0.58	22,39,720		22,39,720	0.49	(0.09)
	2. Directors & Relatives	10,000	-	10,000	0.00	2,75,000	-	2,75,000	0.06	0.06
	3. Clearing Member	18,67,899	-	18,67,899	0.41	10,25,675	-	10,25,675	0.23	(0.19)
	4. Trust	25,655	-	25,655	0.01	5,555	-	5,555	0.00	(0.00)
	5. Hindu Undivided Family	27,34,520	-	27,34,520	0.60	52,18,489	-	52,18,489	1.15	0.55
	6. IEPF	-	-	-	-	5,49,800	-	5,49,800	0.12	0.12
	<b>Sub-Total (B)(2)</b>	<b>22,53,18,164</b>	<b>5,77,015</b>	<b>22,58,95,179</b>	<b>49.76</b>	<b>20,63,04,259</b>	<b>4,98,337</b>	<b>20,68,02,596</b>	<b>45.53</b>	<b>(4.90)</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>24,76,59,481</b>	<b>5,77,015</b>	<b>24,82,36,496</b>	<b>54.68</b>	<b>22,57,08,359</b>	<b>4,98,337</b>	<b>22,62,06,696</b>	<b>49.80</b>	<b>(5.54)</b>
	<b>TOTAL (A)+(B)</b>	<b>45,34,20,053</b>	<b>5,77,015</b>	<b>45,39,97,068</b>	<b>100.00</b>	<b>45,37,18,931</b>	<b>4,98,337</b>	<b>45,42,17,268</b>	<b>100.00</b>	<b>(0.67)</b>
(C)	Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	0.00
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>45,34,20,053</b>	<b>5,77,015</b>	<b>45,39,97,068</b>	<b>100.00</b>	<b>45,37,18,931</b>	<b>4,98,337</b>	<b>45,42,17,268</b>	<b>100.00</b>	<b>0.00</b>

**(i) (b) Class B (Series 1) Share Capital Breakup as percentage of total Class B (Series 1) Shares Categorywise Shareholding**

Cat- egory code	Category of Shareholders	No. of Class B (Series 1) Shares held at the beginning of the year				No. of Class B (Series 1) Shares held at the end of the year				% Changes during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoters and Promoter Group									
(1)	Indian									
(a)	Individuals / Hindu Undivided Family / Nominee of Promoter	88,115	-	88,115	0.22	88,115	-	88,115	0.22	0.00
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	0.00
(c)	Bodies Corporate	2,83,48,465		2,83,48,465	72.00	2,83,48,465		2,83,48,465	72.00	0.00
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	0.00
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	0.00
	Sub-Total (A)(1)	2,84,36,580	-	2,84,36,580	72.22	28,436,580	-	2,84,36,580	72.22	-
(2)	Foreign									0.00
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)				-				-	0.00
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	0.00
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	0.00
(d)	Any Other (specify)	-	-	-	-	-	-	-	-	0.00
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	2,84,36,580	-	2,84,36,580	72.22	2,84,36,580	-	2,84,36,580	72.22	-
(B)	Public shareholding									0.00
(1)	Institutions									0.00
(a)	Mutual Funds / UTI	50	-	50	0.00	75,050	-	75,050	0.19	0.19
(b)	Financial Institutions / Banks	1,05,868	-	1,05,868	0.27	96,991	-	96,991	0.25	(0.02)
(c)	Central Government / State Government(s)	49,360	-	49,360	0.13	-	-	-	-	(0.13)
(d)	Alternate Investment Funds	75,000	-	75,000	0.19	-	-	-	-	(0.19)
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	0.00
(f)	Insurance Companies	400	-	400	0.00	400	-	400	0.00	0.00
(g)	Foreign Institutional Investor	-	-	-	-	-	-	-	-	0.00
(h)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	0.00
(i)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	0.00
(j)	Foreign Bodies Corporate	-	-	-	-	-	-	-	-	0.00
	Sub-Total (B)(1)	2,30,678	-	2,30,678	0.59	1,72,441	-	172,441	0.44	(0.15)

Category code	Category of Shareholders	No. of Class B (Series 1) Shares held at the beginning of the year				No. of Class B (Series 1) Shares held at the end of the year				% Changes during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	<b>Non-Institutions</b>									<b>0.00</b>
(a)	Bodies Corporate									
	Indian	20,17,595	360	20,17,955	5.13	11,44,504	310	11,44,814	2.91	(2.22)
(b)	Individuals									
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	34,02,432	66,636	34,69,068	8.81	30,51,238	58,699	31,09,937	7.90	(0.91)
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	48,36,451	-	48,36,451	12.28	47,78,830	-	47,78,830	12.14	(0.15)
(c)	NBFC registered with RBI	-	-	-	-	2,000	-	2,000	0.01	0.01
(d)	Any Other									
	1. N R I	80,492	-	80,492	0.20	83,749	-	83,749	0.21	0.01
	2. Directors & Relatives	1,000	-	1,000	0.00	1,000	-	1,000	0.00	0.00
	3. Clearing Member	1,27,347	-	1,27,347	0.32	20,682	-	20,682	0.05	(0.27)
	4. rust	127	-	127	0.00	127	-	127	0.00	0.00
	5. Hindu Undivided Family	1,74,981	-	1,74,981	0.44	15,69,743	-	15,69,743	3.99	3.54
	6. IEPF					54,776	-	54,776	0.14	0.14
	<b>Sub-Total (B)(2)</b>	<b>1,06,40,425</b>	<b>66,996</b>	<b>1,07,07,421</b>	<b>27.19</b>	<b>1,07,06,649</b>	<b>59,009</b>	<b>1,07,65,658</b>	<b>27.34</b>	<b>0.15</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1,08,71,103</b>	<b>66,996</b>	<b>1,09,38,099</b>	<b>27.78</b>	<b>1,08,79,090</b>	<b>59,009</b>	<b>1,09,38,099</b>	<b>27.78</b>	<b>0.00</b>
	<b>TOTAL (A)+(B)</b>	<b>3,93,07,683</b>	<b>66,996</b>	<b>3,93,74,679</b>	<b>100.00</b>	<b>3,93,15,670</b>	<b>59,009</b>	<b>3,93,74,679</b>	<b>100.00</b>	<b>0.00</b>
(C)	Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	0.00
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>3,93,07,683</b>	<b>66,996</b>	<b>3,93,74,679</b>	<b>100.00</b>	<b>3,93,15,670</b>	<b>59,009</b>	<b>3,93,74,679</b>	<b>100.00</b>	<b>0.00</b>

(ii) Shareholding of Promoters

(a) Equity Shares - Shareholding of Promoters / Promoter Group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Infra Trust	0	0.00	0.00	0	0.00	0.00	0.00
2	Retail Trust	0	0.00	0.00	0	0.00	0.00	0.00
3	Lifestyle Trust	0	0.00	0.00	0	0.00	0.00	0.00
4	Consumer Goods Trust	0	0.00	0.00	0	0.00	0.00	0.00



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
5	Central Departmental Stores Private Limited	17,78,61,430	39.18	21.72	20,01,11,430	44.06	35.08	4.88
6	Future Corporate Resources Private Limited (*)	2,78,20,408	6.13	3.91	2,78,20,408	6.12	3.23	(0.00)
7	Ryka Commercial Ventures Private Limited	100	0.00	0.00	100	0.00	0.00	(0.00)
8	Akar Estate and Finance Private Limited	1,000	0.00	0.00	1,000	0.00	0.00	(0.00)
9	Future Capital Investment Private Limited	100	0.00	0.00	100	0.00	0.00	(0.00)
10	Surplus Finvest Private Limited	77,534	0.02	0.00	77,534	0.02	0.00	(0.00)
<b>Total</b>		<b>20,57,60,572</b>	<b>45.32</b>	<b>25.63</b>	<b>22,80,10,572</b>	<b>50.20</b>	<b>38.31</b>	<b>4.88</b>

(\*) In pursuance of Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013 read with Rules made thereunder, M/s. Future Corporate Resources Limited, M/s. PIL Industries Limited, M/s. Manz Retail Private Limited, M/s. Weavette Business Ventures Limited, M/s. ESES Commercials Private Limited, M/s. Gargi Business Ventures Private Limited were amalgamated with M/s. Suhani Trading and Investment Consultants Private Limited ("the Transferee Company" / "Suhani") which was approved by the Hon'ble National Company Law Tribunal at Mumbai Bench and was made effective on November 14, 2017. Further "Suhani" change the name from 'Suhani Trading and Investment Consultants Private Limited' to 'Future Corporate Resources Private Limited' w.e.f. December 11, 2018.

**(b) Class B (Series 1) Shares - Shareholding of Promoters / Promoter Group**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Infra Trust	0	0.00	0.00	0	0.00	0.00	0.00
2	Retail Trust	0	0.00	0.00	0	0.00	0.00	0.00
3	Lifestyle Trust	0	0.00	0.00	0	0.00	0.00	0.00
4	Consumer Goods Trust	0	0.00	0.00	0	0.00	0.00	0.00
5	Central Departmental Stores Private Limited	2,54,41,753	64.61	0.00	2,54,41,753	64.61	0.00	0.00
6	Future Capital Investment Private Limited	100	0.00	0.00	100	0.00	0.00	0.00
7	Ryka Commercial Ventures Private Limited	100	0.00	0.00	100	0.00	0.00	0.00
8	Future Corporate Resources Private Limited (*)	28,79,503	7.31	0.00	28,79,503	7.31	0.00	0.00
9	Surplus Finvest Private Limited	27,009	0.07	0.00	27,009	0.07	0.00	0.00
10	Kishore Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
11	Gopikishan Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
12	Laxminarayan Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
13	Vijay Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
14	Sunil Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
15	Anil Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
16	Rakesh Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
17	Ashni Biyani	71,147	0.18	0.00	71,147	0.18	0.00	0.00
18	Vivek Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
<b>Total</b>		<b>2,84,36,580</b>	<b>72.22</b>	<b>0.00</b>	<b>2,84,36,580</b>	<b>72.22</b>	<b>0.00</b>	<b>0.00</b>

(\*) In pursuance of Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013 read with Rules made thereunder, M/s. Future Corporate Resources Limited, M/s. PIL Industries Limited, M/s. Manz Retail Private Limited, M/s. Weavette Business Ventures Limited, M/s. ESES Commercials Private Limited, M/s. Gargi Business Ventures Private Limited were amalgamated with M/s. Suhani Trading and Investment Consultants Private Limited ("the Transferee Company" / "Suhani") which was approved by the Hon'ble National Company Law Tribunal at Mumbai Bench and was made effective on November 14, 2017. Further "Suhani" change the name from 'Suhani Trading and Investment Consultants Private Limited' to 'Future Corporate Resources Private Limited' w.e.f. December 11, 2018.

(iii) Change in Promoters' Shareholding

(a) Equity Shares

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>Central Departmental Stores Pvt Ltd</b>				
	At the beginning of the year	17,78,61,430	39.18		39.18
	Market Purchase - May 17, 2018	2,22,50,000	4.90	20,01,11,430	44.08
	<b>At the end of the year</b>			<b>20,01,11,430</b>	<b>44.06</b>
<b>2</b>	<b>Future Corporate Resources Private Limited (f/k/a Suhani Trading and Investment Consultants Private Limited)</b>				
	At the beginning of the year	2,78,20,408	6.13	2,78,20,408	6.13
			0.00	2,78,20,408	6.13
	<b>At the end of the year</b>			<b>2,78,20,408</b>	<b>6.12</b>

(b) Class B (Series 1) Shares

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>Future Corporate Resources Private Limited (f/k/a Suhani Trading and Investment Consultants Private Limited)</b>				
	At the beginning of the year	28,79,503	7.31	28,79,503	7.31
			0.00	28,79,503	7.31
	<b>At the end of the year</b>			<b>28,79,503</b>	<b>7.31</b>

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

(a) Equity Shares

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>Bennett Coleman and Company Limited</b>				
	At the beginning of the year	<b>2,03,91,700</b>	<b>4.49</b>	<b>2,03,91,700</b>	<b>4.49</b>
	Market Purchase - May 25, 2018	3,85,18,216	8.48	5,89,09,916	12.97
	<b>At the end of the year</b>			<b>58,909,916</b>	<b>12.97</b>
<b>2</b>	<b>Brand Equity Treaties Limited</b>				
	At the beginning of the year	<b>2,49,99,999</b>	<b>5.51</b>	<b>2,49,99,999</b>	<b>5.51</b>
	<b>At the end of the year</b>			<b>2,49,99,999</b>	<b>5.50</b>
<b>3</b>	<b>Ratnabali Investment Private Limited</b>				
	At the beginning of the year	<b>33,24,801</b>	<b>0.73</b>	<b>33,24,801</b>	<b>0.73</b>
	Market Purchase - April 06, 2018	12,00,189	0.26	45,24,990	1.00
	Market Purchase - April 20, 2018	10,05,000	0.22	55,29,990	1.22
	Market Purchase - April 27, 2018	2,96,000	0.07	58,25,990	1.28
	Market Purchase - May 11, 2018	13,625	0.00	58,39,615	1.29
	Market Purchase - May 18, 2018	5,54,676	0.12	63,94,291	1.41
	Market Purchase - May 25, 2018	3,35,000	0.07	67,29,291	1.48
	Market Purchase - June 01, 2018	2,65,875	0.06	69,95,166	1.54
	Market Purchase - June 08, 2018	1,03,637	0.02	70,98,803	1.56
	Market Purchase - June 15, 2018	7,478	0.00	71,06,281	1.56
	Market Purchase - June 30, 2018	2,450	0.00	71,08,731	1.57
	Market Purchase - July 06, 2018	14,000	0.00	71,22,731	1.57
	Market Purchase - July 13, 2018	100	0.00	71,22,831	1.57
	Market Purchase - July 20, 2018	53,549	0.01	71,76,380	1.58
	Market Purchase - July 27, 2018	89,000	0.02	72,65,380	1.60
	Market Purchase - August 03, 2018	10,000	0.00	72,75,380	1.60
	Market Purchase - August 17, 2018	15,000	0.00	72,90,380	1.61
	Market Purchase - August 24, 2018	15,633	0.00	73,06,013	1.61
	Market Purchase - August 31, 2018	4,26,836	0.09	77,32,849	1.70
	Market Purchase - September 07, 2018	16,57,653	0.36	93,90,502	2.07
	Market Purchase - September 14, 2018	23,83,534	0.52	1,17,74,036	2.59
	Market Purchase - September 21, 2018	5,72,304	0.13	1,23,46,340	2.72
	Market Purchase - September 29, 2018	3,27,694	0.07	1,26,74,034	2.79
	Market Purchase - December 14, 2018	19,500	0.00	1,26,93,534	2.79
	Market Purchase - December 21, 2018	5,000	0.00	1,26,98,534	2.80
	Market Purchase - February 01, 2019	25,000	0.01	1,27,23,534	2.80
	<b>At the end of the year</b>			<b>1,27,23,534</b>	<b>2.80</b>
<b>4</b>	<b>Ratnabali Securities Private Limited</b>				
	At the beginning of the year	<b>3,643</b>	<b>0.00</b>	<b>3,643</b>	<b>0.00</b>
	Market Purchase - April 06, 2018	1,07,500	0.02	1,11,143	0.02
	Market Purchase - April 13, 2018	2,500	0.00	1,13,643	0.03
	Market Purchase - April 20, 2018	29,325	0.01	1,42,968	0.03
	Market Purchase - April 27, 2018	6,17,842	0.14	7,60,810	0.17
	Market Purchase - May 04, 2018	1,58,095	0.03	9,18,905	0.20
	Market Sale - May 11, 2018	(1,000)	(0.00)	9,17,905	0.20
	Market Purchase - May 18, 2018	86,169	0.02	10,04,074	0.22
	Market Sale - May 25, 2018	(3,35,897)	(0.07)	6,68,177	0.15
	Market Sale - June 01, 2018	(21,002)	(0.00)	6,47,175	0.14
	Market Sale - June 08, 2018	(4,82,642)	(0.11)	1,64,533	0.04

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Market Sale - June 15, 2018	(11,853)	(0.00)	1,52,680	0.03
	Market Sale - June 22, 2018	(4,995)	(0.00)	1,47,685	0.03
	Market Sale - June 30, 2018	(39,554)	(0.01)	1,08,131	0.02
	Market Purchase - July 06, 2018	3,98,500	0.09	5,06,631	0.11
	Market Sale - July 13, 2018	(225)	(0.00)	5,06,406	0.11
	Market Purchase - July 20, 2018	7,40,508	0.16	12,46,914	0.27
	Market Purchase - July 27, 2018	7,23,649	0.16	19,70,563	0.43
	Market Purchase - August 03, 2018	66,250	0.01	20,36,813	0.45
	Market Sale - August 10, 2018	(15,730)	(0.00)	20,21,083	0.44
	Market Purchase - August 17, 2018	3,89,175	0.09	24,10,258	0.53
	Market Purchase - August 24, 2018	22,26,115	0.49	46,36,373	1.02
	Market Purchase - August 31, 2018	22,38,417	0.49	68,74,790	1.51
	Market Purchase - September 07, 2018	13,79,014	0.30	82,53,804	1.82
	Market Sale - September 14, 2018	(7,48,000)	(0.16)	75,05,804	1.65
	Market Sale - September 29, 2018	(18,39,178)	(0.40)	56,66,626	1.25
	Market Purchase - October 05, 2018	1,912	0.00	56,68,538	1.25
	Market Sale - October 12, 2018	(36,586)	(0.01)	56,31,952	1.24
	Market Sale - October 19, 2018	(5,878)	(0.00)	56,26,074	1.24
	Market Sale - October 26, 2018	(15,599)	(0.00)	56,10,475	1.24
	Market Sale - November 02, 2018	(2,725)	(0.00)	56,07,750	1.23
	Market Sale - November 09, 2018	(10,066)	(0.00)	55,97,684	1.23
	Market Sale - November 16, 2018	(9,152)	(0.00)	55,88,532	1.23
	Market Sale - November 23, 2018	(32,446)	(0.01)	55,56,086	1.22
	Market Sale - November 30, 2018	(3,302)	(0.00)	55,52,784	1.22
	Market Sale - December 14, 2018	(21,100)	(0.00)	55,31,684	1.22
	Market Sale - December 21, 2018	(11,000)	-0.00	55,20,684	1.22
	Market Purchase - December 31, 2018	5,500	0.00	55,26,184	1.22
	Market Purchase - January 04, 2019	7,340	0.00	55,33,524	1.22
	Market Purchase - January 11, 2019	7,909	0.00	55,41,433	1.22
	Market Purchase - January 18, 2019	9,722	0.00	55,51,155	1.22
	Market Purchase - January 25, 2019	12,328	0.00	55,63,483	1.22
	Market Purchase - February 01, 2019	13,614	0.00	55,77,097	1.23
	Market Sale - February 08, 2019	(10,000)	(0.00)	55,67,097	1.23
	Market Purchase - March 08, 2019	110,000	0.02	56,77,097	1.25
	Market Sale - March 15, 2019	(1,10,000)	(0.02)	55,67,097	1.23
	Market Sale - March 22, 2019	(39,128)	(0.01)	55,27,969	1.22
	Market Sale - March 29, 2019	(32,469)	(0.01)	54,95,500	1.21
	<b>At the end of the year</b>			<b>54,95,500</b>	<b>1.21</b>
<b>5</b>	<b>Life Insurance Corporation of India Limited</b>				
	At the beginning of the year	<b>49,70,150</b>	<b>1.09</b>	<b>49,70,150</b>	<b>1.09</b>
	<b>At the end of the year</b>			<b>49,70,150</b>	<b>1.09</b>
<b>6</b>	<b>Mauryan First</b>				
	At the beginning of the year	<b>47,00,943</b>	<b>1.04</b>	<b>47,00,943</b>	<b>1.04</b>
	Market Purchase - November 16, 2018	10,000	0.00	47,10,943	1.04
	<b>At the end of the year</b>			<b>47,10,943</b>	<b>1.04</b>
<b>7</b>	<b>Madan Doulatram Bahal</b>				
	At the beginning of the year	<b>42,40,466</b>	<b>0.93</b>	<b>42,40,466</b>	<b>0.93</b>
	Market Purchase - April 27, 2018	57000	0.01	42,97,466	0.95
	Market Purchase - December 31, 2018	1,97,734	0.04	44,95,200	0.99
	<b>At the end of the year</b>			<b>44,95,200</b>	<b>0.99</b>



Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>8</b>	<b>Vardhaman Publishers Limited</b>				
	At the beginning of the year	37,37,500	0.82	37,37,500	0.82
	<b>At the end of the year</b>			<b>3,737,500</b>	<b>0.82</b>
<b>9</b>	<b>Gautam Madan Bahal</b>				
	At the beginning of the year	17,76,370	0.39	17,76,370	0.39
	Market Purchase - August 03, 2018	3,86,300	0.09	21,62,670	0.48
	Market Sale - October 12, 2018	(1,19,283)	(0.03)	20,43,387	0.45
	Market Purchase - December 21, 2018	14,00,000	0.31	34,43,387	0.76
	Market Purchase - January 18, 2019	2,23,164	0.05	36,66,551	0.81
	<b>At the end of the year</b>			<b>36,66,551</b>	<b>0.81</b>
<b>10</b>	<b>Vivek Saraogi</b>				
	At the beginning of the year	30,94,941	0.68	30,94,941	0.68
	<b>At the end of the year</b>			<b>30,94,941</b>	<b>0.68</b>

**(b) Class B (Series 1) Shares**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>Praween Agrawal</b>				
	At the beginning of the year	-	-	-	-
	Market Purchase - March 08, 2019	14,00,000	3.56	14,00,000	3.56
	<b>At the end of the year</b>			<b>14,00,000</b>	<b>3.56</b>
<b>2</b>	<b>Vivek Saraogi</b>				
	At the beginning of the year	9,22,568	2.34	9,22,568	2.34
	<b>At the end of the year</b>			<b>9,22,568</b>	<b>2.34</b>
<b>3</b>	<b>Sumedha Saraogi</b>				
	At the beginning of the year	4,72,000	1.20	4,72,000	1.20
	<b>At the end of the year</b>			<b>4,72,000</b>	<b>1.20</b>
<b>4</b>	<b>Purvi Pankaj Patel</b>				
	At the beginning of the year	3,90,339	0.99	3,90,339	0.99
	<b>At the end of the year</b>			<b>3,90,339</b>	<b>0.99</b>
<b>5</b>	<b>Vishal Ashwin Patel</b>				
	At the beginning of the year	3,26,253	0.83	3,26,253	0.83
	<b>At the end of the year</b>			<b>3,26,253</b>	<b>0.83</b>
<b>6</b>	<b>B Sumanth Kumar Reddy</b>				
	At the beginning of the year	2,87,326	0.73	2,87,326	0.73
	<b>At the end of the year</b>			<b>2,87,326</b>	<b>0.73</b>
<b>7</b>	<b>Prashant Jayantilal Patel</b>				
	At the beginning of the year	6	0.00	6	0.00
	Market Purchase - November 09, 2018	4,59,414	1.17	4,59,420	1.17
	Market Sale - December 14, 2018	(2,72,518)	(0.69)	1,86,902	0.47
	Market Purchase - February 22, 2019	14,479	0.04	2,01,381	0.51
	Market Purchase - March 29, 2019	83,025	0.21	2,84,406	0.72
	<b>At the end of the year</b>			<b>2,84,406</b>	<b>0.72</b>
<b>8</b>	<b>Damyanti Ashwin Patel</b>				
	At the beginning of the year	2,61,908	0.67	2,61,908	0.67
	Market Sale - September 29, 2018	(10,429)	(0.03)	2,51,479	0.64
	<b>At the end of the year</b>			<b>2,51,479</b>	<b>0.64</b>

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>9</b>	<b>JHP Securities Private Limited</b>				
	At the beginning of the year	45,800	0.12	45,800	0.12
	Market Purchase - May 11, 2018	2,000	0.01	47,800	0.12
	Market Sale - May 18, 2018	(2,000)	(0.01)	45,800	0.12
	Market Purchase - July 06, 2018	2,40,598	0.61	2,86,398	0.73
	Market Sale - August 3, 2018	(45,800)	(0.12)	2,40,598	0.61
	<b>At the end of the year</b>			2,40,598	0.61
<b>10</b>	<b>Pankaj Jayantilal Patel</b>				
	At the beginning of the year	2,23,036	0.57	2,23,036	0.57
	<b>At the end of the year</b>			2,23,036	0.57

**v. Shareholding of Directors and Key Managerial Personnel**

**(a) Equity Shares**

Sr. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Equity Shares of the Company	No. of Shares	% of total Equity Shares of the Company
<b>1</b>	<b>Mr. Anil Harish</b>				
	At the beginning of the year	10,000	0.00	10,000	-
	At the end of the year			10,000	-
<b>2</b>	<b>Mr. Haresh Chawla<sup>2</sup></b>				
	At the beginning of the year	N.A.	N.A.	N.A.	N.A.
	At the end of the year			265,000	0.00

**(b) Class B (Series 1) Shares**

Sr. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Equity Shares of the Company	No. of Class B Shares (Series 1)	% of total Class B Shares (Series 1) of the Company
<b>1</b>	<b>Mr. Kishore Biyani</b>				
	At the beginning of the year	2,121	0.00	2,121	-
	At the end of the year			2,121	-
<b>2</b>	<b>Mr. Vijay Biyani</b>				
	At the beginning of the year	2,121	0.00	2,121	-
	At the end of the year			2,121	-
<b>3</b>	<b>Mr. Anil Harish</b>				
	At the beginning of the year	1,000	0.00	1,000	-
	At the end of the year			1,000	-

*Note:*

1. Mr. V. K Chopra, Ms. Bala Despande, Mr. Dinesh Maheshwari and Mr. Deepak Tanna does not hold any shares in the Company during the Financial Year 2018-19;
2. Mr. Haresh Chawla is appointed as an Additional Director and Independent Director w. e.f. March 28, 2019;

## V. INDEBTNESS

### Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in Crore)

Particulars Secured Loans	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year April 01, 2018</b>				
1) Principal Amount	5,480.87	250.00	-	5,730.87
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	141.58	-	-	141.58
<b>Total (1+2+3)</b>	<b>5,622.45</b>	<b>250.00</b>	<b>-</b>	<b>5,872.45</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	2,368.00	-	44.30	2,412.30
Reduction	(1,333.75)	(250.00)	-	(1,583.75)
<b>Net Change</b>	<b>1,034.25</b>	<b>(250.00)</b>	<b>44.30</b>	<b>828.55</b>
<b>Indebtedness at the end of the financial year March 31, 2019</b>				
1) Principal Amount	6,434.84	-	44.30	6,479.14
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	221.86	-	-	221.86
<b>Total (1+2+3)</b>	<b>6,656.71</b>	<b>-</b>	<b>44.30</b>	<b>6,701.01</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-Time Directors and / or Manager:

(₹ in Crore)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Mr. Vijay Biyani	Mr. Dinesh Maheshwari	
1	Gross Salary			
	(a) Salary* as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2.89	2.22	5.11
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0.00#	0.00#	0.00#
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- As % of Profit			
	- Others, specify			
5	Retiral Benefits <sup>\$</sup>	0.29	0.20	0.49
	<b>Total (A)</b>	<b>3.18</b>	<b>2.42</b>	<b>5.60</b>
	Ceiling as per the Act	₹ 4.10 Crore being 10% of profit under Section 198 of the Companies Act, 2013 read with Schedule V of the Act		

\* The above remuneration is as per Income-Tax Act, 1961 and excludes contribution by the Company to Provident Fund and provision for special retirement benefit, etc. Further, these amounts are as paid to Managing Director, Executive Director and Chief Financial Officer during the year.

\$ Forms part of exempted perquisites.

# Represent ₹ 39,600/-

**B. Remuneration of other Directors:****I. Independent Directors:**

(₹ in Crore)

Particulars of Remuneration	Name of Directors				Total Amount
	Mr. V. K. Chopra	Ms. Bala Despande	Mr. S. Doreswamy*	Mr. Anil Harish	
Fee for attending Board Committee Meetings	0.10	0.07	0.11	0.05	0.33
Commission	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
<b>Total (I)</b>	<b>0.10</b>	<b>0.07</b>	<b>0.11</b>	<b>0.05</b>	<b>0.33</b>

\* Mr. S. Doreswamy has resigned from the position of Independent Director of the Company w.e.f. March 28, 2019.

Note: Mr. Haresh Chawla is appointed as Additional Director and Independent Director of the Company w.e.f. March 28, 2019.

**II. Other Non-Executive Directors:-**

(₹ in Crore)

Particulars of Remuneration	Name of Non-Executive Directors	
	Mr. Kishore Biyani	Total Amount
Fee for attending Board Committee Meetings	0.04	0.04
Commission	Nil	Nil
Others (Gross Remuneration)	Nil	Nil
<b>Total (II)</b>	<b>0.04</b>	<b>0.04</b>
<b>Total (B)=(I)+(II)</b>		<b>0.37</b>
<b>Total (A)+(B)</b>		<b>5.97</b>
Overall Ceiling as per the Act	₹ 8.20 Crore being 10% of profit under Section 198 of the Companies Act, 2013 read with Schedule V of the Act	

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD :**

(₹ in Crore)

Sr. No.	Particulars of Remuneration	Name of KMP	
		Mr. Deepak Tanna	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.56	0.56
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0.00#	0.00#
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	- As % of Profit		
	- Others, specify		
5	Retiral Benefits	0.03	0.03
	<b>Total (C)</b>	<b>0.59</b>	<b>0.59</b>

# Represent ₹ 32,400

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

There were no penalties, punishment or compounding of offences during the financial year ended March 31, 2019.



## ANNEXURE IV

### FORM NO. AOC - 2

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

This form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

#### **Details of contracts or arrangements or transactions not at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
Nil							

#### **Details of material contract or arrangements or transactions at arm's length basis:**

The details of material contracts or arrangements or transaction at arm's length basis for the year ended March 31, 2019 are as follows:

Name of the Related Parties and Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value (₹ in Crore) #	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Future Retail Limited ("FRL") (Related Party)	Receipts of Lease Rental for leased Infrastructure Assets	N.A.	675	July 29, 2017	Nil
	Sale of various products including apparels, merchandise and other products etc.		3,200	May 25, 2018	
	Providing of Corporate Guarantee in favour of trustees / lenders / bankers of FRL		5,750	February 12, 2018	
Future Lifestyle Fashions Limited ("FLFL") (Related Party)	Sale of apparel and other products and providing services	N.A.	700	May 25, 2018	Nil

# enhanced limit as sanctioned / approved by the Shareholders of the Company.

Advances in respect of related transactions being adjusted against billings/invoices.

For and on behalf of the Board of Directors

Place: Mumbai  
Date : June 24, 2019

**V. K. Chopra**  
Chairman

## ANNEXURE V

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

**[Pursuant to Regulation 24A of SEBI (Listing Regulations and Disclosure Requirement) Regulation, 2015 and Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Future Enterprises Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Future Enterprises Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's statutory registers, papers, minute books, forms and returns filed with the Registrar of Companies and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, has prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Statutory Registers, papers, minute books, forms and returns filed with the ROC and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there;
- (v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended March 31, 2019:-

- (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) Based on the representation given by the Management of the Company, it is observed that there are no such laws which are specifically applicable to the industry in which the Company operates.
- (vii) I have also examined compliance with the applicable provisions of the following:
  - (a) Secretarial Standards issued by the Institute of Company Secretaries of India;
  - (b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, I am in opinion that the Company has prima facie complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that I rely on statutory auditor's reports in relation to Financial Statement and accuracy of financial figures for Sales Tax, Value Added tax, Goods and Service Tax Act, ESIC, Provident fund as disclosed under financial statements, Accounting Standards and note on foreign currency transactions during my audit period.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that as per the information provided by the Company, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

I further report that as per the minutes of the meetings, majority decisions of the Board were unanimous and no dissenting views were found as a part of the minutes.

I further report that there are prima facie adequate systems & processes in the Company commensurate with the size & operations of the Company to monitor & ensure compliance with applicable laws, rules, regulations & guidelines.

I further report that during the period under review, as per the information provided by the Company, prima facie there were no instances of transaction by the designated persons in the securities of the Company during the closure of window.

I further report that during the audit period:

(a) There were instances of:

1. Issuance and Redemption of Non- Convertible Debentures;
2. Allotment of shares under Employee Stock Option scheme;
3. Major decisions taken by the Members in pursuance to Section 186 of the Act which would have major bearing on the Company's affairs;
4. Acceptance of Deposit from members of the Company and / or public.

(b) There were no instances of:

1. Buy- back of securities / Preferential issue of shares;
2. Foreign Technical Collaborations;
3. Public / Rights issue of shares;
4. Merger / reconstruction etc;
5. Reclassification of shares capital;
6. Change of name pursuant to the Scheme of De-merger;

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Mumbai  
Date: May 27, 2019

**Virendra G. Bhatt**  
ACS No – 1157  
COP No – 124

## ANNEXURE VI

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A)	Conservation of Energy:		
	(i) the steps taken or impact on conservation of energy	The operations of your company are not energy intensive, however adequate measures have been taken to reduce energy consumption.	
	(ii) the steps taken by the company for utilising alternate sources of energy	All efforts are made to use more natural lights in offices / store premises to optimise the consumption of energy.	
	(iii) the capital investment on energy conservation equipments;	NIL	
(B)	Technology Absorption:		
	(i) the efforts made towards technology absorption	N.A.	
	(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.	
	(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)  a) the details of technology imported;  b) the year of import;  c) whether the technology been fully absorbed;  d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	N.A.	
	(iv) the expenditure incurred on Research and Development.	N.A.	
(C)	Foreign Exchange Earnings and Outgo:		(₹ in Crore)
	Particulars	2018-19	2017-18
	Total Foreign Exchange Used	286.62	162.19
	Total Foreign Exchange Earned	23.33	24.56

For and on behalf of the Board of Directors

Place: Mumbai  
Date : June 24, 2019

**V. K. Chopra**  
Chairman

## ANNEXURE VII

### CORPORATE SOCIAL RESPONSIBILITY

**Pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014**

- 1. A brief outline of the Company's Corporate Social Responsibility Policy ("Company's CSR Policy") including overview of projects or programs proposed to be undertaken and a reference to the web-link to the Company's CSR Policy and projects or programs:**

The Company's CSR Policy inter-alia includes CSR activities to be undertaken by the Company in line with Schedule VII of the Companies Act, 2013 ("the Act").

Company's CSR Policy of the Company is available on the website of the Company at the link [http://felindia.in/pdf/CSR\\_Policy.pdf](http://felindia.in/pdf/CSR_Policy.pdf).

The Company has deployed its CSR funds through implementing agency, "Sone Ki Chidiya" Foundation ("SKC Foundation") as and when it became applicable.

- 2. The Composition of the Corporate Social Responsibility Committee is as follows:**

- Ms. Bala Deshpande – Chairperson;
- Mr. Kishore Biyani – Member;
- Mr. Vijay Biyani – Member

- 3. Average net profit of the Company for last three financial years:** The Company's average net loss for the last three financial years is ₹ 59.66 crore.

- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Not Applicable

- 5. Details of CSR spent during the financial year 2018-19:**

- a. Total amount to be spent for the financial year 2018-19\*: Nil
- b. Amount unspent, if any : Nil
- c. Manner in which amount spent during the financial year is details below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative Expenditure upto the Reporting period	Amount spent direct or through implementing agency
Nil							

- 6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:**

Not Applicable, since the Company has incurred Average Net Loss for the last three financial years

- 7. The responsibility statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is stated below:**

"The implementation and monitoring of the Corporate Social Responsibility Policy is in compliance with CSR objectives and policy of the Company".

For and on behalf of the Board of Directors

Place: Mumbai  
Date : June 24, 2019

**Bala Deshpande**  
CSR Committee  
Chairperson

**Vijay Biyani**  
Managing Director



## ANNEXURE VIII

**Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- ❖ The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the Median Remuneration of the Employees ("MRE") of the Company for the financial year 2018-19 are as under:

(₹ in Crore)

Name of Director / KMP and Designation	Remuneration of Director / KMP for financial year 2018-19 (1)	% increase in Remuneration in the Financial Year 2018-19 (2)	Ratio of remuneration of each Director to MRE for Financial Year 2018-19 (3 = (1) / MRE)
<b>1. Managing Director</b>			
Mr. Vijay Biyani	3.18	19.00	199.70
<b>2. Executive Director &amp; Chief Financial Officer</b>			
Mr. Dinesh Maheshwari	2.42	8.00	152.47
<b>3. Company Secretary</b>			
Mr. Deepak Tanna	0.59	14.00	37.08

- ❖ There was 4 % increase in the median remuneration of employees in the financial year;
- ❖ There were 2,021 permanent employees on the rolls of Company as on March 31, 2019;
- ❖ Average percentile increase / decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 4 to 12% whereas there was 14% increase in the managerial remuneration for the same financial year. The increase in remuneration is in line with the market trends in the respective industry;
- ❖ The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place: Mumbai  
Date : June 24, 2019

**V. K. Chopra**  
Chairman

# CORPORATE GOVERNANCE REPORT

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

*Corporate Governance indicates transparency, accountability and reliability of any organisation.*

*One of the core missions of your organisation is to achieve excellence in all spheres, be it profitability, growth in market share, superior quality of products and services to the satisfaction of the stakeholders through an efficient and effective code of governance.*

*We aim at providing fairness, clarity and transparency in all our dealings and increasing the value of all stakeholders of the Company.*

Your Company, in line with the above, taken various initiatives to further strengthen the corporate governance practices and adopted various codes / policies, pursuant to the Companies Act, 2013 ("**the Act**"), and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("**Listing Regulations**").

During the financial year under review, the Company has complied with all the applicable provisions of the Listing Regulations.

## BOARD OF DIRECTORS

### Code of Conduct

The Company has laid down a Code of Conduct ("**Code**") for the Board Members and Senior Management Personnel ("**Specified Persons**") of the Company. The Company has also adopted code of conduct for Independent Directors as prescribed under Schedule IV of the Act. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company.

All the Specified Persons have affirmed compliance with this Code. A declaration signed by the Chairman and Managing Director to this effect is attached at the end of this Report. This Code has also been hosted on the Company's website [www.felindia.in](http://www.felindia.in).

### Composition of the Board

The composition of the Board of Directors ("the Board") is in compliance with the requirement of the Act and Regulation 17 and 17A of the Listing Regulations.

In terms of the provisions of Regulation 17 of the Listing Regulations, the Board is required to have at least one third of the members of the Board as Independent Directors, if Chairman is a Non-Executive Director. Accordingly, the Company's present Board comprises of 7 (seven) Directors out of which 2 (two) are Executive Director, 1 (one) is Non-Executive Director and 4 (four) are Independent Director which includes 1 (one) Women Independent Director.

None of the Directors on the Board are serving as an Independent Director in more than 7 (seven)/ 3 (three) Listed entities, as specified in Regulation 17A of the Listing Regulations. Further, the maximum tenure of Independent Directors are in line with provisions of Section 149 (10) and (11) of the Act and Rules made thereunder.

As per Regulation 26 of Listing Regulations, none of the Directors on the Board is a Member in more than 10 (ten) Committees and/or Chairman in more than 5 (five) Committees, across all public companies in which he/she is a Director.

The information on Composition of the Board, category and their Directorships/Committee Membership across all the Companies in which they are Directors, as on March 31, 2019 is as under:

Name & Category of Director	Directorships and Category of Directorships in other Listed Companies	No. of Directorships*		**No. of Memberships / Chairmanships of Committees in public companies	
		Public	Private / Non-profit	Memberships	Chairmanships
Mr. V. K. Chopra Chairman and Independent Director	a. Greenlam Industries Limited (Independent Director) b. Havells India Limited (Independent Director) c. Sheela Foam Limited (Independent Director) d. IIFL Facilities Services Limited (Independent Director) e. India Infoline Finance Limited (Independent Director)	7	1	7	5
Mr. Kishore Biyani Vice Chairman and Director (Promoter)	a. Future Consumer Limited (Non-Executive Director) b. Future Lifestyle Fashions Limited (Managing Director) c. Future Retail Limited (Chairman & Managing Director) d. Inox Leisure Limited (Independent Director)	7	2	3	1
Mr. Vijay Biyani Managing Director (Promoter Group)	Nil	2	8	1	0
Mr. Dinesh Maheshwari Executive Director & CFO	Nil	4	2	3	0
Mr. Anil Harish Independent Director	a. Blue Star Limited (Independent Director) b. Hinduja Ventures Limited (Independent Director) c. Hinduja Global Solutions Limited (Independent Director) d. Oberoi Realty Limited (Independent Director)	6	3	4	2
Mr. S. Doreswamy*** Independent Director	Nil	0	0	0	0
Ms. Bala Despande Independent Director	a. Info Edge (India) Limited (Independent Director) b. Future Supply Chain Solutions Limited (Independent Director)	3	6	3	1
Mr. Haresh Chawla**** Independent Director	a. Prataap Snacks Limited (Independent Director)	2	5	1	1

\* No. of Directorships held by the Directors do not include directorships in foreign companies.

\*\* In accordance with Regulation 26 of the Listing Regulations, Memberships / Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

\*\*\* Mr. S Doreswamy resigned as an Independent Director of the Company w.e.f. March 28, 2019.

\*\*\*\* Mr. Haresh Chawla was appointed as an Additional Director and Independent Director of the Company w.e.f. March 28, 2019.

Except Mr. Kishore Biyani and Mr. Vijay Biyani who are brothers, no other directors have any inter se relationship.

The details of Equity Shares and Convertible Securities held by Directors in the Company as on March 31, 2019 are as follows:

Sr. No.	Name of the Director	No. of Shares held		
		Equity Shares	Class B (Series1) Shares	No. of Convertible Instruments held
1.	Mr. V. K. Chopra	Nil	Nil	Nil
2.	Mr. Kishore Biyani	Nil	2,121	Nil
3.	Mr. Vijay Biyani	Nil	2,121	Nil
4.	Mr. Dinesh Maheshwari	Nil	Nil	Nil
5.	Mr. Anil Harish	10,000	1,000	Nil
6.	Mr. S. Doreswamy*	Nil	Nil	Nil
7.	Ms. Bala Despande	Nil	Nil	Nil
8.	Mr. Haresh Chawla**	2,65,000	Nil	Nil

\* Mr. S Doreswamy has resigned from the position of Independent Director of the Company w.e.f. March 28, 2019.

\*\* Mr. Haresh Chawla was appointed as an Additional Director and Independent Director of the Company w.e.f. March 28, 2019.

#### **Familiarisation Programme of Independent Director:**

The familiarisation programme for Independent Directors of Company aims at familiarising them with the overall structure of the Company, their roles, rights, responsibilities therein, nature of the industry in which the Company operates, business model of the Company, etc., in order to provide them with better understanding of the business and operations of the Company. Details of familiarisation programme imparted to Independent Directors is available at website of the Company at [https://felindia.in/pdf/Details\\_of\\_Familiarisation\\_Programs\\_Imparted\\_to\\_Independent\\_Directors.pdf](https://felindia.in/pdf/Details_of_Familiarisation_Programs_Imparted_to_Independent_Directors.pdf).

#### **Skill / Expertise / Competence of the Board of Directors**

The performance of the Board, Independent Directors and Committees of the Board are evaluated annually by circulating separate evaluation templates to the respective Directors facilitating them to provide their feedbacks for each of evaluation criteria. The criteria for evaluation has been determined by the Nomination and Remuneration Committee which inter-alia includes preparation and participation in the meetings, personality and conduct, quality of value added, etc. Below are certain skills and competencies as identified by the Board which are elemental for the effective functioning of the Board and Company and which are possessed by the Board. The skills and competencies have been classified in three categories:

- **Governance:** Administrative, Business understanding, Financial Performance, Investment, Leadership, Management, Overall business experience, Planning, Policy Development, Risk & Compliance oversight, Strategic, Taxation and Vision;
- **Industry specific:** Vendor Management, Business Development, Technology, Marketing & Communications and Operational efficacy
- **Personal attributes and qualities:** Leadership, Effective Communication, Honesty, commitment, Professionalism and Independence

#### **Declaration of Independence of Independent Director:**

As per Section 149(6) of the Act and Regulation 16(1)(b) and 25 of Listing Regulations, the Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence laid down under the foregoing provisions.

The Board confirms that in terms of provisions of Regulation 17(10) of Listing Regulations as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Independent Directors of the Company fulfil the conditions specified in Listing Regulations and are independent from the management of the Company.

#### **Reason of Resignation of an Independent Director:**

During the year under the review, Mr. S. Doreswamy, resigned from the position of Independent Director of the Company w.e.f. March 28, 2019 owing solely to compelling personal factors. Consequently, he also ceased to be Member/Chairman of the various Committees of the Board in which he was a Member / Chairman. It has been confirmed that there are no other material reasons for his resignation.

## BOARD MEETINGS AND LAST AGM DETAILS

During the year under review, 6 (Six) Board Meetings were held on May 25, 2018, August 13, 2018, September 24, 2018, November 02, 2018, February 05, 2019 and March 28, 2019.

The gap between two Board Meetings did not exceed one hundred and twenty days as prescribed in the Act and Listing Regulations. Thirtieth Annual General Meeting (AGM) of the Company was held on August 29, 2018.

The attendance of Directors at the above Board Meetings and AGM is as under:

Sr. No.	Name of the Director	No. of Board Meetings		30th AGM (August 29, 2018)
		Held	Attended	
1	Mr. V. K. Chopra	6	6	Yes
2	Mr. Kishore Biyani	6	5	Yes
3	Mr. Vijay Biyani	6	5	Yes
4	Mr. Dinesh Maheshwari	6	6	Yes
5	Mr. Anil Harish	6	5	Yes
6	Mr. S. Doreswamy*	6	6	Yes
7	Ms. Bala Despande	6	4	No
8	Mr. Haresh Chawla**	0	0	NA

\* Mr. S. Doreswamy has resigned from the position of Independent Director of the Company w.e.f. March 28, 2019.

\*\* Mr. Haresh Chawla was appointed as an Additional Director and Independent Director of the Company w.e.f. March 28, 2019.

## AUDIT COMMITTEE

The Audit Committee of the Company comprised of 3 (three) Directors all of them are Independent Directors. All the Members of the Committee possess accounting and financial management expertise.

The Company Secretary functions as Secretary to the Committee.

During the year under review, 6 (Six) meetings of the Audit Committee were held on May 25, 2018, August 13, 2018, September 24, 2018, November 02, 2018, February 05, 2019 and March 28, 2019. The gap between two Audit Committee Meetings did not exceed one hundred and twenty days as prescribed in the Listing Regulations.

The Composition of the Audit Committee and the attendance of the Chairman/Members at the above meetings are as under:

Sr. No.	Name of Director	Designation	No. of Meetings	
			Held	Attended
1	Mr. S. Doreswamy*	Independent Director / Chairman (upto March 28, 2019)	6	6
2	Mr. V. K. Chopra <sup>#</sup>	Independent Director / Chairman (w.e.f. March 29, 2019)	6	6
3	Ms. Bala Despande	Independent Director / Member	6	4
4	Mr. Haresh Chawla**	Independent Director / Member (w.e.f. March 28, 2019)	0	0

\* Mr. S. Doreswamy has resigned from the position of Independent Director of the Company and consequently ceased to be a Chairman and Member of the Committee w.e.f March 28, 2019.

\*\* Mr. Haresh Chawla was inducted as a Member of the Committee w.e.f. March 28, 2019.

<sup>#</sup> Mr. V. K. Chopra was appointed as Chairman of the Committee w.e.f. March 29, 2019.

The Committee's composition meets with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

## Terms of Reference

The terms of reference are reviewed from time to time by the Board in line with the changes introduced by regulatory authorities. The Committee has been mandated to comply with the requirements as specified in Part C of Schedule II of the Listing Regulations and the provisions of section 177 of the Act.



**Role of the Audit Committee *inter-alia* includes the following:**

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report;
- 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the company with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussion with internal auditors of any significant findings and follow up there on;
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
- 18) To review the functioning of the Whistle Blower mechanism;
- 19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 21) Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

## Reviewing of the following information

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and
6. Statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
  - b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the Listing Regulations.

## NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company comprised of 4 (four) Directors, all of them are Independent Directors. Mr. Anil Harish is the Chairman of the Committee.

During the year under review, 4 (Four) meetings of the Nomination and Remuneration Committee were held on May 25, 2018, August 13, 2018, February 05, 2019 and March 28, 2019.

The Composition of the Nomination & Remuneration Committee and the attendance of the Chairman/Members at the above meetings are as under:

Sr. No.	Name of Director	Designation	No. of Meetings	
			Held	Attended
1	Mr. Anil Harish	Independent Director / Chairman	4	4
2	Mr. V. K. Chopra	Independent Director / Member	4	4
3	Ms. Bala Deshpande	Independent Director / Member	4	4
4	Mr. S. Doreswamy*	Independent Director / Member	4	3
5.	Mr. Haresh Chawla**	Independent Director / Member	0	0

\* Mr. S. Doreswamy has resigned from the position of Independent Director of the Company and consequently ceased to be a Member of the Committee w.e.f. March 28, 2019.

\*\* Mr. Haresh Chawla was inducted as a Member of the Committee w.e.f. March 28, 2019.

## Terms of Reference

The terms of reference are reviewed from time to time by the Board and the Committee has been mandated to comply with the requirements as specified in Part D of the Schedule II of the Listing Regulations, the provisions of section 178 of the Act and Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (including corresponding provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014) as may be applicable.

The role of the Nomination and Remuneration Committee *inter-alia* includes the following:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
2. To formulate the criteria for evaluation of performance of Independent Directors and the Board;
3. To devise a policy on Board diversity;
4. To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director;
6. To recommend to the board, all remuneration, in whatever form, payable to senior management.

7. To establish and from time to time review the policy for ESOP, ESOS and recommend the grants to be made of options under ESOP / ESOS; and
8. To review Company's remuneration and human resources policy.

#### Performance evaluation criteria for Independent Directors

The Company has also devised a process for performance evaluation of Independent Directors, the Board, Committees and other individual Directors. The Independent Directors were evaluated on the criteria such as engagement, leadership, analytical, quality of decision-making, interaction, integrity, governance, responsibility towards stakeholders, etc.

### REMUNERATION OF DIRECTORS

#### Remuneration Policy

The Company believes that human resource is the key for the continuous growth and development of the Company. The Company's Remuneration Policy is designed to attract, retain and motivate employees by offering appropriate remuneration packages and retiral benefits and also rewarding performance of key employees by offering employee stock options to contribute and participate in the overall corporate growth, profitability and financial success of the organisation. The Remuneration Policy is in consonance with the existing industry practice.

#### Remuneration Policy for Executive Directors

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission or performance bonus (variable component) to its Managing Director / Executive Director, as approved by the Board and the Members of the Company. In determining the remuneration package of the Executive Directors, the Nomination and Remuneration Committee ("NRC") evaluates the remuneration paid by comparable organisation and thereafter makes its recommendation to the Board. Annual increments are decided by the NRC within the scale of remuneration approved by the Members of the Company. NRC also reviews and decides the quantum of commission or performance bonus payable to the Managing Director / Executive Director as per terms of appointment and based on the performance of the individual as well as the Company. Performance criteria for Managing Director / Executive Director, entitled for Commission or Performance Bonus are determined by NRC.

#### Criteria of making payments to Non-Executive Directors

The eligible Non-Executive Directors may be paid commission upto an aggregate maximum of 1% of the net profits of the Company as specifically computed for this purpose and as may be approved by Board of Directors of the Company. The criteria of making payments to Non-Executive Directors cover, *inter-alia*, number of meetings attended, Chairmanship of Committees of the Board, time spent in deliberations with the senior management on operational matters other than at meetings and contribution at the Board/Committee(s) levels. The Company also reimburse the out-of-pocket expenses incurred by the directors for attending the meetings.

Non-Executive Directors are paid sitting fees for attending any Meeting of the Board and Committee of the Board including meeting of Independent Directors, as decided from time to time by the Board. The Members of Corporate Social Responsibility Committee have voluntarily waived the acceptance of sitting fees for attending the Meeting of the Committee.

#### Remuneration to Managing Director / Executive Director

Remuneration to Managing Director / Executive Director for the year ended March 31, 2019:

Name of Managing Director / Executive Director	Salary	Performance Bonus / Commission	Company's Contribution to Funds	Perquisites and allowances*	Total	Total Contract Period	Notice period in months	Stock Options granted
Mr. Vijay Biyani	2.89	-	0.29	0.00	3.18	September 26, 2017 to September 25, 2020	6	Nil
Mr. Dinesh Maheshwari	2.22	-	0.20	0.00	2.42	May 04, 2018 to May 03, 2019	6	Yes

\*Represent ₹ 39,600 /-

Notes:

- (1) All the above components of Remuneration, except Commission, are fixed in nature.

## Remuneration to Non-Executive Directors

The sitting fees and commission paid to Non-Executive Directors during the year under review are as under:

(₹ in Crore)

Name of Director	Sitting Fee paid	Commission paid <sup>#</sup>
Mr. V. K. Chopra	0.10	-
Mr. Kishore Biyani	0.04	-
Mr. Anil Harish	0.05	-
Mr. S. Doreswamy*	0.11	-
Ms. Bala Despande	0.07	-

# No Commission was paid to any Director for the financial year 2018-19.

\* Mr. S. Doreswamy has resigned from the position of Independent Director of the Company w.e.f. March 28, 2019.

*Note:* Mr. Haresh Chawla was appointed as Additional Director and Independent Director of the Company w.e.f. March 28, 2019.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee comprised of 3 (three) Directors out of which 1 (one) is Independent Director and 2 (two) are Executive Directors.

During the year under review, 4 (Four) Meetings of Stakeholders' Relationship Committee were held on May 25, 2018, August 13, 2018, November 02, 2018 and February 05, 2019.

The Composition of the Stakeholders' Relationship Committee and the attendance of the Chairman/Members at the above meetings are as under:

Sr. No.	Name of Director	Designation	No. of meetings	
			Held	Attended
1	Mr. S. Doreswamy*	Independent Director / Chairman (upto March 28, 2019)	4	4
2	Mr. Haresh Chawla**	Independent Director / Chairman (w.e.f. March 28, 2019)	0	0
3	Mr. Vijay Biyani	Managing Director / Member	4	3
4	Mr. Dinesh Maheshwari	Executive Director and CFO / Member	4	4

\* Mr. S. Doreswamy has resigned from the position of Independent Director of the Company and consequently ceased to be a Chairman and Member of the Committee w.e.f. March 28, 2019.

\*\* Mr. Haresh Chawla was inducted as a Chairman and Member of the Committee w.e.f. March 28, 2019.

## Terms of reference of the Committee

The terms of reference of the Stakeholders' Relationship Committee *inter-alia* includes the following:

- To resolve the grievances of security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- To review measures taken for effective exercise of voting rights by shareholders.
- To review the adherence of service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.
- To determine on behalf of the Board the Company's policy on serving the stakeholders in line with best corporate governance norms;
- To periodically review stakeholders' grievance mechanism of the Company;
- The Committee is also authorised to:
  - i. Investigate any activity within its terms of reference;
  - ii. Seek any information from any employee of the Company;
  - iii. Obtain outside legal or independent professional advice. Such advisors may attend meetings, if necessary; and
  - iv. Incur such reasonable expenditure, as it deems necessary.

With a view to expedite the process of share transfers, necessary authority has been delegated to the Share Transfer Committee.

## SHARE TRANSFER COMMITTEE

The Share Transfer Committee comprises of 3 (Three) Directors, Mr. Kishore Biyani, Mr. Vijay Biyani and Mr. Dinesh Maheshwari. The Share Transfer Committee meets as and when required to consider the transfer proposals and attend to Investors' grievances, transmission of shares, split, consolidation, issue of duplicate share certificate, dematerialisation and rematerialisation of shares.

### Investors' Grievance Redressal

During the year under review, 22 complaints were received from the Investors and all of them were attended to and resolved promptly. As on March 31, 2019 there was no complaint pending from our end.

### Compliance Officer

Mr. Deepak Tanna, Company Secretary of the Company is the Compliance Officer of the Company.

### Share Transfer System

The Equity and Class B (Series 1) shares of the Company are listed on both the Stock Exchange i.e. BSE Limited and National Stock Exchange of India Limited and are available for trading in dematerialised mode only. Shares sent for transfer in physical form, if any, are registered and returned within a period of fifteen days from the date of receipt of the documents provided the documents are valid and complete in all respects. With a view to expedite the process of such transfers, the transfer related matters are delegated to Stakeholders Relationship Committee of the Company.

The Shareholders are requested to take note that pursuant to the respective notification issued by Ministry of Corporate Affairs, BSE Limited and National Stock Exchange of India Limited, transfer of shares held in physical mode is not permissible with effect from April 01, 2019. In view of this, investors are advised and recommended to dematerialise the security of the Company held by them at earliest to avoid any delay for transfer.

### Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons

The Company's Code of Conduct for regulating, monitoring and reporting of trading by Designated Persons as adopted by the Company, inter-alia, prohibits dealing in the securities of the Company by Designated Persons while in possession of unpublished price sensitive information in relation to the Company. This Code has been revised in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

### Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

The Board has also laid down the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information ("**Code of Fair Disclosures**") in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, with a view to regulate communication of unpublished price sensitive information for any purpose other than the legitimate purpose as defined under the said Code of Fair Disclosures. The Code of Fair Disclosure is hosted on Company's website at the weblink: [https://felindia.in/pdf/UPSI\\_Code.pdf](https://felindia.in/pdf/UPSI_Code.pdf).

## VOTING BY SHAREHOLDERS

The Company provides following facilities to Shareholders in order to enable them to exercise their voting rights on all the resolutions which are placed and proposed in the general meetings:

**E-Voting:** In compliance with the provisions of the Act and Listing Regulations, the Company provides to its Shareholders a facility to exercise their vote on all the resolution(s) proposed to them through electronic means. The Shareholders who are not able to attend general meeting(s) of the Company may use this facility for casting their votes. However, once the votes cast through electronic means, no change shall be allowed to be made in such votes. A notice of general meeting/postal ballot contains the detailed procedure for Shareholders to exercise their voting rights through electronic means.

**Voting at general meeting:** Shareholders may cast their votes at any general meeting of the Company through a polling paper to be provided by the Company at such meeting if they have not exercised their voting rights through e-voting. Voting on any resolution more than once is not permitted. In case shareholders vote by both the means i.e. e-voting as well as through polling paper at the general meeting, then votes cast through remote e-voting will be considered. Further, any shareholder who has exercised his vote through e-voting is also entitled to attend the relevant general meeting but shall not be entitled to vote therein.

**Voting Rights:** As all resolution would be voted through electronic means or by Polling Papers at the Meeting by the Shareholders who have not exercised their vote through electronic means. In voting by electronic means or by Polling Papers as the case may be, each Class B (Series 1) Shareholder shall be entitled to three votes for every four Class B (Series 1) Shares held and there shall be no vote entitlement for less than 4 Class B (Series 1) Shares held and any fractional voting right entitlement arising out of Class B (Series 1) Shares held in excess of multiple of 4 ignored for voting right entitlement and each Equity shareholder shall be entitled to one vote for every equity shares.



## INDEPENDENT DIRECTORS' MEETING

During the year under review, a separate meeting of Independent Directors was held on March 28, 2019 and the attendance of Independent Directors at the above Meeting is as under:

Name of Director	No. of meetings	
	Held	Attended
Mr. S. Doreswamy*	1	1
Mr. V. K. Chopra	1	1
Mr. Anil Harish	1	1
Ms. Bala Despande	1	0
Mr. Haresh Chawla**	0	0

\* Mr. S. Doreswamy has resigned from the position of Independent Director of the Company w.e.f. March 28, 2019.

\*\* Mr. Haresh Chawla was appointed as an Additional Director and Independent Director of the Company w.e.f. March 28, 2019.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee comprises of Ms. Bala Despande, Independent Director Mr. Kishore Biyani, Non-Executive Director and Mr. Vijay Biyani, Managing Director of the Company. During the year under review, one meeting of the Committee was held on May 25, 2018 and the attendance of members of Committee at the above Meeting is as under:

Name of Director	Designation	No. of meetings	
		Held	Attended
Ms. Bala Despande	Independent Director / Chairperson	1	1
Mr. Kishore Biyani	Non-Executive Director	1	0
Mr. Vijay Biyani	Managing Director	1	1

The Committee functions in accordance with the terms of reference as specified under the Act, and as may be specified by the Board from time to time, which *inter-alia* includes:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- monitor the Corporate Social Responsibility Policy of the Company from time to time.

The disclosures as per Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is appended to the Director's Report. The Company carries out its CSR activities through 'Sone Ki Chidiya' foundation. The Policy adopted by the Company is available on the website of the Company at a weblink: <https://felindia.in/investors/Policies.html>.

## COMMITTEE OF DIRECTORS

The Committee of Directors comprises of Mr. Kishore Biyani, Non-executive Director, Mr. Vijay Biyani, Managing Director and Mr. Dinesh Maheshwari, Executive Director and Chief Financial Officer of the Company. The Board has delegated powers to the Committee of Directors to carry out various activities for day to day operations of the Company. 14 (Fourteen) meetings of the Committee were held during the financial year 2018-19.

## RISK MANAGEMENT COMMITTEE

During the year under review the provision relating to the Risk Management Committee under Regulation 21 of Listing Regulations was not applicable to our Company. However, for the purpose of better governance, the Company has constituted aforesaid Committee.

The Risk Management Committee comprises of Mr. Kishore Biyani, Non-executive Director, Mr. Vijay Biyani, Managing Director and Mr. Dinesh Maheshwari, Executive Director and Chief Financial Officer of the Company. The Committee functions in accordance with the terms of reference as specified by the Board from time to time, which *inter-alia* includes implementing and monitoring of risk management plan and policy of the Company and specifically cover matters related to cyber security.

## RISK MANAGEMENT

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company.

The Audit Committee / Board of Directors periodically review the risk assessment and minimization procedures and ensures that executive management controls risk through means of properly defined framework.

The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis forming part of this Annual Report.

## GENERAL BODY MEETINGS

### Annual General Meeting

The details of the Annual General Meetings held during the last three years are as follows:

Year	No. of AGM	Day, Date & Time of AGM	Venue
2017-18	30 <sup>th</sup>	Wednesday, August 29, 2018 at 04:00 PM	Rangaswar, Fourth Floor, Y.B. Chavan Centre, Gen. Jagannath Bhosale Marg, Mumbai - 400 021
2016-17	29 <sup>th</sup>	Tuesday, August 29, 2017 at 02:30 PM	
2015-16	28 <sup>th</sup>	Monday, August 29, 2016 at 11:30 AM	

Special Resolutions passed in the previous three Annual General Meetings are as follows:

AGM No.	AGM date	Special Resolutions Passed
30 <sup>th</sup>	August 29, 2018	<ul style="list-style-type: none"> <li>• Nil</li> </ul>
29 <sup>th</sup>	August 29, 2017	<ul style="list-style-type: none"> <li>• Approval of revision in remuneration to Mr. Vijay Biyani as Managing Director of the Company;</li> <li>• Re-appointment and payment of Mr. Vijay Biyani as Managing Director of the Company.</li> </ul>
28 <sup>th</sup>	August 29, 2016	<ul style="list-style-type: none"> <li>• Re-designation of and payment of remuneration to Mr. Vijay Biyani as Managing Director of the Company;</li> <li>• Appointment of and payment of remuneration to Mr. Dinesh Maheshwari as Executive Director and Chief Financial Officer of the Company;</li> <li>• Re-classification of Authorised Capital;</li> <li>• Approval for entering into Related Party Transaction;</li> <li>• Issue of Securities on Private Placement Basis.</li> </ul>

### Extraordinary General Meeting

During the year under review, no Extraordinary General Meeting was held.

### Postal Ballot

During the year under review, the Company had successfully completed the process of obtaining the approval of its Members through Postal Ballots as per provisions of section 110 and other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof) ("the Rules"), there were 2 (Two) Postal Ballot conducted this year. The approval of members obtained through Postal Ballot were pertaining to:

- Issue of Securities on Private Placement Basis;
- Approval for Acceptance of Deposits from Public and Members of the Company;
- Alteration of Object Clause of Memorandum of Association of the Company;
- Alteration of Articles of Association of the Company.

### Voting Pattern and Procedure for Postal Ballot:

1. The Committee of Directors / Board of Directors of the Company at its meetings held on May 25, 2018 and November 26, 2018, has appointed Mr. Virendra Bhatt, Practising Company Secretary, as the Scrutiniser for conducting the postal ballot voting process for both the Postal Ballots;
2. Process for the Postal Ballots were carried out in a fair and transparent manner. The postal ballot forms had been kept under safe custody of Scrutiniser in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms;
3. All postal forms received / receivable up to the closure of working hours on June 28, 2018 and December 28, 2018 and time fixed by the Company for receipt of the forms in the postal ballot, had been considered by Scrutiniser in his scrutiny;
4. Envelopes containing postal ballot forms received after June 28, 2018 and December 28, 2018 for the respective postal ballot had not been considered for his scrutiny;
5. The result of the both Postal Ballots were announced on June 30, 2018 and December 29, 2018 at the Registered Office of the Company as per scrutinizer's Report are as under:

### Postal Ballot - I Special Resolution - Issue of Securities on Private Placement Basis

Approval of members (both Equity and Class B (Series 1) Shares) obtained for the following business:

To offer, issue and allot, in one or more tranches Secured / Unsecured / Redeemable Non-convertible Debentures ("NCDs") on private placement basis.

Mode of Voting: Postal Ballot /E-voting

Promoter / Public	No. of shares held		No. of votes polled	% of votes polled on outstand- ing shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
	No. of Voting Rights held							
	1	2						
Promoter and Promoter Group	Shares	23,41,97,152	22,70,87,899	100.0000	22,70,87,899	0	100.0000	0.0000
	Voting Rights	22,70,88,007						
Public - Institutions	Shares	2,00,86,895	52,01,184	25.9491	52,01,184	0	100.0000	0.0000
	Voting Rights	2,00,43,785						
Public – Non- Institutions	Shares	23,90,87,700	5,23,82,962	22.1590	5,23,68,961	14,001	99.9733	0.0267
	Voting Rights	23,63,96,285						
Total	Shares	49,33,71,747	28,46,72,145	58.8740	28,46,58,144	14,001	99.9951	0.0049
	Voting Rights	48,35,28,077						

#since the shares includes differential voting rights shares, percentages of votes polled have been derived on the voting rights polled to voting rights held.

### Postal Ballot - II (1) Special Resolution – Approval for Acceptance of Deposits from Public and Members of the Company

Approval of members (both Equity and Class B (Series 1) Shares) obtained for the following business:

To invite / accept / renew from time to time unsecured Deposits from Members of the Company and/or Public.

Category	Mode of Voting	No. of shares held	No. of VR held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]		[2]	$\frac{[3]}{[1]} \times 100$	[4]	[5]	$\frac{[6]}{[2]} \times 100$	$\frac{[7]}{[2]} \times 100$
Promoter and Promoter Group	E-Voting	25,64,47,152	24,93,38,007	24,93,37,999	100.0000	24,93,37,999	0	100.0000	0.0000
	Poll			0	0.0000	0	0	0.0000	0.0000
	Postal Ballot			0	0.0000	0	0	0.0000	0.0000
	Total			24,93,37,999	100.0000	24,93,37,999	0	100.0000	0.0000
Public Institutions	E-Voting	2,02,06,141	2,01,63,031	52,39,646	25.9864	4,56,250	47,83,396	8.7076	91.2924
	Poll			0	0.0000	0	0	0.0000	0.0000
	Postal Ballot			0	0.0000	0	0	0.0000	0.0000
	Total			52,39,646	25.9864	4,56,250	47,83,396	8.7076	91.2924
Public Non Institutions	E-Voting	21,69,38,654	21,42,47,239	9,63,67,954	44.9798	9,62,82,447	85,507	99.9113	0.0887
	Poll			0	0.0000	0	0	0.0000	0.0000
	Postal Ballot			4,45,177	0.2078	4,44,996	181	99.9593	0.0407
	Total			9,68,13,131	45.1876	9,67,27,443	85,688	99.9115	0.0885
Total		49,35,91,947	48,37,48,277	35,13,90,776	72.6392	34,65,21,692	48,69,084	98.6143	1.3857

# since the shares includes differential voting rights shares, percentages of votes polled have been derived on the voting rights polled to voting rights held.

#### Postal Ballot - II (2) Special Resolution – Alteration of Object Clause of Memorandum of Association of the Company

To alter the Objects Clause of the Memorandum of Association of the Company ("MOA").

Category	Mode of Voting	No. of shares held	No. of VR held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]		[2]	$\frac{[3]}{[1]} \times 100$	[4]	[5]	$\frac{[6]}{[2]} \times 100$	$\frac{[7]}{[2]} \times 100$
Promoter and Promoter Group	E-Voting	25,64,47,152	24,93,38,007	24,93,37,999	100.0000	24,93,37,999	0	100.0000	0.0000
	Poll			0	0.0000	0	0	0.0000	0.0000
	Postal Ballot			0	0.0000	0	0	0.0000	0.0000
	Total			24,93,37,999	100.0000	24,93,37,999	0	100.0000	0.0000
Public Institutions	E-Voting	2,02,06,141	2,01,63,031	52,39,646	25.9864	52,39,646	0	100.0000	0.0000
	Poll			0	0.0000	0	0	0.0000	0.0000
	Postal Ballot			0	0.0000	0	0	0.0000	0.0000
	Total			52,39,646	25.9864	52,39,646	0	100.0000	0.0000
Public Non Institutions	E-Voting	21,69,38,654	21,42,47,239	9,63,67,554	44.9796	9,63,59,418	8,136	99.9916	0.0084
	Poll			0	0.0000	0	0	0.0000	0.0000
	Postal Ballot			4,43,940	0.2072	4,43,739	201	99.9547	0.0453
	Total			9,68,11,494	45.1868	9,68,03,157	8,337	99.9914	0.0086
Total		49,35,91,947	48,37,48,277	35,13,89,139	72.6388	35,13,80,802	8,337	99.9976	0.0024

# since the shares includes differential voting rights shares, percentages of votes polled have been derived on the voting rights polled to voting rights held.

## Postal Ballot - II (3) Special Resolution – Alteration of Articles of Association of the Company

Category	Mode of Voting	No. of shares held	No. of VR held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]		[2]	#[3]=([2]/[1])x100	[4]	[5]	[6]=([4]/[2])x100	[7]=([5]/[2])x100
Promoter and Promoter Group	E-Voting	25,64,47,152	24,93,38,007	24,93,37,999	100.0000	24,93,37,999	0	100.0000	0.0000
	Poll			0	0.0000	0	0	0.0000	0.0000
	Postal Ballot			0	0.0000	0	0	0.0000	0.0000
	Total			24,93,37,999	100.0000	24,93,37,999	0	100.0000	0.0000
Public Institutions	E-Voting	2,02,06,141	2,01,63,031	52,39,646	25.9864	1,56,250	50,83,396	2.9821	97.0179
	Poll			0	0.0000	0	0	0.0000	0.0000
	Postal Ballot			0	0.0000	0	0	0.0000	0.0000
	Total			52,39,646	25.9864	1,56,250	50,83,396	2.9821	97.0179
Public Non Institutions	E-Voting	21,69,38,654	21,42,47,239	9,63,69,555	44.9805	9,62,81,867	87,688	99.9090	0.0910
	Poll			0	0.0000	0	0	0.0000	0.0000
	Postal Ballot			4,43,940	0.2072	4,43,739	201	99.9547	0.0453
	Total			9,68,13,495	45.1877	9,67,25,606	87,889	99.9092	0.0908
Total		49,35,91,947	48,37,48,277	35,13,91,140	72.6393	34,62,19,855	51,71,285	98.5283	1.4717

# since the shares includes differential voting rights shares, percentages of votes polled have been derived on the voting rights polled to voting rights held.

### MEANS OF COMMUNICATION

The Company regularly informs its unaudited as well as audited Financial Results to the Stock Exchanges, as soon as these are taken on record / approved by the Board. The Financial Results are published in leading English and Marathi dailies, viz. "The Free Press Journal"- (English Daily) and "Nav Sakthi" (Marathi Newspaper). The Company's Annual Report, Financial Results, Shareholding Pattern and official news releases are displayed on the Company's website [www.felindia.in](http://www.felindia.in). The Company's presentations to institutional investors and analysts, if made, are put up on the website of the Company.

The Company sends Annual Report, Notices related to General Meetings and Postal Ballot by e-mail to those shareholders whose e-mail ids are registered with the Company / Depository Participants and in hard copies to those shareholders whose e-mail ids are not registered.

All filing, disclosures and communications to Stock Exchanges are made electronically through their specific web portals to disseminate such information and make such information generally available.

### GENERAL SHAREHOLDERS INFORMATION

#### Date, Time and Venue of the 31st (Thirty First) Annual General Meeting

Tuesday, July 30, 2019 at 04.30 PM at Rangaswar, Fourth Floor, Y. B. Chavan Centre, Gen. Jagannath Bhosale Marg, Mumbai - 400 021.

#### Financial Year

The financial year covers the period from April 1 of every year to March 31 of the next year.

#### Financial Reporting for

Quarter	Release Date (tentative & subject to change)
1st Quarter ending June, 30	Second week of August, 2019
2nd Quarter/Half-year ending September, 30	Second week of November, 2019
3rd Quarter ending December, 31	Second week of February, 2020
4th Quarter/Year ending March, 31	Fourth week of May, 2020

*Note:* The above dates are indicative.



## Dividend

During the year under review, the Board of Directors of the Company has not recommended any dividend for the financial year ended March 31, 2019.

## Registered Office

Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road,  
Jogeshwari (East), Mumbai – 400 060

## Listing on Stock Exchanges

### Equity Shares and Class B (Series 1) Shares.

The Equity Shares and Class B (Series 1) Shares of the Company are listed in the following Stock Exchanges:

◆ BSE Limited

P. J. Towers, Dalal Street, Mumbai - 400 001

◆ National Stock Exchange of India Limited

Exchange Plaza, C - 1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

## Debt Securities

**Non-convertible Debentures Series** (IX B), (IX C), (IX F) to (IX I), (X A) & (X B), (XI A) to (XI F), (XIII B), (XIV A) to (XIV G), (XV A) to (XV H), (XVI A) to (XVI F), (XVII A) to (XVII E), (XVIII A) to (XVIII C), (XIX A) & (XIX B), (XX A) to (XX C), (XXII A) & (XXII B), (XXIII), (XXIV A) & (XXIV B) and (XXV A) & (XXV B) of the Company are listed on the Wholesale Debt Market (WDM) Segment of BSE Limited.

## Listing Fees

Listing Fees, as prescribed, has been paid to both the Stock Exchanges where the securities of the Company are listed.

## Debenture Trustees

**For Non-convertible Debentures Series** (IX B), (IX C), (XIII B), (XV A) to (XV H), (XVII A) to (XVII E), (XVIII A) to (XVIII C), (XX A) to (XX C), (XXII A) & (XXII B), (XXIII), (XXIV A) & (XXIV B) and (XXV A) & (XXV B)

Axis Trustee Services Limited

The Ruby, 2nd Floor, SW,

29 Senapati Bapat Marg,

Dadar West, Mumbai – 400 028.

Tel No.: +91 22 6230 0607, Fax No.: +91 22 6230 0451

Website: [www.axistrustee.com](http://www.axistrustee.com)

**For Non-convertible Debentures Series** (IX F) to (IX I), (X A) & (X B), (XI A) to (XI F), (XIV A) to (XIV G), (XVI A) to (XVI F) and (XIX A) & (XIX B),

Centbank Financial Services Limited

Central Bank of India - MMO Building,

3rd Floor, 55, M.G. Road, Fort

Mumbai 400 001

Tel No.: +91 22 2261 6217, Fax No.: +91 22 2261 6208

Website : [www.cfsl.in](http://www.cfsl.in)

## Stock Code

Shares	ISIN No.	Stock Code	
		BSE	NSE
Equity	INE623B01027	523574	FEL
Class B (Series 1) Shares	IN9623B01058	570002	FELDVR
10.25% Secured Non-Convertible Debentures (Series IX B)	INE623B07107	952009	-

Shares	ISIN No.	Stock Code	
		BSE	NSE
10.25% Secured Non-Convertible Debentures (Series IX C)	INE623B07115	952010	-
10.10% Secured Non-Convertible Debentures (Series IX F)	INE623B07149	952053	-
10.10% Secured Non-Convertible Debentures (Series IX G)	INE623B07156	952054	-
10.10% Secured Non-Convertible Debentures (Series IX H)	INE623B07164	952074	-
10.10% Secured Non-Convertible Debentures (Series IX I)	INE623B07172	952075	-
10.25% Secured Non-Convertible Debentures (Series X A)	INE623B07206	952097	-
10.25% Secured Non-Convertible Debentures (Series X B)	INE623B07214	952098	-
10.25% Secured Non-Convertible Debentures (Series XI A)	INE623B07222	952715	-
10.25% Secured Non-Convertible Debentures (Series XI B)	INE623B07230	952717	-
10.25% Secured Non-Convertible Debentures (Series XI C)	INE623B07248	952718	-
10.25% Secured Non-Convertible Debentures (Series XI D)	INE623B07255	952721	-
10.25% Secured Non-Convertible Debentures (Series XI E)	INE623B07263	952880	-
10.25% Secured Non-Convertible Debentures (Series XI F)	INE623B07271	952881	-
10.10% Secured Non-Convertible Debentures (Series XIII B)	INE623B07305	952883	-
10.25% Secured Non-Convertible Debentures (Series XIV A)	INE623B07339	954328	-
10.25% Secured Non-Convertible Debentures (Series XIV B)	INE623B07347	954330	-
10.25% Secured Non-Convertible Debentures (Series XIV C)	INE623B07354	954326	-
10.25% Secured Non-Convertible Debentures (Series XIV D)	INE623B07362	954340	-
10.25% Secured Non-Convertible Debentures (Series XIV E)	INE623B07370	954343	-
10.25% Secured Non-Convertible Debentures (Series XIV F)	INE623B07388	954334	-
10.25% Secured Non-Convertible Debentures (Series XIV G)	INE623B07396	954335	-
9.75% Secured Non-Convertible Debentures (Series XV A)	INE623B07404	955100	-
9.80% Secured Non-Convertible Debentures (Series XV B)	INE623B07412	955101	-
9.75% Secured Non-Convertible Debentures (Series XV C)	INE623B07420	955140	-
9.80% Secured Non-Convertible Debentures (Series XV D)	INE623B07438	955141	-
9.75% Secured Non-Convertible Debentures (Series XV E)	INE623B07446	955371	-
9.80% Secured Non-Convertible Debentures (Series XV F)	INE623B07453	955373	-
9.50% Secured Non-Convertible Debentures (Series XV G)	INE623B07461	955454	-
9.55% Secured Non-Convertible Debentures (Series XV H)	INE623B07479	955456	-
9.60% Secured Non-Convertible Debentures (Series XVI A)	INE623B07487	955749	-
9.60% Secured Non-Convertible Debentures (Series XVI B)	INE623B07495	955750	-
9.60% Secured Non-Convertible Debentures (Series XVI C)	INE623B07503	955957	-
9.60% Secured Non-Convertible Debentures (Series XVI D)	INE623B07511	955958	-
9.60% Secured Non-Convertible Debentures (Series XVI E)	INE623B07529	956012	-
9.60% Secured Non-Convertible Debentures (Series XVI F)	INE623B07537	956013	-
9.28% Secured Non-Convertible Debentures (Series XVII A)	INE623B07545	956243	-
9.17% Secured Non-Convertible Debentures (Series XVII B)	INE623B07552	956268	-
9.28% Secured Non-Convertible Debentures (Series XVII C)	INE623B07560	956269	-
9.17% Secured Non-Convertible Debentures (Series XVII D)	INE623B07578	956310	-
9.28% Secured Non-Convertible Debentures (Series XVII E)	INE623B07586	956311	-
8.80% Secured Non-Convertible Debentures (Series XVIII A)	INE623B07594	956954	-

Shares	ISIN No.	Stock Code	
		BSE	NSE
8.91% Secured Non-Convertible Debentures (Series XVIII B)	INE623B07602	956955	-
8.91% Secured Non-Convertible Debentures (Series XVIII C)	INE623B07610	957077	-
9.25% Secured Non-Convertible Debentures (Series XIX A)	INE623B07628	957263	-
9.25% Secured Non-Convertible Debentures (Series XIX B)	INE623B07636	957264	-
9.40% Secured Non-Convertible Debentures (Series XX A)	INE623B07644	957711	-
9.50% Secured Non-Convertible Debentures (Series XX B)	INE623B07651	957712	-
9.50% Secured Non-Convertible Debentures (Series XX C)	INE623B07669	957713	-
9.25% Secured Non-Convertible Debentures (Series XXI)	INE623B07677	-	-
9.75% Secured Non-Convertible Debentures (Series XXII A)	INE623B07685	957875	-
9.75% Secured Non-Convertible Debentures (Series XXII B)	INE623B07693	957876	-
10.00% Secured Non-Convertible Debentures (Series XXIII)	INE623B07701	957889	-
10.15% Secured Non-Convertible Debentures (Series XXIV A)	INE623B07719	958303	-
10.15% Secured Non-Convertible Debentures (Series XXIV B)	INE623B07727	958304	-
10.50% Secured Non-Convertible Debentures (Series XXV A)	INE623B07735	958501	-
10.60% Secured Non-Convertible Debentures (Series XXV B)	INE623B07743	958502	-

#### Corporate Identification Number (CIN)

The Company's CIN as allotted by the Ministry of Corporate Affairs, is L52399MH1987PLC044954.

#### Stock Performance

The performance of the Equity Shares of the company at the Stock Exchanges during the year under review is as follows:

Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High	Low	Volume	High	Low	Volume
April - 2018	40.05	35.95	15,49,836	40.00	35.85	1,97,07,476
May - 2018	44.50	35.75	6,82,80,368	44.65	35.25	3,24,03,807
June - 2018	41.35	34.70	16,49,842	41.45	34.75	1,43,92,841
July - 2018	42.00	36.00	11,24,545	40.60	35.95	1,06,71,577
August - 2018	48.20	36.05	21,02,805	48.45	36.10	2,50,43,089
September - 2018	51.00	34.10	19,00,049	50.95	33.75	2,11,39,038
October - 2018	43.00	30.45	20,03,168	42.90	30.50	1,49,23,639
November - 2018	44.90	38.50	16,38,475	44.70	38.35	1,04,75,556
December - 2018	43.00	37.40	12,84,423	43.00	37.10	81,11,251
January - 2019	38.20	32.25	6,68,353	38.20	32.15	48,79,070
February - 2019	39.60	30.90	6,17,067	39.75	30.95	57,45,748
March - 2019	42.95	33.55	21,97,140	43.00	33.45	1,48,03,495

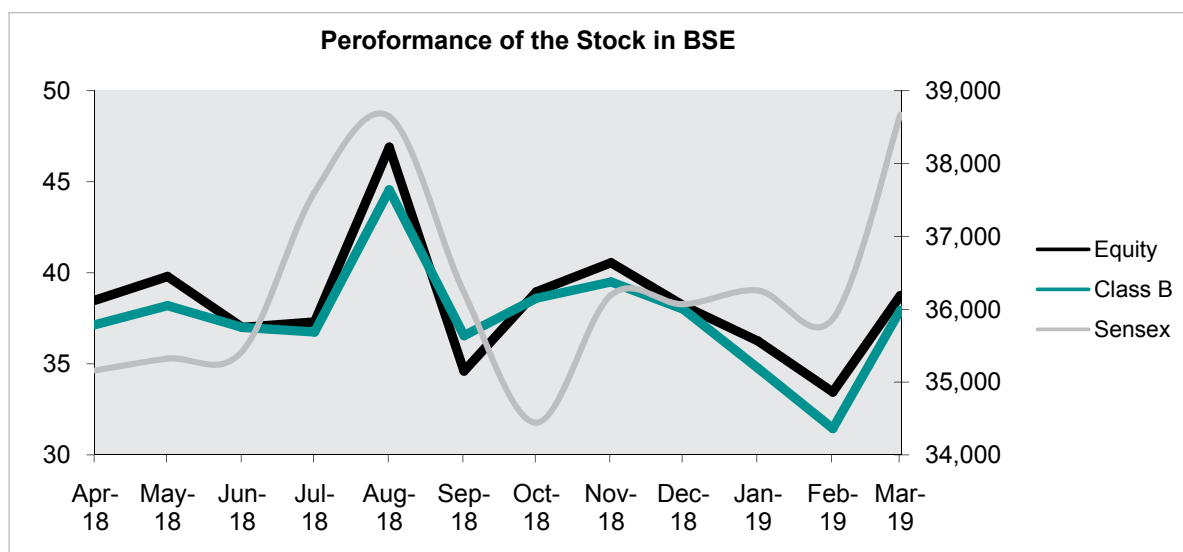
The performance of the Class B (Series 1) Shares of the company at the Stock Exchanges during the year under review is as follows:

Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High	Low	Volume	High	Low	Volume
April - 2018	43.00	35.60	45,102	39.75	34.60	5,81,675
May - 2018	44.85	34.60	1,96,905	45.90	34.10	21,77,937
June - 2018	41.00	32.00	43,427	40.45	33.65	4,29,659

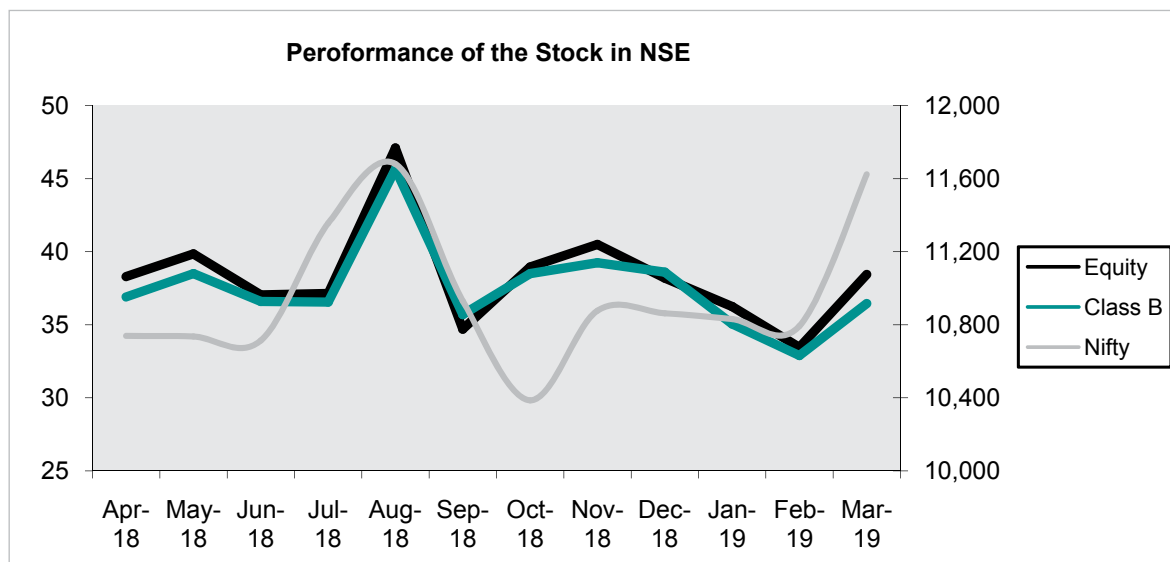
Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High	Low	Volume	High	Low	Volume
July - 2018	39.80	35.30	21,403	39.80	35.00	2,24,006
August - 2018	49.40	33.25	59,217	47.50	34.55	7,34,674
September - 2018	48.45	35.25	29,868	49.00	35.25	18,80,996
October - 2018	41.90	31.50	22,803	42.70	32.65	3,15,521
November - 2018	44.65	38.35	17,025	44.85	38.10	2,64,876
December - 2018	42.00	37.00	18,411	44.50	36.60	1,63,909
January - 2019	40.35	29.20	9,165	38.85	32.50	1,20,314
February - 2019	39.00	30.30	11,105	38.45	30.75	1,07,298
March - 2019	40.85	31.65	16,335	40.70	32.00	2,61,153

[Source: This information is compiled from the data available from the websites of BSE and NSE]

**The performance comparison is based on the closing price / Sensex on the last trading day of the month.**



**The performance comparison is based on the closing price / CNX Nifty on the last trading day of the month.**



## Dematerialisation of shares

99.89% of the Equity Shares and 99.85% of Class B (Series 1) Shares of the Company have been dematerialised as on March 31, 2019. The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories. Entire shareholding of Promoters and Promoter Group is in dematerialised form.

Status of Dematerialisation of Equity Shares and Class B (Series 1) Shares as on March 31, 2019 is as under:

Particulars	Equity Shares		Class B (Series 1) Shares	
	No. of Shares	% of Total Capital	No. of Shares	% of Total Capital
National Securities Depository Limited	37,49,48,054	82.55%	3,35,94,675	85.32%
Central Depository Services (India) Limited	7,87,70,877	17.34%	57,20,995	14.53%
<b>Total Dematerialised</b>	<b>45,37,18,931</b>	<b>99.89%</b>	<b>3,93,15,670</b>	<b>99.85%</b>
Physical	4,98,337	0.11%	59,009	0.15%
<b>Total</b>	<b>45,42,17,268</b>	<b>100.00%</b>	<b>3,93,74,679</b>	<b>100.00%</b>

Distribution of Shareholding of Equity and Class B (Series 1) Shares as on March 31, 2019

### Equity Shares

No. of Shares	No. of Shareholders	%	No. of Shares for the Range	%
1 to 500	42,007	77.8888	59,56,131	1.3113
501 to 1000	5,491	10.1813	45,11,778	0.9933
1001 to 5000	4,706	8.7258	1,11,91,381	2.4639
5001 to 10000	775	1.4370	60,06,580	1.3224
10001 to 50000	679	1.2590	1,52,86,733	3.3655
50001 to 100000	120	0.2225	89,85,921	1.9783
100001 to 9999999	144	0.2679	98275801	21.6363
10000000 & above	10	0.0185	304002943	66.9290
<b>Total</b>	<b>53,932</b>	<b>100.0000</b>	<b>45,42,17,268</b>	<b>100.0000</b>

### Class B (Series 1) Shares

No. of Shares	No. of Shareholders	%	No. of Shares	%
1 to 500	13,208	92.4865	7,90,010	2.0064
501 to 1000	496	3.4731	4,06,385	1.0321
1001 to 5000	426	2.9830	9,42,288	2.3931
5001 to 10000	66	0.4622	4,91,396	1.2480
10001 to 50000	49	0.3431	12,09,298	3.0713
50001 to 100000	12	0.0840	9,08,346	2.3069
100001 to 9999999	22	0.1541	91,85,203	23.3277
10000000 & above	2	0.0140	2,54,41,753	64.6145
<b>Total</b>	<b>14,281</b>	<b>100.0000</b>	<b>3,93,74,679</b>	<b>100.0000</b>

## Categories of Shareholders as on March 31, 2019

Categories	Equity Shares		Class B (Series 1) Shares	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoters and Promoter Group	22,80,10,572	50.20	2,84,36,580	72.22
Mutual Funds	47,11,443	1.04	75,050	0.19
Banks, Financial Institutions	57,34,922	1.26	96,991	0.25
Venture Capital Funds	0	0.00	0	0.00
Insurance Companies	26,16,004	0.58	400	0.00
Foreign Portfolio Investor	63,41,731	1.40	0	0.00
Non-Resident Indians	22,39,720	0.49	83,749	0.21
Bodies Corporate	12,80,87,784	28.20	11,44,814	2.91
NBFC registered with RBI	5,69,446	0.13	2,000	0.01
Indian Public (Individual)	6,88,31,127	15.15	78,88,767	20.04
Directors & their Relatives	2,75,000	0.06	1,000	0.00
Clearing Members	10,25,675	0.23	20,682	0.05
Trust	5,555	0.00	127	0.00
Hindu Undivided Family	52,18,489	1.15	15,69,743	3.99
Foreign Nationals	0	0.00	0	0.00
Investor Education and Protection Fund	5,49,800	0.12	54,776	0.14
<b>Total</b>	<b>45,42,17,268</b>	<b>100.00</b>	<b>3,93,74,679</b>	<b>100.00</b>

### Outstanding GDR /ADR /Warrants or any convertible instruments, conversion date and impact on equity.

The Company has not issued and GDR / ADR / Warrants during the year under review.

### Plant Locations

G-6, MIDC, Tarapur, Dist. Thane.

No. 4, Puttappa Industrial Estate, Mahadevpura, Near Hindustan Petroleum, Bengaluru 560 048

### Address for Correspondence:

#### Investor Correspondence for securities physical form Registrar and Share Transfer Agents:

Link Intime India Private Limited  
C - 101, Embassy 247, LBS Marg, Vikhroli (West),  
Mumbai - 400 083  
Telephone No. : +91 22 4918 6270  
Fax No. : +91 22 4918 6060  
email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

#### For securities held in Demat Form:

Investors' concerned Depository Participant(s) and / or Link Intime India Private Limited.

For any query on the Annual Report:

Mr. Deepak Tanna, Company Secretary

Future Enterprises Limited

Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road,

Jogeshwari (East), Mumbai – 400 060

Tel No: +91 22 6644 2200

Fax No: +91 22 6644 2201

Email : [investorrelations@futuregroup.in](mailto:investorrelations@futuregroup.in)

Website: [www.felindia.in](http://www.felindia.in)

### List of all credit ratings obtained by the Company along with any revisions for the financial year 2018-19:

The Company has obtained rating from CARE Ratings Limited, Acuite Ratings & Research Limited and Brickwork Ratings India Private Limited during the year ended March 31, 2019. Further the same had been reaffirmed / revalidated periodically during the year under review. Details of credit rating are as follows:



Sr. No.	Rating Agency	Rating	Outlook	Security
1	CARE Ratings Limited	CARE AA-	Stable	Long Term Bank Facilities (Term Loan, Fund Based, Non-Convertible Debenture and Fixed Deposit)
2	CARE Ratings Limited	CARE A1+	-	Short Term Bank Facilities (Term Loan and Non - Fund Based) and Commercial Paper
3	Acuite Ratings & Research Limited	ACUITE AA	Stable	Non-Convertible Debenture
4	Acuite Ratings & Research Limited	ACUITE AA+ (SO)	Stable	Non-Convertible Debenture
5	Brickwork Ratings India Private Limited	BWR AA (SO)	Stable	Non-Convertible Debenture

### Commodity Price Risk or Foreign Exchange Risk and Hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. The Company is exposed to exchange fluctuation risk for its purchase from overseas suppliers in various foreign currencies. The Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposures to foreign currency risk.

The details of foreign currency exposure are disclosed in Note No. 30 in the Notes forming part of the Financial Statements.

### Transfer of Unclaimed / Unpaid Dividend amount to the Investor Education and Protection Fund (IEPF) :

Pursuant to Sections 124 and 125 of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund Rules, 2016 ("IEPF Rules"), dividend that are unpaid / unclaimed for a period of seven years from the dates it became due for payment are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF").

Further, share in respect of such dividend which have not been claimed for a period of seven consecutive years are also required to be transferred to the demat account of IEPF Authority. The said requirements does not apply to shares in respect of which there is specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders of the Company, the Company send periodical reminders to the shareholders to claim their dividend in order to avoid transfer of dividend / shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividend and shareholders whose shares are required to be transferred to the IEPF Authority, are uploaded on the Company's website <https://felindia.in/investors/shares-transferred-to-IEPF.aspx>.

In light of the aforesaid provisions, the Company has during the year, transferred to IEPF the unclaimed dividend, outstanding for seven consecutive years, of the Company. Further, shares of the Company, in respect of which Dividend has not been claimed for seven years or more, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividend and shares transferred to IEPF during the year 2018-19 are as follows:

Financial Year	Amount of unclaimed dividend transferred	Number of Equity Shares Transferred	Number of Class B (Series 1) Shares Transferred
2010-11	₹8,17,975/-	55,879	5,416
Fractional Shares	₹1,48,022/-	-	-

The members who have to claim on above dividend and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF - 5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF - 5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

Given below the dates of declaration of dividend and corresponding dates when unpaid / unclaimed dividend are due for transfer to IEPF:

Financial Year	Date of Declaration	Date of Payment	Date on which dividend will become part of IEPF
31/12/2012	08/05/2013	12/05/2013	13/06/2020
31/03/2014	02/08/2014	06/08/2014	07/09/2021
31/03/2015	26/08/2015	31/08/2015	01/10/2022
31/03/2016	29/08/2016	02/09/2016	03/10/2023
31/03/2017	29/08/2017	02/09/2017	03/10/2024
31/03/2018	N.A.	N.A.	N.A.

Members who have so far not encashed their dividend warrants are requested to write to the Company / Registrar and Share Transfer Agent and claim the same, to avoid transfer to IEPF.

### Unclaimed Shares

None of the equity shares of the Company are lying in the demat suspense account or unclaimed suspense account so the requirement to disclose the details of such shares pursuant to Regulation 34(3) and Schedule V Part F of Listing Regulations doesn't arise.

## DISCLOSURES

### Related Party Transactions

All Related Party Transactions were reviewed / approved by the Audit Committee and were entered into in the ordinary course of business and at arm's length basis. During the year under review, there were no materially significant transactions entered into between the Company and related parties that may have potential conflict with the interests of the Company at large. The details of related party transactions are presented in Note No. 34 in Notes forming part of the financial statements for the year ended March 31, 2019. Policy on dealing with related party transactions is available on the website of the Company at the link [http://felindia.in/pdf/Related\\_Party\\_Transaction\\_Policy.pdf](http://felindia.in/pdf/Related_Party_Transaction_Policy.pdf)

### Details of utilization of funds raised through preferential allotment or qualified institutions placement

During the year under review, the Company has not raised funds through preferential allotment or qualified institutions placement so the requirement of mentioning utilization of funds as per Regulation 32(7A) of Listing Regulations does not arise.

### Recommendations of Committee to the Board:

During the year under review, there was no such instance wherein any recommendations from the Committees of the Board were not accepted by the Board of Directors of the Company.

### Total Fees paid to Statutory Auditor for all services rendered by them: (₹in Crore)

Particulars	Amount
Statutory Audit Fees	0.28
Other Expenses	0.04
<b>Total</b>	<b>0.32</b>

### Complaint under Sexual Harassment of Women at Workplace (prevention, Prohibition and Redressal) Act, 2013

Sr. No.	Number of Complaints filed during the financial year	Number of Complaints disposed of during the financial year	Number of Complaints pending as on end of the financial year
		NIL	

### Disclosure of Accounting Treatment

During the year under review, the Company followed the applicable Accounting Standards in the preparation of its Financial Statements.

### Management

A Management Discussion and Analysis ("MDA") forms part of this Annual Report.

All members of the Senior Management have confirmed to the Board that there are no material, financial and/or commercial transactions between them and the Company, which could have any potential conflict of interest with the Company at large.

## CEO/CFO Certification

As required under Regulation 17(8) of the Listing Regulations, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the financial statements for the year ended March 31, 2019.

## Certificate of Non-Disqualification of Directors

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of Listing Regulations, the Company has received certificate from Mr. Virendra Bhatt, Practicing Company Secretary, Secretarial Auditor of the Company certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continued as Directors of the Companies by the Securities and Exchange Board of India and / or Ministry of Corporate Affairs or any such statutory authority.

## Subsidiary Companies

The Company does not have any material un-listed subsidiary company as on March 31, 2019. However, the Company has a policy for determining material subsidiaries of the Company, which is available on the website of the Company at the link [http://felindia.in/pdf/Policy\\_For\\_Material\\_Subsiidiary.pdf](http://felindia.in/pdf/Policy_For_Material_Subsiidiary.pdf)

## Details of Non-Compliance

The Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchange or Securities and Exchange Board of India or any statutory authority, on any matter relating to the capital markets.

## Establishment of Whistle Blower Policy/Vigil Mechanism

The Company has established a whistle blower policy/vigil mechanism. This policy aims to provide an avenue for Stakeholders to raise genuine concerns of any violations of legal or regulatory requirements, actual or suspected fraud or violation of the Company's code of conduct and ethical business practices. This Policy *inter-alia* provides a direct access to a Whistle Blower to the Chairman of the Audit Committee. This policy is available on the website of the Company at the link: [https://felindia.in/pdf/Vigil\\_Mechanism.pdf](https://felindia.in/pdf/Vigil_Mechanism.pdf)

The website of the Company contains all relevant information about the Company. The Annual Reports, Shareholding pattern, unaudited quarterly results and all other material information are hosted on this website.

## Compliance with mandatory requirements

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

## Discretionary Requirements (Part E of Schedule II of Listing Regulations):

1. **Chairman of the Board:** At present, Chairman of the Board is an Independent Director. The Company did not maintain a Chairman's office at the Company's expense or reimburse expenses incurred in performance of his duties, during the year under review.
2. **Shareholders' Rights:** Quarterly and half yearly financial results of the Company are furnished to the Stock Exchanges and are also published in the newspapers and uploaded on website of the Company. Hence, half yearly results were not separately sent to shareholders. Significant events are also posted on the Company's website under the Investors Section. The complete Annual Report is sent to every shareholder of the Company.
3. **Modified opinion(s) in audit report:** During the year under review, the Company has unmodified audit opinion on the Company's financial statements. The Company continues to adopt best practices and has ensured a track record of financial statements with unmodified audit opinion.
4. **Reporting of Internal Auditor:** Internal Auditors are invited to the meetings of Audit Committee to make presentation directly to the Committee on their observations during the course of their Internal Audit.

## AUDITORS REPORT ON CORPORATE GOVERNANCE

To,  
The Members of  
Future Enterprises Limited

We have examined the compliance of conditions of Corporate Governance by Future Enterprises Limited ('the Company') for the financial year ended on March 31, 2019 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the provisions relating to Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given us, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**for DMKH & Co.**  
Chartered Accountants  
FRN: 116886W

Place : Mumbai  
Date : May 27, 2019

**Durgesh Kumar Kabra**  
Partner  
Membership No. 044075

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## DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

To,  
The Members of  
Future Enterprises Limited

I hereby declare that the Directors and Senior Managerial Personnel of the Company have affirmed their compliances with the Code of Conduct of Board of Directors and senior management for the year ended March 31, 2019.

**For Future Enterprises Limited**

Place : Mumbai  
Date : May 27, 2019

**Vijay Biyani**  
Managing Director

## 5 YEARS FINANCIAL SUMMARY

### Key Highlights of Financial Position

(₹ in crore)

Particulars	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15
Share Capital	98.71	98.67	94.57	85.57	82.84
Reserves & Surplus	3,859.51	3,811.96	3,715.23	3,223.52	5,091.90
Net Worth	3,958.22	3,910.63	3,809.80	3,317.79	5,197.92
Total Borrowings	6,479.14	5,730.87	5,199.41	4,849.58	4,822.75
Capital Employed	10,437.36	9,641.50	9,009.21	8,167.36	10,020.66
Net Block	7,001.12	6,439.29	5,847.93	5,279.41	4,831.66
Investments	1,152.36	1,120.56	1,404.45	1,294.68	1,295.16
Inventory	1,245.33	1,087.23	873.13	859.91	3,522.68

### Key Highlights of Financial Results

Particulars	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15
	12 Months	12 Months	12 Months	12 Months	12 Months
Sales & Operating Income	4,565.64	4,184.80	3,782.09	8,339.56	10,341.66
Total Income	4,592.75	4,368.68	4,013.14	8,376.47	10,368.39
COGS	3,037.83	2,938.96	2,675.41	6,007.94	7,408.18
PBDIT	1,349.35	1,248.17	1,184.36	1,048.75	1,243.28
Interest	577.92	568.41	507.61	488.86	669.04
Depreciation	769.19	698.40	633.19	546.74	512.88
Profit Before Tax	2.24	(18.64)	43.56	13.15	61.37
Profit After Tax	24.02	(12.19)	43.56	11.83	74.07

### Key Financial Ratios

Particulars	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15
COGS / Sales & Operating Income(%)	66.54%	70.23%	70.74%	72.04%	71.63%
Interest / Total Income (%)	12.58%	13.01%	12.65%	5.84%	6.45%
PBDIT/ Interest (Debt-Service Ratio)	2.33	2.20	2.33	2.15	1.86
PBDIT / Total Income (%)	29.38%	28.57%	29.51%	12.52%	11.99%
PBT / Total Income (%)	0.05%	-0.43%	1.09%	0.16%	0.59%
PAT / Total Income (%)	0.52%	-0.28%	1.09%	0.14%	0.71%
Basic EPS (₹)	0.48	(0.25)	0.92	0.26	2.75
Debt Equity Ratio	1.64	1.47	1.36	1.46	0.93

Note:

- Financial numbers of the year ended March 31, 2016 includes 12 months Retail Infrastructure, other operations and 7 months of Retail Business of the Company and 5 months of Retail Infrastructure operation of FRL.
- The Company's business activities underwent changes since October 31, 2015 and hence financial numbers and ratios pertaining to period ending March 31, 2016 onwards not comparable with prior periods.
- Financial numbers of the year ended March 31, 2017 onwards are prepared as per IND AS, hence not comparable with previous years.

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**FUTURE ENTERPRISES LIMITED**

### Report on the Standalone Financial Statements

#### Opinion

We have audited the standalone Financial Statements of Future Enterprises Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and total comprehensive income (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our Audit
Valuation of Inventory Refer note no. 7 to the accompanying standalone financial statements We identified this matter as key in our audit due to the materiality of the value of inventories, and the numerous SKUs and high volume of movement in the inventory.	Our Procedures included, but were not limited to the following: ♦ Assessment of the design, implementation and operational effectiveness of the relevant controls in place in the inventory management and measurement process. ♦ Evaluation of the inventory costing methodology and valuation policy established by management, including compliance with the applicable accounting standard. ♦ Assessment of the inventory costing methodology and valuation policy maintained and applied in the IT system. ♦ Assessing the analysis and assessment made by the management with respect to slow moving and obsolete inventory. ♦ Verification of the determination of net realizable value on a representative sample basis
Accounting for Lease Rental Income Lease rental income amounted to Rs. 742.97 Crore for the year ended 31 March 2019, Generally lease revenue is recognised net of discount, in accordance with the terms of lease contracts over the lease term on a straight line basis using a standard IT system. Also there are few lease arrangements where revenue recognition is not subject to straight line basis depending on the nature of the lease arrangements and performance of the lease. There is an inherent risk around the accuracy of the revenue recorded given the complexity of the IT system and impact of the terms of lease agreements to the revenue recognition.	Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. We performed test of controls, assisted by our IT specialists, over revenue recognition with specific focus on whether lease income is recorded over the lease term on a straight line basis or other applicable basis as per the terms of the lease contract. We performed tests of details, on a sample basis, to review the case contracts entered into with the customers to assess whether lease income recorded is as per the contract terms and also to identify any non-standard lease clauses and to assess the appropriateness of the rental income accounting. We assessed the completeness of lease rental income recorded during the year through matching the data used in the revenue recognition to the approved lease agreements with the customers. We also performed detailed substantive analytical procedures of case rental income and the timing of its recognition.



## Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders Information, but does not include the standalone financials statements and our auditors report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and in doing so, consider whether the information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risk of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether has adequate internal financial controls systems in place and the operating effectiveness of such controls.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we may have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the

Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In Our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 40 to the Financial Statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **DMKH & Co.**  
Chartered Accountants  
FRN : 116886W

**Durgesh Kumar Kabra**  
Partner  
Membership No. 044075

Place : Mumbai  
Date : May 27, 2019

## ANNEXURE – ‘A’ to the Independent Auditors’ Report

**Referred to in Paragraph 1(f) under the heading of “Report on other Legal and Regulatory Requirements” of our report to the members of Future Enterprise Limited of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Future Enterprises Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is

sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DMKH & Co.**  
Chartered Accountants  
FRN : 116886W

**Durgesh Kumar Kabra**

Partner

Membership No. 044075

Place : Mumbai  
Date : May 27, 2019

## ANNEXURE – ‘B’ to the Independent Auditors’ Report

### Referred to in Paragraph 2 under the heading of “Report on other Legal and Regulatory Requirements” of our report to the members of Future Enterprise Limited of even date

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we report that: -

- i. In respect of companies fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c) According to the information and explanations given to us, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- ii.
  - a) As explained to us, management has conducted physical verification of inventory at regular intervals during the year.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management were reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clauses 3(iii) (a), (b) and (c) of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investment and providing guarantees and securities, as applicable.

- v. In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board (CLB), National Company Law Tribunal (NCLT) or Reserve Bank of India (RBI) or any Court or any other Tribunal.

- vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the companies Act, 2013 for the business activities carried out by the company, thus reporting under clause 3(vi) of the order is not applicable to the Company.

- vii.
  - a) According to information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess, Professional Tax and other material statutory dues applicable to it with the appropriate authorities.
  - b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess, Professional Tax and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable except

Name of Statute	Nature of the dues	Amount (in ₹ Crore)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	3.10	A Y 2014-15	Commissioner of Income Tax Appeal
The West Bengal Tax on Entry of Goods Into Local Areas Act 2012	Entry Tax	1.75	FY 2016-17 & 2017-18	Calcutta High Court

- viii. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings from banks and debenture holders. The Company has not taken any loans from Government or any Financial Institution.

- ix. Based on audit procedure and on the basis of information and explanation given by the management, we are of the opinion that money raised by Company by way of term loan has been applied for the purpose for which they were raised. The Company did not raise any money by way of Initial Public offer or further public offer.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Therefore, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. During the Year, the company has not made any preferential allotment or private placement of shares fully or partly paid convertible debentures and hence, reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In Our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DMKH & Co.**  
Chartered Accountants  
FRN : 116886W

**Durgesh Kumar Kabra**  
Partner  
Membership No. 044075

Place : Mumbai  
Date : May 27, 2019



## BALANCE SHEET AS AT MARCH 31, 2019

		(₹ in crore)	
	Note No.	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
Property, Plant and Equipment	2	6,786.77	6,439.29
Capital Work-in-Progress	2	521.84	582.65
Intangible Assets	2	214.35	-
Financial Assets			
Investments	3	1,152.36	1,120.56
Loans	4	178.05	173.47
Other Financial Assets	5	0.57	0.17
Other Non-Current Assets	6	456.34	218.71
<b>Total Non-Current Assets</b>		<b>9,310.28</b>	<b>8,534.85</b>
<b>2. Current Assets</b>			
Inventories	7	1,245.33	1,087.23
Financial Assets			
Trade Receivables	8	533.50	488.40
Cash and Cash Equivalents	9	14.62	19.56
Bank Balances Other Than The Above	10	11.29	17.60
Loans	11	21.59	6.95
Other Financial Assets	12	49.36	10.65
Other Current Assets	13	883.62	737.48
<b>Total Current Assets</b>		<b>2,759.31</b>	<b>2,367.87</b>
<b>Total Assets</b>		<b>12,069.59</b>	<b>10,902.72</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	14	98.71	98.67
Other Equity	15	3,859.51	3,811.96
<b>Total Equity</b>		<b>3,958.22</b>	<b>3,910.63</b>
<b>Liabilities</b>			
<b>1. Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	16	5,931.79	5,315.76
Other Financial Liabilities	17	623.36	558.24
Provisions	18	7.61	7.60
Deferred Tax Liabilities (Net)	32	36.86	58.64
<b>Total Non-Current Liabilities</b>		<b>6,599.62</b>	<b>5,940.24</b>
<b>2. Current Liabilities</b>			
Financial Liabilities			
Borrowings	19	374.67	346.36
Trade Payables	20		
Due to Micro, Small and Medium Enterprises		25.71	14.28
Due to Others		635.14	471.18
Other Financial Liabilities	21	394.81	214.50
Provisions	22	0.42	1.35
Other Current Liabilities	23	81.00	4.18
<b>Total Current Liabilities</b>		<b>1,511.75</b>	<b>1,051.85</b>
<b>Total Equity and Liabilities</b>		<b>12,069.59</b>	<b>10,902.72</b>
The accompanying notes are an integral part of the financial statements.		1 - 49	

As per our report of even date attached

For and on behalf of Board of Directors

**For DMKH & CO.**

Chartered Accountants  
FRN 116886W

**Durgesh Kumar Kabra**

Partner  
Membership No.: 044075

**Mumbai**

May 27, 2019

**V. K. Chopra**

Chairman & Director

**Bala Despande**

Director

**Deepak Tanna**

Company Secretary

**Vijay Biyani**

Managing Director

**Anil Harish**

Director  
(Goa)

**Hareesh Chawla**

Director

**Dinesh Maheshwari**

Executive Director &  
Chief Financial Officer



# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in crore)

	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>INCOME</b>			
Revenue From Operations	24	4,565.64	4,184.80
Other Income	25	27.11	183.88
<b>Total Income</b>		<b>4,592.75</b>	<b>4,368.68</b>
<b>EXPENSES</b>			
Cost of Materials Consumed		75.26	31.60
Purchase of Stock-In-Trade		3,120.38	3,121.95
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(157.81)	(214.59)
Employee Benefits Expense	27	107.53	86.78
Finance Costs	28	577.92	568.41
Depreciation and Amortization Expense	2	769.19	698.40
Other Expenses	29	98.04	94.77
<b>Total Expenses</b>		<b>4,590.51</b>	<b>4,387.32</b>
<b>Profit / (Loss) Before Tax</b>		<b>2.24</b>	<b>(18.64)</b>
<b>Tax Expense</b>	32	<b>(21.78)</b>	<b>(6.45)</b>
(1) Current Tax		-	-
(2) Deferred Tax		(21.78)	(6.45)
<b>Profit / (Loss) For The Year</b>		<b>24.02</b>	<b>(12.19)</b>
<b>Other Comprehensive Income For The Year</b>			
Re-measurement Gains/ (Losses) on Defined Benefit Plans	31	1.60	(0.80)
Fair Value Changes On Investments		10.97	21.40
<b>Total Comprehensive Income For The Year</b>		<b>36.59</b>	<b>8.41</b>
<b>Earnings Per Equity Share of Face Value of ₹ 2/- each</b>	36		
Basic - Equity Share		0.48	(0.25)
Basic - Class B (Series 1) Share		0.52	(0.25)
Diluted - Equity Share		0.48	(0.25)
Diluted - Class B (Series 1) Share		0.52	(0.25)
The accompanying notes are an integral part of the financial statements.	1-49		

As per our report of even date attached

For and on behalf of Board of Directors

**For DMKH & CO.**

Chartered Accountants  
FRN 116886W

**Durgesh Kumar Kabra**

Partner  
Membership No.: 044075

**Mumbai**

May 27, 2019

**V. K. Chopra**

Chairman & Director

**Bala Despande**

Director

**Deepak Tanna**

Company Secretary

**Vijay Biyani**

Managing Director

**Anil Harish**

Director  
(Goa)

**Haresh Chawla**

Director

**Dinesh Maheshwari**

Executive Director &  
Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
<b>(A) EQUITY SHARE CAPITAL</b>		
<b>Opening Balance</b>	<b>98.67</b>	94.57
Change During The Year		
Issue of Equity Shares Under Employee Stock Option Scheme	<b>0.04</b>	0.42
Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	-	3.69
<b>Closing Balance</b>	<b>98.71</b>	<b>98.67</b>
<b>(B) OTHER EQUITY</b>		
<b>Retained Earnings</b>		
<b>Opening Balance</b>	<b>580.40</b>	583.56
Profit For The Year	<b>24.02</b>	(12.19)
Dividend on Equity Shares	-	(9.61)
Tax on Dividend	-	(1.96)
Transfer to Debenture Redemption Reserve	<b>(24.02)</b>	-
Other Comprehensive Income/(Loss) For The Year		
Fair Value Changes On Investments	<b>10.97</b>	21.40
Re-measurement Gains/ (Losses) on Defined Benefit Plans	<b>1.60</b>	(0.80)
<b>Closing Balance</b>	<b>592.97</b>	<b>580.40</b>
<b>Securities Premium</b>		
<b>Opening Balance</b>	<b>2,830.39</b>	2,735.00
Change During The Year		
Issue of Equity Shares	<b>0.34</b>	3.28
Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	-	92.11
<b>Closing Balance</b>	<b>2,830.73</b>	<b>2,830.39</b>
<b>Debenture Redemption Reserve</b>		
<b>Opening Balance</b>	<b>268.13</b>	268.13
Change During The Year	<b>24.02</b>	-
<b>Closing Balance</b>	<b>292.15</b>	<b>268.13</b>
<b>General Reserve</b>		
<b>Opening Balance</b>	<b>110.82</b>	110.82
Change During The Year	-	-
<b>Closing Balance</b>	<b>110.82</b>	<b>110.82</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
<b>Share Options Outstanding Account</b>		
Opening Balance	2.01	2.79
Change During The Year		
Expense on Employee Stock Option Scheme	3.62	2.49
Exercise of Stock Options	(0.34)	(3.28)
Closing Balance	5.29	2.01
<b>Promotor Equity Contribution</b>		
Opening Balance	20.21	13.68
Change During The Year		
Personal Guarantees By Promoters	7.34	6.53
Closing Balance	27.55	20.21
<b>Equity Component of Optionally Convertible Debentures</b>		
Opening Balance	-	1.27
Change During The Year		
Conversion of Optionally Convertible Debentures (Equity Component)	-	(1.27)
Closing Balance	-	-
<b>TOTAL OTHER EQUITY</b>	<b>3,859.51</b>	<b>3,811.96</b>

As per our report of even date attached

**For DMKH & CO.**

Chartered Accountants  
FRN 116886W

**Durgesh Kumar Kabra**

Partner  
Membership No.: 044075

**Mumbai**

May 27, 2019

For and on behalf of Board of Directors

**V. K. Chopra**

Chairman & Director

**Vijay Biyani**

Managing Director

**Haresh Chawla**

Director

**Bala Despande**

Director

**Anil Harish**

Director  
(Goa)

**Dinesh Maheshwari**

Executive Director &  
Chief Financial Officer

**Deepak Tanna**

Company Secretary

# STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

( ₹ in crore )

		Year Ended March 31, 2019	Year Ended March 31, 2018
<b>A</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	Profit/(Loss) Before Tax	2.24	(18.64)
	<b>Adjusted for:</b>		
	Depreciation and Amortization Expense	769.19	698.40
	Finance Costs	577.92	568.41
	Profit on Sale of Investments	(0.49)	(154.27)
	Expense on Employee Stock Option Scheme	3.62	2.49
	Loss on Disposal/Discard of Fixed Assets (Net)	5.06	33.19
	Dividend Income	(4.52)	(2.47)
	Interest Income	(19.88)	(23.46)
	<b>Operating Profit Before Working Capital Changes</b>	<b>1,333.14</b>	<b>1,103.66</b>
	<b>Adjusted for:</b>		
	Trade Receivables	(45.09)	(121.70)
	Other Financial Assets and Other Assets	(486.65)	142.14
	Inventories	(158.09)	(214.11)
	Trade Payables	175.39	6.77
	Other Financial Liabilities, Other Liabilities and Provisions	219.01	(67.51)
	<b>Cash Generated From Operations</b>	<b>1,037.71</b>	<b>849.25</b>
	Taxes Paid	50.81	13.09
	<b>Net Cash Flows From Operating Activities</b>	<b>1,088.52</b>	<b>862.34</b>
<b>B</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant and Equipment and Intangible Assets	(1,275.27)	(1,519.27)
	Sale/(Purchase) of Investments	(20.33)	459.56
	Dividend Income	4.52	2.47
	Interest Income	19.88	23.46
	<b>Net Cash Used In Investing Activities</b>	<b>(1,271.20)</b>	<b>(1,033.78)</b>
<b>C</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Proceeds from Issue of Shares	7.38	101.48
	Proceeds from Borrowings	748.28	635.25
	Dividends Paid (Including Dividend Distribution Tax)	-	(11.57)
	Interest Paid	(577.92)	(568.41)
	<b>Net Cash Flows From Financing Activities</b>	<b>177.74</b>	<b>156.75</b>
	<b>Net (Decrease)/Increase In Cash and Cash Equivalents</b>	<b>(4.94)</b>	<b>(14.69)</b>
	<b>Net (Decrease)/Increase In Cash and Cash Equivalents</b>	<b>(4.94)</b>	<b>(14.69)</b>
	<b>Cash and Cash Equivalents (Opening Balance)</b>	<b>19.56</b>	<b>34.25</b>
	<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>14.62</b>	<b>19.56</b>

As per our report of even date attached

For and on behalf of Board of Directors

**For DMKH & CO.**

Chartered Accountants  
FRN 116886W

**Durgesh Kumar Kabra**

Partner  
Membership No.: 044075

**Mumbai**

May 27, 2019

**V. K. Chopra**

Chairman & Director

**Bala Despande**

Director

**Deepak Tanna**

Company Secretary

**Vijay Biyani**

Managing Director

**Anil Harish**

Director  
(Goa)

**Haresh Chawla**

Director

**Dinesh Maheshwari**

Executive Director &  
Chief Financial Officer

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1. Company Overview And Significant Accounting Policies

#### 1.1 Company Overview

Future Enterprises Limited (formerly known as Future Retail Limited) ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956 on October 12, 1987. The Company engaged in the business of manufacturing, trading and leasing of assets.

The Company has its registered office at Mumbai, Maharashtra, India. The Company has its primary listings on the National Stock Exchange of India Limited and BSE Limited.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 27, 2019.

#### 1.2 Basis of Preparation and Presentation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

#### 1.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 1.4 Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building	: 30 years
Plant and Equipment	: 5 years
Office Equipment*	: 3 to 6 years
Furniture and Fixture	: 10 years
Electrical Installation and Equipment	: 10 years
Vehicles	: 10 years
Leasehold Improvement*	: Lease term or 15 years, whichever is lower

\*Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

### 1.5 Intangible Assets

Intangible assets are stated at acquisition cost and other cost incurred, which is attributable to preparing the asset for its intended use, less accumulated amortization and accumulated impairment losses, if any. The cost of intangible assets acquired in a business combination is recorded at fair value on the date of acquisition. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life not exceeding ten years and assessed for impairment whenever there is an indication that the Intangible assets may be impaired. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 1.6 Business Combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

### 1.7 Impairment of Assets

#### (i) Financial Assets

The Company recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in such case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit and loss.

#### (ii) Non-Financial Assets

Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

### (iii) Share Capital

#### Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

## 1.8 Financial instruments

### (i) Initial Recognition and Measurement

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised on the trade date.

### (ii) Subsequent Measurement

#### a) Non-Derivative Financial Instruments

##### (i) Financial Assets Carried At Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### (ii) Financial Assets At Fair Value Through Other Comprehensive Income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

##### (iii) Investments in Associates, Joint Venture and Subsidiaries

Investments in Associates, Joint Venture and Subsidiaries are carried at cost.

##### (iv) Financial Assets at Fair Value Through Profit or Loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

##### (v) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in a business combination which is

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### b) Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

### (i) Financial Assets or Liabilities, at Fair Value Through Profit or Loss.

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/ liabilities if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

### (ii) Derecognition of Financial Instruments

The company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

## 1.9 Current Versus Non-Current Classification

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is considered as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 1.10 Measurement of Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Input for the asset or liability that are not based on observable market data (unobservable inputs).

### 1.11 Inventories

Inventories are valued at lower of cost or net realizable value. Inventories of traded goods are valued at lower of cost or net realizable value. Finished Goods and Work-in-Progress include cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are computed on weighted average basis.

### 1.12 Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

Post-employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognised in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effect of any plan amendments are recognised in net profit in the statement of profit and loss.

### 1.13 Share-Based Payment

The Company recognizes compensation expense relating to share-based payments in statement of profit and loss, using fair-value. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

### 1.14 Provisions

A provision is recognised if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

### 1.15 Revenue recognition

Revenue is recognised on a fair value basis to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (i) Sale of goods

Revenue from sale of goods is recognised, when significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It also includes excise duty and excludes value added tax and Goods and service tax (GST). It is measured at fair value of consideration received or receivable, net of returns and allowances.

### (ii) Revenue from Sale of Services

Revenue from Sale of services are recognised as they are rendered based on arrangements with the customers.

### (iii) Lease Income

Lease agreements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals are recognised on straight - line basis as per the terms of the agreements in the statement of profit or loss.

### (iv) Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

### (v) Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established.

## 1.16 Foreign Currency Transactions

### (i) Functional Currency

Financial statements of the Company's are presented in Indian Rupees (₹), which is also the functional currency.

### (ii) Transactions and Translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gain and losses are presented in the statement of profit and loss on net basis within other gains/ (losses).

## 1.17 Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as Operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### 1.18 Taxation

Income tax comprises current and deferred income tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent there is reasonable certainty that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### 1.19 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

### 1.20 Borrowing Costs

Borrowing costs, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use, are capitalised as part of the cost of the respective asset. All other borrowing costs are charged in the period they occur in the statement of profit and loss.

### 1.21 Application of new and revised standards

#### Ind AS 116- Leases:

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in IND AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 2. Property, Plant and Equipment

(₹ in crore)

Tangible Assets	Freehold Land	Leasehold Land	Building	Leasehold Improve-ments	Plant & Equipments	Office Equipments	Furniture and Fixtures	Vehicles	Total	Capital work in progress
<b>Cost</b>										
<b>As At April 01, 2017</b>	4.83	0.93	7.53	1,609.16	1,070.13	246.61	4,055.45	4.67	6,999.31	386.34
Additions	-	-	-	288.97	190.21	56.67	786.91	0.19	1,322.95	-
Disposals	-	-	-	33.38	-	2.95	1.22	-	37.55	-
<b>As At March 31, 2018</b>	4.83	0.93	7.53	1,864.75	1,260.34	300.33	4,841.14	4.86	8,284.71	582.65
<b>As At April 01, 2018</b>	4.83	0.93	7.53	1,864.75	1,260.34	300.33	4,841.14	4.86	8,284.71	-
Additions	-	-	-	250.56	124.39	37.57	720.22	0.18	1,132.92	-
Disposals	-	-	-	6.28	0.08	4.37	8.40	-	19.13	-
<b>As At March 31, 2019</b>	4.83	0.93	7.53	2,109.03	1,384.65	333.53	5,552.96	5.04	9,398.50	521.84
<b>Depreciation</b>										
<b>As At April 01, 2017</b>	-	0.04	0.29	150.62	127.70	101.63	769.24	1.86	1,151.38	-
Depreciation For The Year	-	0.02	0.19	99.98	82.07	49.09	466.11	0.94	698.40	-
Disposals	-	-	-	4.19	-	-	0.17	-	4.36	-
<b>As At March 31, 2018</b>	-	0.06	0.48	246.41	209.77	150.72	1,235.18	2.80	1,845.42	-
<b>As At April 01, 2018</b>	-	0.06	0.48	246.41	209.77	150.72	1,235.18	2.80	1,845.42	-
Depreciation For The Year	-	0.02	0.20	117.89	86.45	43.67	518.14	0.73	767.10	-
Disposals	-	-	-	0.78	-	-	0.01	-	0.79	-
<b>As At March 31, 2019</b>	-	0.08	0.68	363.52	296.22	194.39	1,753.31	3.53	2,611.73	-
<b>Net book value</b>										
<b>As At March 31, 2019</b>	4.83	0.85	6.85	1,745.51	1,088.43	139.14	3,799.65	1.51	6,786.77	521.84
As At March 31, 2018	4.83	0.87	7.05	1,618.34	1,050.57	149.61	3,605.96	2.06	6,439.29	582.65



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

<b>Intangible Assets</b>	<b>Intellectual Property Rights</b>	<b>Total</b>
Cost		
As At April 01, 2017	-	-
Additions	-	-
Disposals	-	-
<b>As At March 31, 2018</b>	<b>-</b>	<b>-</b>
<b>As At April 01, 2018</b>	<b>-</b>	<b>-</b>
Additions	216.44	216.44
Disposals	-	-
<b>As At March 31, 2019</b>	<b>216.44</b>	<b>216.44</b>
Amortization		
As At April 01, 2017	-	-
Amortization For The Year	-	-
Disposals	-	-
<b>As At March 31, 2018</b>	<b>-</b>	<b>-</b>
<b>As At April 01, 2018</b>	<b>-</b>	<b>-</b>
Amortization For The Year	2.09	2.09
Disposals	-	-
<b>As At March 31, 2019</b>	<b>2.09</b>	<b>2.09</b>
Net book value		
<b>As At March 31, 2019</b>	<b>214.35</b>	<b>214.35</b>
As At March 31, 2018	-	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
<b>3</b>	<b>Non-Current Financial Assets - Investments</b>		
	<b>Trade Investments Fully paid up of ₹ 10/- each unless otherwise stated</b>		
	<b>Investments in</b>		
	<b>Equity Instruments</b>		
	<b>Quoted</b>		
	<b>Subsidiary Company</b>		
	100 (2,05,15,917) Equity Shares of Future Supply Chain Solutions Limited	0.00	48.18
	<b>Others</b>		
	49,37,935 Equity Shares of Galaxy Cloud Kitchens Limited (Formerly Known as Galaxy Entertainment Corporation Limited)	19.34	8.39
	100 Equity Shares of Future Consumer Limited of ₹ 6/- each (Formerly Known as Future Consumer Enterprise Limited)	0.00	0.01
	<b>Unquoted</b>		
	<b>Subsidiary Companies</b>		
	1,91,60,000 Equity Shares of Future Bazaar India Limited	19.16	19.16
	2,73,78,746 Equity Shares of Future Media (India) Limited	36.65	36.65
	2,09,30,419 Equity Shares of Future E-Commerce Infrastructure Limited	17.72	17.72
	34,58,654 Equity Shares of Work Store Limited (Formerly Known as Staples Future Office Products Limited)	35.92	35.92
	2,24,52,099 Equity Shares of Bluerock eServices Private Limited	10.92	10.92
	30,000 Equity Shares of Future Merchandising and Sourcing Pte. Limited of \$ 1/- each	0.20	0.20
	10,000 (NIL) Equity Shares of Ritvika Trading Private Limited	0.01	-
	<b>Joint Ventures</b>		
	22,03,500 Equity Shares of Apollo Design Apparel Parks Limited	73.78	73.76
	20,65,50,000 Equity Shares of Future Generali India Insurance Company Limited	206.55	206.55
	14,32,37,839 (11,64,61,781) Equity Shares of Future Generali India Life Insurance Company Limited	143.24	116.46
	22,81,500 Equity Shares of Goldmohur Design and Apparel Park Limited	70.44	70.41
	27,43,66,794 (24,86,05,660) Equity Shares of Sprint Advisory Services Private Limited	274.37	248.61
	11,18,44,321 Equity Shares of Shendra Advisory Services Private Limited	111.84	111.84
	<b>Others</b>		
	7,11,74,377 (NIL) partly paid Equity Shares of Livquik Technology (India) Private Limited of ₹ 1/- each	5.00	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
<b>In Preference Shares</b>		
<b>Unquoted</b>		
<b>Subsidiary Companies</b>		
45,13,966 0.01% Non-Cumulative Compulsory Convertible Preference Shares (Series -2) of Future E-Commerce Infrastructure Limited	48.65	48.65
71,72,820 Compulsory Convertible Preference Shares (Series 1) of Future E-Commerce Infrastructure Limited	0.11	0.11
5,58,088 Cumulative Convertible Preference Shares of Work Store Limited (Formerly Known as Staples Future Office Products Limited)	0.70	0.70
<b>Others</b>		
6,30,000 9% Redeemable Preference Shares of Praxis Home Retail Limited of ₹ 100/- each	-	-
<b>In Debentures</b>		
38,00,000 (NIL) Compulsory Convertible Debentures of ₹ 30/- each of Galaxy Cloud Kitchens Limited (Formerly Known as Galaxy Entertainment Corporation Limited)	11.40	-
<b>Non-Trade Investments paid up of ₹ 10/- each unless otherwise stated</b>		
<b>Unquoted</b>		
<b>Others</b>		
48,281 Equity Shares of Foot-Mart Retail India Limited	0.08	0.08
Less : Provision	0.08	0.08
47,71,037 Equity Shares of Pan India Food Solutions Private Limited	5.38	5.38
5,79,771 Equity Shares of Planet Retail Holdings Private Limited	3.13	3.13
<b>In Government and Other Securities</b>		
<b>Quoted</b>		
3,00,000 9% Corporate Bonds of Mahindra & Mahindra Financial Services Limited of ₹ 1000/- each	31.13	31.13
200 8.45% Corporate Bonds of Bajaj Finance Limited of ₹ 10,00,0000/- each	20.13	20.13
60 8.75% Corporate Bonds of Bajaj Finance Limited of ₹ 10,00,0000/- each	6.07	6.07
<b>Unquoted</b>		
50 Equity Shares of Saraswat Co-Operating Bank Limited	0.00	0.00
National Saving Certificates (Deposited with Sales Tax Authorities)	0.05	0.05
LIC Mutual Fund Liquid Plan	0.47	0.43
	1152.36	1,120.56
<b>Note:</b>		
Quoted Investment Carried At Fair Value Through Other Comprehensive Income		
<b>1 Aggregate Amount of Quoted Investments</b>	<b>76.68</b>	<b>113.91</b>
<b>2 Market Value of Quoted Investments</b>	<b>76.68</b>	<b>1425.94</b>
<b>3 Aggregate Amount of Unquoted Investments</b>	<b>1075.78</b>	<b>1006.73</b>
<b>4 Aggregate Amount of Diminution in Value of Investments</b>	<b>0.08</b>	<b>0.08</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		(₹ in crore)	
		As at March 31, 2019	As at Mar 31, 2018
<b>4</b>	<b>Non-Current Financial Assets - Loans</b>		
	Others Unsecured, Considered Good	178.05	173.47
		178.05	173.47
<b>5</b>	<b>Non-Current Financial Assets - Others</b>		
	<b>Bank Balances Other Than Cash and Cash Equivalents</b>		
	Deposit With Banks	0.57	0.17
		0.57	0.17
<b>6</b>	<b>Other Non-Current Assets</b>		
	<b>Capital Advances</b>		
	Others Unsecured, Considered Good	227.89	25.59
	<b>Others</b>		
	Others Unsecured, Considered Good*	228.45	193.12
		456.34	218.71
	(* Includes Balances with Statutory Authorities.)		
<b>7</b>	<b>Inventories</b>		
	Raw Materials	1.76	1.47
	Work-in-Progress	6.11	5.96
	Stock-in-Trade	1,237.46	1,079.80
	Includes Goods-in-Transit of ₹ 11.95 crore (2018: ₹ 14.33 crore )		
		1,245.33	1,087.23
<b>8</b>	<b>Trade Receivables</b>		
	Unsecured, Considered Good	533.50	488.40
		533.50	488.40
<b>9</b>	<b>Cash and Cash Equivalents</b>		
	Balances with Banks	14.60	19.51
	Cash on Hand	0.02	0.05
		14.62	19.56
<b>10</b>	<b>Bank Balances Other Than The Above</b>		
	Deposit With Banks*	11.02	17.26
	On Dividend Accounts	0.27	0.34
		11.29	17.60
	* Held as margin money or security against the borrowings, guarantees and other commitments		
<b>11</b>	<b>Current Financial Assets - Loans</b>		
	Unsecured, Considered Good	21.59	6.95
		21.59	6.95
<b>12</b>	<b>Current Financial Assets-Others</b>		
	Others	49.36	10.65
		49.36	10.65
<b>13</b>	<b>Other Current Assets</b>		
	<b>Other Advances#</b>		
	Unsecured, Considered Good	883.62	737.48
		883.62	737.48
	#Includes Advance to Suppliers, Prepaid Expenses, Statutory Authorities, etc.		

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 14 Share Capital

	As at March 31, 2019		As at March 31, 2018	
	Number	(₹ in crore)	Number	(₹ in crore)
<b>Authorised</b>				
Equity Shares of ₹ 2/- each	60,00,00,000	120.00	60,00,00,000	120.00
Equity Shares of Class B (Series 1) of ₹ 2/- each	5,00,00,000	10.00	5,00,00,000	10.00
	65,00,00,000	130.00	65,00,00,000	130.00
<b>Issued *</b>				
Equity Shares of ₹ 2/- each	45,43,13,146	90.86	45,40,92,946	90.82
Equity Shares of Class B (Series 1) of ₹ 2/- each	3,93,83,172	7.88	3,93,83,172	7.88
	49,36,96,318	98.74	49,34,76,118	98.70
<b>Subscribed and Paid up *</b>				
Equity Shares of ₹ 2/- each	45,42,17,268	90.84	45,39,97,068	90.80
Equity Shares of Class B (Series 1) of ₹ 2/- each	3,93,74,679	7.87	3,93,74,679	7.87
	49,35,91,947	98.71	49,33,71,747	98.67

\*Refer Note No 14 (v)

#### (i) Reconciliation of Number of shares

Equity Share of ₹ 2/- each

Particulars	As at March 31, 2019	As at March 31, 2018
	Number of Shares	Number of Shares
<b>Opening Balance</b>	45,39,97,068	43,34,59,836
Add : Shares Issued*	2,20,200	20,96,424
Add : Shares issued on conversion of Optionally Convertible Debentures into Equity Shares	-	1,84,40,808
<b>Closing Balance</b>	45,42,17,268	45,39,97,068

\* 2,20,200 (2018 : 20,96,424) equity shares of ₹ 2/- each issued pursuant to exercise of employees stock options scheme

Equity Shares of Class B (Series 1) of ₹ 2/- each

Particulars	As at March 31, 2019	As at March 31, 2018
	Number of Shares	Number of Shares
<b>Opening Balance</b>	3,93,74,679	3,93,74,679
Shares Issued	-	-
<b>Closing Balance</b>	3,93,74,679	3,93,74,679

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (ii) Terms/Rights Attached to Equity Shares

The Company has Equity Shares having a par value of ₹ 2/- each at the Balance Sheet Date. Equity Shares have been further classified into Equity Shares carrying normal voting and dividend rights (Ordinary Shares) and Equity Shares carrying differential voting and dividend rights Class B (Series 1) Shares.

Each holder of Ordinary Shares, is entitled to one vote per member in case of voting by show of hands and one vote per Ordinary Shares held in case of voting by poll/ballot. Each holder of Equity Share is also entitled to normal dividend (including interim dividend, if any) as may declared by the Company.

Each holder of Class B (Series 1) Shares, is entitled to one vote per member in case of voting by show of hands and three vote per four Class B (Series 1) shares held in case of voting by poll/ballot. Each holder of Class B (Series 1) Share is also entitled to 2% additional dividend in addition to normal dividend (including interim dividend, if any) as may declared by the Company. Further, the Company may declare dividend only for Class B (Series 1) Share up to 2% without declaring any dividend for Equity Shares.

All other rights would be same for both classes of Equity Shares.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by shareholder.

### (iii) The Company does not have any holding Company.

### (iv) Shares in the Company held by each shareholder holding more than 5 percent shares and number of Shares held are as under:

Name of Shareholders	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares</b>				
Central Departmental Stores Private Limited	20,01,11,430	44.06	17,78,61,430	39.18
Cedar Support Services Limited	-	-	6,19,19,069	13.64
Bennett, Coleman and Company Limited	5,89,09,916	12.97	-	-
Future Corporate Resources Private Limited (Formerly Known as Suhani Trading and Investment Consultants Private Limited)	2,78,20,408	6.12	2,78,20,408	6.13
Brand Equity Treaties Limited	2,49,99,999	5.50	2,49,99,999	5.51
<b>Equity Shares of Class B (Series 1)</b>				
Central Departmental Stores Private Limited	2,54,41,753	64.61	2,54,41,753	64.61
Future Corporate Resources Private Limited (Formerly Known as Suhani Trading and Investment Consultants Private Limited)	28,79,503	7.31	28,79,503	7.31

### (v) Pursuant to the provisions of the Companies Act, 1956 and Companies Act 2013, the issue of equity shares are kept in abeyance.

- 11,400 Equity Shares of Rights Issue of 2006.
- 84,478 Equity Shares of Rights Issue of 2015.
- 8,493 Equity Shares of Class B (Series 1) of Rights Issue of 2015.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	(₹ in Crore)	
	As at March 31, 2019	As at March 31, 2018
<b>15. OTHER EQUITY</b>		
<b>Retained Earnings</b>		
Opening Balance	580.40	583.56
Profit For The Year	24.02	(12.19)
Dividend on Equity Shares	-	(9.61)
Tax on Dividend	-	(1.96)
Transfer to Debenture Redemption Reserve	(24.02)	-
Other Comprehensive Income/(Loss) For The Year		
Fair Value Changes On Investments	10.97	21.40
Re-measurement Gains/ (Losses) on Defined Benefit Plans	1.60	(0.80)
<b>Closing Balance</b>	<b>592.97</b>	<b>580.40</b>
<b>Securities Premium</b>		
Opening Balance	2,830.39	2,735.00
Change During The Year		
Issue of Equity Shares	0.34	3.28
Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	-	92.11
<b>Closing Balance</b>	<b>2,830.73</b>	<b>2,830.39</b>
<b>Debenture Redemption Reserve</b>		
Opening Balance	268.13	268.13
Change During The Year	24.02	-
<b>Closing Balance</b>	<b>292.15</b>	<b>268.13</b>
<b>General Reserve</b>		
Opening Balance	110.82	110.82
Change During The Year	-	-
<b>Closing Balance</b>	<b>110.82</b>	<b>110.82</b>
<b>Share Options Outstanding Account</b>		
Opening Balance	2.01	2.79
Change During The Year		
Expense on Employee Stock Option Scheme	3.62	2.49
Exercise of Stock Options	(0.34)	(3.28)
<b>Closing Balance</b>	<b>5.29</b>	<b>2.01</b>
<b>Promotor Equity Contribution</b>		
Opening Balance	20.21	13.68
Change During The Year		
Personal Guarantees By Promoters	7.34	6.53
<b>Closing Balance</b>	<b>27.55</b>	<b>20.21</b>
<b>Equity Component of Optionally Convertible Debentures</b>		
Opening Balance	-	1.27
Change During The Year		
Conversion of Optionally Convertible Debentures (Equity Component)	-	(1.27)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>
<b>TOTAL OTHER EQUITY</b>	<b>3,859.51</b>	<b>3,811.96</b>

### Nature and Purpose of Reserves :

#### a) Securities Premium Reserve

Securities Premium Reserve is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and Company can use this reserve for buy-back of shares.

#### b) Capital Reserve

Capital Reserve reflect amounts arising out of adjustment pursuant to giving effect to various schemes of arrangements.

#### c) Debenture Redemption Reserve

Debenture Redemption Reserve is created out of profits of the company and is to be utilised to redemption of Debentures only

#### d) General Reserve

The General Reserve is mainly created/built by the Company from time to time by transferring the profits from retained earnings. This reserve can be utilised for various purposes in compliance with applicable provisions of the Companies Act, 2013 and rules made there under

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Crore)

		As at March 31, 2019	As at March 31, 2018
<b>16</b>	<b>Non-Current Financial Liabilities - Borrowings</b>		
	<b>Secured</b> (Refer Note 45)		
	Non-Convertible Debentures	4,919.40	4,324.89
	Long-Term Loan from Banks /Other	974.52	990.87
		5,893.92	5,315.76
	<b>Unsecured</b>		
	Public Deposits	37.87	-
		37.87	-
		5,931.79	5,315.76
<b>17</b>	<b>Non-Current Financial Liabilities - Others</b>		
	Deposit Received from Others	623.36	558.24
		623.36	558.24
<b>18</b>	<b>Non-Current Liabilities - Provisions</b>		
	Long Term Provision for Employee Benefits	7.61	7.60
		7.61	7.60
<b>19</b>	<b>Current Financial Liabilities - Borrowings</b>		
	<b>Secured</b>		
	Term Loans from Bank	100.00	-
	Working Capital Loans and Others (Refer Note No. 45)	274.67	346.36
		374.67	346.36
<b>20</b>	<b>Trade Payables</b>		
	Due to Micro, Small and Medium Enterprises (Refer Note No. 39)	25.71	14.28
	Due to Others	635.14	471.18
		660.85	485.46
<b>21</b>	<b>Current-Other Financial Liabilities</b>		
	Current Maturities of Long-Term Borrowings	166.25	68.75
	Current Maturities of Public Deposits	6.43	-
	Interest Accrued But Not Due on Borrowings	221.86	141.58
	Unclaimed Dividends *	0.27	0.34
	Others	-	3.83
		394.81	214.50
	*There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.		
<b>22</b>	<b>Current Provisions</b>		
	Short Term Provision for Employee Benefits	0.42	1.35
		0.42	1.35
<b>23</b>	<b>Other Current Liabilities</b>		
	Other Payables	81.00	4.18
		81.00	4.18

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Crore)

		Year Ended March 31, 2019	Year Ended March 31, 2018
<b>24</b>	<b>Revenue From Operations</b>		
	Sale of Products	4,012.46	3,578.28
	Less: Vat, Sales Tax, GST	189.79	152.87
	Other Operating Revenue	742.97	759.39
		<b>4,565.64</b>	<b>4,184.80</b>
<b>25</b>	<b>Other Income</b>		
	Interest Income	19.88	23.46
	Dividend on Non-Current Investments	4.52	2.47
	Excess Provisions/Liabilities Written Back	0.25	1.58
	Profit on sale of Investments	0.49	154.27
	Miscellaneous Income	1.97	2.10
		<b>27.11</b>	<b>183.88</b>
<b>26</b>	<b>Changes in Inventories of Stock-in-Trade</b>		
	<b>Opening Inventories</b>		
	Stock-in-Trade	1,079.80	866.93
	Work-in-Progress	5.96	4.24
	<b>Closing Inventories</b>		
	Stock-in-Trade	1,237.46	1,079.80
	Work-in-Progress	6.11	5.96
		<b>(157.81)</b>	<b>(214.59)</b>
<b>27</b>	<b>Employee Benefits Expense</b>		
	Salaries, Wages and Bonus	98.26	79.95
	Contribution to Provident and Other Funds	4.44	3.50
	Employee Stock Option Expense	3.62	2.49
	Staff Welfare Expenses	1.21	0.84
		<b>107.53</b>	<b>86.78</b>
<b>28</b>	<b>Finance Costs</b>		
	Interest Expense	575.33	565.46
	Other Borrowing Costs	2.59	2.95
		<b>577.92</b>	<b>568.41</b>
<b>29</b>	<b>Other Expenses</b>		
	Power and Fuel	4.22	1.63
	Repairs and Maintenance	1.15	0.44
	Insurance	3.33	3.39
	Rates and Taxes	4.13	2.79
	Rent Including Lease Rentals	18.69	15.07
	Corporate Social Responsibility Expenses	-	1.82
	Loss on Disposal/Discard of Fixed Assets (Net)	5.06	33.19
	Exchange Fluctuation (Gain)/Loss (Net)	6.28	(1.90)
	Miscellaneous Expenses	55.18	38.34
		<b>98.04</b>	<b>94.77</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 30. Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the managing board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including loans and borrowings, foreign currency receivables and payables.

The Company manages market risk through treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowing strategies.

#### (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

#### (ii) Foreign Currency Risk

The Company is exposed to exchange fluctuation risk for its purchase from overseas suppliers in various foreign currencies.

The Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposures to foreign currency risk.

The following table analyzes foreign currency risk from financial instruments as of:

	(₹ in crore)	
	2018-19	2017-18
Trade Payables	59.19	113.98
Trade Receivables	3.81	3.57

#### (iii) Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 533.50 crore and ₹ 488.40 crore as of March 31, 2019 and March 31, 2018 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the company through credit approvals establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the company's historical experience for customers.

#### (iv) Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. Typically the company ensures that it has sufficient cash on demand to meet expected operational expenses and servicing of financial obligations.

	(₹ in crore)	
	2018-19	2017-18
Borrowings	374.67	346.36
Trade Payables	660.85	485.46
Other Financial Liabilities	394.81	214.50

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (v) Financial Instruments Valuation

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

- The fair value of quoted investment is measured at quoted price or NAV.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair value measurement hierarchy:

(₹ in crore)

Particulars	As At March 31 2019			As At March 31 2018		
	Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Trade Receivables	533.50	-	-	488.40	-	-
Cash and Bank Balances	25.91	-	-	37.16	-	-
Loans	199.64	-	-	180.42	-	-
Other Financial Assets	49.93	-	-	10.82	-	-
<b>At FVTOCI</b>						
Investments	102.11	93.07	9.04	74.72	65.73	8.99
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Borrowings	6,306.47	-	-	5,662.12	-	-
Trade Payables	660.85	-	-	485.46	-	-
Other Financial Liabilities	1,018.17	-	-	772.74	-	-

The financial instruments are categorised into two levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

### (vi) Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. In Net debt, the Company includes interest bearing loans and borrowings, trade and other payables less cash and cash equivalents.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in crore)

	March 31, 2019	March 31, 2018
Gross Debt	6,479.15	5,730.87
Trade Payables	660.85	485.46
Other Payables	926.49	708.17
Less: Cash and Cash Equivalents	14.62	19.56
<b>Net Debt</b>	<b>8,051.87</b>	<b>6,904.94</b>
Equity	98.71	98.67
Other Equity	3,859.51	3,811.96
<b>Total Capital</b>	<b>3,958.22</b>	<b>3,910.63</b>
<b>Capital and Net Debt</b>	<b>12,010.09</b>	<b>10,815.57</b>
<b>Gearing Ratio</b>	<b>67.04%</b>	<b>63.84%</b>

In order to achieve this overall objective, the Company's capital management amongst other things aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and March 31, 2018.

### 31. Employee Benefits - Gratuity

As per Ind AS 19 the disclosures as defined in the Accounting Standard are given below:

#### (i) Change in Present Value of Defined Benefit Obligation

(₹ in crore)

	2018-19	2017-18
Defined Benefit Obligation at the beginning	5.60	3.57
Service Cost	1.00	1.04
Interest Expense	0.41	0.24
Acquisition / Divestiture	-	0.24
Remeasurement-Actuarial (gains)/losses	(1.60)	0.80
Benefits Paid	(0.53)	(0.30)
Defined Benefit Obligation at the end	4.88	5.60

#### (ii) Change in Fair Value of Plan Assets

(₹ in crore)

	2018-19	2017-18
Fair Value of Plan Assets at the beginning	-	-
Transfer of assets	-	-
Remeasurement-Return on plan assets excluding amounts included in interest income	-	-
Contributions	-	-
Actuarial Gain/ (Loss) on Plan Assets	-	-
Fair Value of Plan Assets at the end	-	-



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (iii) Net Defined Benefit Liability/ (Assets)

(₹ in crore)

	2018-19	2017-18
Defined Benefit Obligation	4.88	5.60
Fair Value of Plan Assets	-	-
Surplus /(Deficit)	4.88	5.60
Effect of Assets Ceiling	-	-
Net Defined Benefit Liability/ (Assets)	4.88	5.60

### (iv) Total Expenses Recognised in the Statement of Profit and Loss Account

(₹ in crore)

	2018-19	2017-18
Current Service cost	1.00	1.04
Net interest on the net defined benefit liability/asset	0.41	0.24
Immediate recognition of (gains)/losses - other long term benefits	-	-
Total Expenses Recognised in Profit And Loss Account	1.41	1.29

### (v) Remeasurement Effects Recognised in Other Comprehensive Income (OCI)

(₹ in crore)

	2018-19	2017-18
Actuarial (gains)/losses	(1.60)	0.80
(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	-	-
Total (Gain) / Loss included in OCI	(1.60)	0.80

### (vi) Total Cost Recognised in Comprehensive Income

(₹ in crore)

	2018-19	2017-18
Expenses Recognised in Profit And Loss Account	1.41	1.29
Remeasurement Effects Recognised in Other Comprehensive Income (OCI)	(1.60)	0.80
Total Cost Recognised in Comprehensive Income	(0.19)	2.08

### (vii) Reconciliation of Amounts in Balance Sheet

(₹ in crore)

	2018-19	2017-18
Defined Benefit Obligation at the beginning	5.60	3.57
Acquisitions	-	0.24
Total expenses recognised in Profit and Loss Account	1.41	1.29
Total Remeasurement included in OCI	(1.60)	0.80
Contribution Paid	-	-
Benefits Paid During the Year	(0.53)	(0.30)
Defined Benefit Obligation at the end	4.88	5.60

### (viii) Reconciliation of Amounts in Statement of Other Comprehensive Income

(₹ in crore)

	2018-19	2017-18
OCI (Income)/ Loss beginning of the Year	(0.47)	(1.26)
Total Remeasurement included in OCI	(1.60)	0.80
OCI (Income)/ Loss end of the Year	(2.07)	(0.47)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (ix) Expected Maturity Profile of Defined benefit Obligation

(₹ in crore)

	2018-19	2017-18
Year 1	0.27	0.52
Year 2	0.53	0.30
Year 3	0.36	0.37
Year 4	0.30	0.43
Year 5	0.68	0.37
Year 6 - 10	2.04	2.78

### (x) Financial Assumptions

	2018-19	2017-18
Discount Rate	7.55%	7.70%
Expected Rate of Salary Increase	7% for first 2 Years and 5% thereafter	5.00%

### (xi) Demographic Assumptions

	2018-19	2017-18
Mortality Rate	IALM (2006-08) ultimate	IALM (2006-08) ultimate
Withdrawal Rate	Service < 5 Years : 16% Service > 5 Years : 2%	2 % to 10 %
Retirement age	58 Years	58 Years

### (xii) Sensitivity Analysis

(₹ in crore)

	2018-19	2017-18
Discount Rate		
a. Discount Rate -100 basis point	5.41	6.13
b. Discount Rate +100 basis point	4.41	5.14
Salary increase Rate		
a. Rate -100 basis point	4.45	5.17
b. Rate +100 basis point	5.37	6.08

## 32. Income Tax Expense

### (i) Reconciliation of Tax Expenses

(₹ in crore)

	2018-19	2017-18
Profit Before Tax	2.24	(18.64)
Applicable tax rate	34.94%	34.61%
Computed expected tax expense	0.78	(6.45)
Effect of Non-deductible Expense	-	-
Effect of Additional deduction	(22.56)	-
Carried forward losses utilised	-	-
<b>Tax Expense charged to the Statement of Profit &amp; Loss</b>	<b>(21.78)</b>	<b>(6.45)</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (ii) Deferred Tax

	(₹ in crore)	
	2018-19	2017-18
Unused Tax Losses	187.07	234.93
Accelerated depreciation for tax purpose	(226.74)	(296.67)
Other items giving rise to temporary differences	2.81	3.10
Deferred tax asset / (liability)	(36.86)	(58.64)

### 33. Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations predominantly relate to manufacturing, trading and leasing of assets. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

		(₹ in crore)	
		2018-19	2017-18
<b>1 .</b>	<b>Segment Revenue</b>		
	Manufacturing and Trading	3,822.67	3425.41
	Leasing and Other	742.97	759.39
	Revenue from Operations	4,565.64	4184.80
<b>2 .</b>	<b>Segment Results</b>		
	Manufacturing and Trading	627.88	399.00
	Leasing and Other	87.15	65.53
	Total Segment Profit Before Interest and Tax	715.03	464.53
	Less :		
	Finance Costs	577.92	568.41
	Net Unallocated Income (Net)	134.87	(85.24)
	Total Profit Before Tax	2.24	(18.64)
<b>3 .</b>	<b>Segment Assets</b>		
	Manufacturing and Trading	2,284.28	1,906.50
	Leasing and Other	7,225.00	6,771.89
	Unallocated	2,560.31	2,224.33
	Total Assets	12,069.59	10,902.72
<b>4 .</b>	<b>Segment Liabilities</b>		
	Manufacturing and Trading	563.70	423.51
	Leasing and Other	720.51	620.19
	Unallocated	126.17	75.94
	Total Liabilities	1,410.38	1,119.64

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 34. Related Party Disclosures

Disclosure as required by Ind AS 24 "Related Party Disclosures" are given below:

(i) List of Related Parties

**A Subsidiary Companies**

- (i) Bluerock eServices Private Limited
- (ii) Future E-Commerce Infrastructure Limited
- (iii) Future Media (India) Limited
- (iv) Future Merchandising and Sourcing Pte. Ltd.
- (v) Future Supply Chain Solutions Limited (FSCSL) (Subsidiary of RTPL w.e.f. December 24, 2018)
- (vi) Futurebazaar India Limited
- (vii) Office Shop Private Limited (100% Subsidiary of Work Store Limited)
- (viii) Ritvika Trading Private Limited (RTPL) (w.e.f. November 19, 2018)
- (ix) Vulcan Express Private Limited (100% Subsidiary of FSCSL)
- (x) Work Store Limited

**B Associate Company**

- (i) Leanbox Logistics Solutions Private Limited (Associate of FSCSL)

**C Joint Venture Companies**

- (i) Apollo Design Apparel Parks Limited
- (ii) Future Generali India Insurance Company Limited
- (iii) Future Generali India Life Insurance Company Limited
- (iv) Goldmohur Design and Apparel Park Limited
- (v) Shendra Advisory Services Private Limited
- (vi) Sprint Advisory Services Private Limited

**D Enterprises over which Key Managerial Personnel are able to exercises significant influence**

- (i) Future Ideas Company Limited
- (ii) Future Retail Limited
- (iii) Future Lifestyle Fashions Limited
- (iv) Future Sharp Skills Limited
- (v) Retail Light Techniques India Limited

**E Entities Able to Exercise Significant Influence:**

- (i) Central Departmental Stores Private Limited
- (ii) Future Corporate Resources Private Limited (formerly known as Suhani Trading and Investment Consultants Private Limited)

**F Key Managerial Personnel**

- (i) Mr. Vijay Biyani
- (ii) Mr. Dinesh Maheshwari
- (iii) Mr. Deepak Tanna

**G Relatives of Key Managerial Personnel**

- (i) Mrs. Pravina Tanna

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 2. Transaction with Related Parties

(₹ in crore)

Nature of Transaction	Subsidiaries	Associates/ Joint Ventures	Key Managerial Personnel Exercise Significant Influence	Key Managerial Personnel/ Relatives
Sale of Goods and Services	- -	- (1.05)	<b>4,213.34</b> (3,076.99)	- -
Purchases of Goods and Services	<b>23.65</b> (17.52)	<b>381.24</b> (235.11)	<b>33.23</b> (3.05)	<b>0.03</b> -
Purchases of Fixed Assets	- -	- -	- (1.38)	- -
Managerial Remuneration	- -	- -	- -	<b>6.20</b> (5.44)
Dividend Received	<b>2.05</b> -	<b>2.46</b> (2.46)	- -	- -
Investment	<b>0.01</b> (1.20)	<b>52.54</b> (115.11)	- -	- -
Outstanding Balances as on March 31, 2019				
Receivable	<b>0.10</b> (17.45)	- -	<b>110.19</b> (373.93)	-
Payable	<b>3.17</b> (0.18)	<b>208.35</b> -	<b>132.84</b> -	- -

Note: Previous year figures are given in parenthesis.

### 3. Significant Related Party Transactions

- A Sale of Goods and Services and Fixed Assets includes Apollo Design Apparel Parks Limited ₹ Nil (2018: ₹ 0.01 crore), Future Retail Limited ₹ 3,838.14 crore (2018: ₹ 3,076.99 crore).
- B Purchases of Goods and Services includes Future Supply Chain Solutions Limited ₹ 23.56 crore (2018: ₹ 17.52 crore), Apollo Design Apparel Parks Limited ₹ 179.11 crore (2018: ₹ 97.89 crore), Goldmohur Design and Apparel Park Limited ₹ 199.23 crore (2018: ₹ 136.60 crore), Future Generali India Life Insurance Company Limited ₹ 0.24 crore (2018: ₹ 0.35 crore), Future Generali India Insurance Company Limited ₹ 2.67 crore (2018: ₹ 0.35 crore) Future Ideas Company Limited ₹ 0.18 (2018: ₹ 0.11 crore), Future Media (India) Limited ₹ Nil (2018: ₹ 0.18 crore), Future Retail Limited ₹ Nil (2018 : ₹ 4.32 crore), Galaxy Entertainment Corporation Limited ₹ Nil (2018 : 0.18 crore).
- C Managerial Remuneration includes Mr. Vijay Biyani ₹ 3.18 crore (2018: 2.68 crore), Mr. Dinesh Maheshwari ₹ 2.42 crore (2018: ₹ 2.24 crore). Key Managerial Remuneration Mr. Deepak Tanna ₹ 0.59 crore (2018: ₹ 0.52 crore).
- D Dividend Received includes Apollo Design Apparel Parks Limited ₹ 1.21 crore (2018: ₹ 1.21 crore), Goldmohur Design and Apparel Park Limited ₹ 1.25 crore (2018: ₹ 1.25 crore), Future Supply Chain Solutions Limited ₹ 2.05 crore (2018: ₹ Nil)
- E Investment includes Sprint Advisory Services Private Limited ₹ 25.76 crore (2018: ₹ 56.36 crore), Future Generali India Life Insurance Company Limited ₹ 26.78 crore (2018 : ₹ 58.75 crore), Future E-Commerce Infrastructure Limited ₹ Nil (2018 : 1.00 crore), Future Merchandising And Sourcing Pte. Limited ₹ Nil (2018 : ₹ 0.20 crore).

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 35. Joint Venture Companies Information

S. No.	Name of the Company	Description of Interest	Country of Incorporation	Percentage of Interest as on March 31, 2019	Percentage of Interest as on March 31, 2018
1	Apollo Design Apparel Parks Limited	Equity	India	39.00%	39.00%
2	Future Generali India Insurance Company Limited	Equity	India	25.51%	25.51%
3	Future Generali India Life Insurance Company Limited	Equity	India	7.77%	6.70%
4	Goldmohur Design and Apparel Park Limited	Equity	India	39.00%	39.00%
5	Sprint Advisory Services Private Limited	Equity	India	49.81%	49.81%
6	Shendra Advisory Services Private Limited	Equity	India	49.82%	49.82%

#### Company's Interest in the Joint Ventures

S. No.	Name of the Company	As on	Assets	Liabilities	Year ended on	Income	Expenditure
1	Apollo Design Apparel Parks Limited	March 31, 2019	50.79	5.20	March 31, 2019	85.77	80.70
2	Future Generali India Insurance Company Limited	March 31, 2019	1,407.24	1,190.47	March 31, 2019	810.19	784.19
3	Future Generali India Life Insurance Company Limited	March 31, 2019	332.55	312.77	March 31, 2019	111.06	125.75
4	Goldmohur Design and Apparel Park Limited	March 31, 2019	58.21	14.36	March 31, 2019	91.46	86.87
5	Sprint Advisory Services Private Limited	March 31, 2019	449.80	0.02	March 31, 2019	0.00	0.05
6	Shendra Advisory Services Private Limited	March 31, 2019	197.64	0.01	March 31, 2019	0.05	0.04

### 36. Earnings Per Share

Statement of Calculation of Basic and Diluted EPS is as under:

	Units	2018-19	2017-18
Profit After Tax	₹ in crore	24.02	(12.19)
The Weighted average number of Ordinary Shares for Basic EPS	No. in crore	45.42	48.13
The Weighted average number of Class B (Series 1) Shares for Basic EPS	No. in crore	3.94	3.94
The Weighted average number of Ordinary Shares for Diluted EPS	No. in crore	45.42	48.13
The Weighted average number of Class B (Series 1) Shares for Diluted EPS	No. in crore	3.94	3.94
The Nominal Value per Share (Ordinary and Class B Shares)	₹	2.00	2.00
Share of Profit for Ordinary Shares for Basic EPS	₹ in crore	21.96	(12.19)
Share of Profit for Class B (Series 1) Shares for Basic EPS	₹ in crore	2.06	-
Share of Profit for Ordinary Shares for Diluted EPS	₹ in crore	21.96	(12.19)
Share of Profit for Class B (Series 1) Shares for Diluted EPS	₹ in crore	2.06	-
Earnings Per Ordinary Share (Basic)		0.48	(0.25)
Earnings Per Class B (Series 1) Share (Basic)		0.52	(0.25)
Earnings Per Ordinary Share (Diluted)		0.48	(0.25)
Earnings Per Class B (Series 1) Share (Diluted)		0.52	(0.25)



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 37. Employee Stock Option Scheme

The company had received approval of the Board and Shareholders for issuance of 1,02,74,989 Equity Shares of ₹ 2 each for offering to eligible employees of the Company under Employee Stock Option Scheme (FEL ESOP 2012 & FEL ESOP 2015). During the year the Company has granted in aggregate 47,45,000 (2018- Nil) options out of which (i) 42,45,000 Options exercisable at a price of ₹21.60 each (ii) 5,00,000 Options exercisable at a price of ₹21.90 each plus all applicable taxes, as may be levied in this regard on the Company. The options to be granted, would vest over a maximum period of 3 years or such other period as may be decided by the Human Resources, Nomination and Remuneration Committee from the date of grant based on specified criteria.

Stock Option activity under the scheme is set out below:

	2018-19		2017-18	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	13,13,333	2	34,09,757	2
Number of options revised	-	2	-	2
Granted during the year	47,45,000	(21.60 and 21.90)	-	2
Forfeited / cancelled during the year	-	2	-	2
Exercised during the year	2,20,200	2	20,96,424	2
Expired during the year	-	-	-	-
Outstanding at the end of the year	58,38,133	2	13,13,333	2
Exercisable at the end of the year	58,38,133	2	13,13,333	2
Weighted average remaining contractual life of outstanding options (in years)	3.65		2.75	
Weighted average fair value of options granted ₹				
-On August 31, 2015 : ₹ 105.29				
-On November 07, 2016 : ₹ 15.66				
-On November 07, 2016 : ₹ 15.30				
-On December 12, 2016 : ₹ 14.31				
-On August 13, 2018 : ₹ 22.78				
-On February 05, 2019 : ₹ 23.29				

Method and Assumptions used to estimate the fair value of options granted during the previous year:

1. Date of Grant	February 05, 2019	August 13, 2018	November 07, 2016	November 07, 2016	August 31, 2015	August 31, 2015
2. Risk Free Interest Rate	7.20%	7.72%	6.57%	6.41%	7.68%	7.70%
3. Expected Life	3.65	3.65	2.75	Immediate Vesting	2.75	3.00
4. Expected Volatility	43.75%	44.03%	43.12%	47.00%	58.69%	58.78%
5. Dividend Yield	-	-	-	-	0.52%	0.52%
6. Price of the underlying share in market at the time of the option grant (₹)	38.23	37.40	16.64	17.30	115.00	115.00

### 38. Leases

The Company has entered into operating lease arrangements for fixed assets and premises. The future minimum lease rental obligation under non-cancellable operating leases payable not later than one year is ₹1.92 crore (2018: ₹ 13.60 crore), payable later than one year but not later than five year is ₹1.70 crore (2018: ₹ 8.40 crore) .

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 39. Details of dues to Micro, Small And Small Enterprises Development as defined under the MSMED Act, 2006

There are no Micro, Small and Medium Enterprises, to whom the company owes dues which are outstanding for more than 45 days during the year. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

### 40. Contingent Liabilities

Claims Against the Company Not Acknowledged as Debts, in respect of Income Tax ₹ 3.10 crore (2018: ₹ 0.54 crore), Value Added Tax ₹ 1.75 crore (2018 : ₹ 1.75 crore), Letter of Credit ₹ 143.06 crore (2018: ₹ 123.17 crore) and Other money for which the Company is Contingently Liable, Bank Guarantees Given ₹ 10 crore, Corporate Guarantees Given ₹ 5,752.00 crore (2018: ₹ 5,753.26 crore).

There are various labour, legal metrology, food adulteration and cases under other miscellaneous acts pending against the Company, the liability of which cannot be ascertained. However, management does not expect significant or material liabilities devolving on the Company.

41. The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of M/s. Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative issues related to the judgement which require clarification. Further Surya Roshni has filed a review petition with hon'ble Supreme Court which is pending for disposal Pending decision on the subject review petition and clarificatory directions from the EPFO, the impact, if any, is not ascertainable and consequently no effect has been given in the accounts.

### 42. Capital and Other Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 87.21 crore (2018: ₹ 95.89 crore).

43. The borrowing cost capitalised during the year ended March 31, 2019 was ₹ 56.47 crore (2018 : ₹ 46.53 crore).

### 44. Payment to the Auditor

	(₹ in crore)	
	2018-19	2017-18
Statutory Audit Fees	0.28	0.28
Certification & Consultation Fees	0.04	0.02
<b>Total</b>	<b>0.32</b>	<b>0.30</b>

### 45. Expenditure on Corporate Social Responsibilities

As per section 135 of the Companies Act, 2013 read with relevant rules thereon, the Company was required to spend ₹ Nil till FY 2018-19 on Corporate Social Responsibility (CSR) activities. Against it, the Company has during the year under review spent an amount of ₹ Nil towards CSR activities. In respect of CSR spending for the year under review, there are no amounts outstanding to be paid.

### 46. Security clause in respect to Secured Borrowings

#### (i) Non-Convertible Debentures

- ₹ 200.00 crore (2018: ₹ 200.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.25% per annum and are redeemable as per terms of issuance in FY 2020-21.
- ₹ Nil (2018 : ₹ 500.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.10% per annum.
- ₹ Nil (2018: ₹ 365.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.10% per annum.
- ₹ 35.00 crore (2018: ₹ 35.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.25% per annum and are redeemable as per terms of issuance in two installment as ₹ 14.00 crore in FY 2020-21 and ₹ 21.00 crore in FY 2021-22.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- e) ₹ 300.00 crore (2018: ₹ 400.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.25% per annum and are redeemable as per terms of issuance in two installments as ₹ 120.00 crore in FY 2020-21 and ₹ 180.00 crore in FY 2021-22.
- f) ₹ 450.00 crore (2018: ₹ 750.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.10% per annum and are redeemable fully as per terms of issuance in FY 2021-22.
- g) ₹ 197.50 crore (2018: ₹ 197.50 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.25% per annum and are redeemable as per terms of issuance in two installments as ₹ 104.00 crore in FY 2021-22 and ₹ 93.50 crore in FY 2022-23.
- h) ₹ 51.00 crore (2018: ₹ 51.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.75% per annum and are redeemable fully as per terms of issuance in FY 2021-22.
- i) ₹ 84.00 crore (2018: ₹ 84.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.80% per annum and are redeemable as per terms of issuance fully in FY 2023-24.
- j) ₹ 27.00 crore (2018: ₹ 27.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.50% per annum and are redeemable fully as per terms of issuance in FY 2021-22.
- k) ₹ 18.00 crore (2018: ₹ 18.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.55% per annum and are redeemable as per terms of issuance fully in FY 2023-24.
- l) ₹ 949.00 crore (2018: ₹ 949.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.60% per annum and are redeemable as per terms of issuance in two installments as ₹ 379.60 crore in FY 2021-22 and ₹ 569.40 crore in FY 2022-23.
- m) ₹ 94.00 crore (2018: ₹ 94.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.28% per annum and are redeemable as per terms of issuance fully in FY 2024-25.
- n) ₹ 26.00 crore (2018: ₹ 26.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.17% per annum and are redeemable as per terms of issuance fully in FY 2022-23.
- o) ₹ 88.00 crore (2018: ₹ 88.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 8.80% per annum and are redeemable as per terms of issuance fully in FY 2022-23.
- p) ₹ 162.00 crore (2018: ₹ 162.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 8.91% per annum and are redeemable as per terms of issuance fully in FY 2024-25.
- q) ₹ 150.00 crore (2018: ₹ 150.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.25% per annum and are redeemable as per terms of issuance in two installments as ₹ 60.00 crore in FY 2022-23 and ₹ 90.00 crore in FY 2023-24.
- r) ₹ 20.00 crore (2018: ₹ 20.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.40% per annum and are redeemable as per terms of issuance fully in FY 2022-23.
- s) ₹ 84.00 crore (2018: ₹ 84.00 crore) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.50% per annum and are redeemable as per terms of issuance fully in FY 2024-25.
- t) ₹ 150.00 crore (2018: ₹ 150.00 crore) are secured by Personal Guarantee of Promoters and Corporate Guarantee of Promoter Entity, carries coupon rate of 9.25% per annum and are redeemable as per terms of issuance in three installments as ₹ 45.00 crore in FY 2021-22, ₹ 45.00 crore in FY 2022-23 and ₹ 60.00 crore in FY 2023-24.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- u) ₹ 300.00 crore (2018: ₹ Nil) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 9.75% per annum and are redeemable as per terms of issuance in two installments as ₹ 120.00 crore in FY 2023-24 and ₹ 180.00 crore in FY 2024-25.
- v) ₹ 500.00 crore (2018: ₹ Nil) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.00% per annum and are redeemable as per terms of issuance fully in FY 2024-25.
- w) ₹ 300.00 crore (2018: ₹ Nil) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.15% per annum and are redeemable as per terms of issuance in two installments as ₹ 120.00 crore in FY 2023-24 and ₹ 180.00 crore in FY 2024-25.
- x) ₹ 500.00 crore (2018: ₹ Nil) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.50% per annum and are redeemable as per terms of issuance fully in FY 2021-22.
- y) ₹ 250.00 crore (2018: ₹ Nil) are secured by First Pari-Passu charge on Company's specific immovable properties and movable fixed assets, carries coupon rate of 10.60% per annum and are redeemable as per terms of issuance fully in FY 2024-25.
- z) NCD from Banks and Financial Institution of ₹ 1,310.00 crore are secured by Corporate Guarantee of Future Retail Limited.

### (ii) Term Loan from Banks

- a) ₹ 222.46 crore (2018 : ₹ 266.67 crore) are secured by First Pari-Passu charge on entire Fixed Assets of the company (present & future) except assets exclusively charged to other lenders.
- b) ₹ 336.22 crore (2018 : ₹ 347.47 crore) are secured by First Pari-Passu charge on tangible fixed assets (movable and immovable) present and future, of the company (excluding specific immovable properties).
- c) ₹ 486.94 crore (2018: ₹ 451.34 crore) are secured by First Pari-Passu charge on entire Fixed Assets of the company (present & future) excluding specific immovable properties.
- d) ₹ 99.96 crore (2018: ₹ Nil) are secured by First Pari-Passu charge on Tangible Fixed Assets (movable and immovable) present and future, of the company (excluding specific immovable properties). Lease rental receipts backed by guarantee from Future Retail Limited towards their lease obligation to pay Lease Rental to the company.

### (iii) Working Capital Loans from Banks

₹ 274.67 crore (2018 : ₹ 96.36 crore) are secured by (a) First Pari-Passu Charge on Current Assets (present and future) of the company (b) Second Pari-Passu Charge on the Tangible Fixed Assets (present and future) of the company (excluding specific immovable properties) and (c) Corporate Guarantee of Future Retail Limited (d) First Pari-Passu Charge on all piece and parcel of lease land situated in G-6 MIDC Industrial Area, Tarapur.

### (iv) Short Term Loan

₹ 100.00 crore (2018: ₹ Nil) are secured by Residual Charge on Tangible movable Fixed Assets and Current Assets, both present and future of the company.

- (v) Term Loans from Banks and other of ₹ 809.40 crore are secured by personal guarantee of promoter directors.
- (vi) Term Loans from Banks and Other of ₹ 1045.63 crore are secured by Corporate Guarantee of Future Retail Limited.
- (vii) Term Loans from Banks are repayable as follows: ₹ 166.25 crore in FY 2019-20, ₹ 241.25 crore in FY 2020-21, ₹ 287.46 crore in FY 2021-22, ₹ 274.97 crore in FY 2022-23, ₹ 138.19 crore in FY 2023-24, ₹ 30.00 crore in FY 2024-25 and ₹ 7.46 crore in FY 2025-26.
- (viii) Installments falling due in respect of all the above Loans (Term Loan & NCDs) upto 31.03.2020 aggregating ₹ 166.25 crore have been grouped under Current Maturities of Long-Term Borrowings.
- (ix) Weighted average rate of interest on the Term Loans is 10.34 % p.a. (2018: 10.61% p.a.)
- (x) Weighted average rate of interest on the Working Capital Loans from Banks is 10.22 % p.a.
- (xi) Unsecured Public Deposit issued of ₹ 44.30 crore. No. of Public Deposit issued 3,832 and deposit falling due upto March 31, 2020 aggregating to ₹ 6.43 crore

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

47. Pursuant to the Composite Scheme of Arrangement between the Future Enterprise Limited (the Company) and Bharti Retail Limited (now known as Future Retail Limited (FRL)) and their respective Shareholders and Creditors under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 2013 (the Scheme), the Shareholders and OCD holders of Bharti Group have agreed to share with the respective companies (i.e. The company and FRL) an upside on the realization out of the shares of the two companies, subject to certain broad terms and conditions. Further, the said transaction has been partially completed and amount received under this arrangement is shown a part of other Current liabilities.

### 48. Particulars of Loans, Guarantee and Investment under Section 186(4) of the Companies Act, 2013

(₹ in crore)						
S No.	Name	Purpose of Loan	Amount as at March 31, 2019 (Including Interest Accrued)	Maximum outstanding during the year	Amount as at March 31, 2018 (Including Interest Accrued)	Maximum outstanding during the Previous year
<b>A</b>	<b>Corporate Guarantee Given</b>					
I	Galaxy Cloud Kitchens Limited (Formerly Known as Galaxy Entertainment Corporation Limited)- For Axis Bank Limited	To secure credit facilities	2.00	Not Applicable	3.26	Not Applicable
II	Future Retail Limited for various borrowing facilities.	To secure credit facilities	5,750.00	Not Applicable	5,750.00	Not Applicable

### 49. Details of Miscellaneous Expenses

(₹ in crore)		
	2018-19	2017-18
Professional and Legal Fees	6.58	10.92
Travelling and Conveyance Expenses	7.46	7.13
Bank Charges	5.37	4.71
Labour Charges	3.36	0.12
Other Expenses	32.41	15.46
<b>Total</b>	<b>55.18</b>	<b>38.34</b>

As per our report of even date attached

#### For DMKH & CO.

Chartered Accountants  
FRN 116886W

#### Durgesh Kumar Kabra

Partner  
Membership No.: 044075

#### Mumbai

May 27, 2019

For and on behalf of Board of Directors

#### V. K. Chopra

Chairman & Director

#### Vijay Biyani

Managing Director

#### Haresh Chawla

Director

#### Bala Despande

Director

#### Anil Harish

Director  
(Goa)

#### Dinesh Maheshwari

Executive Director &  
Chief Financial Officer

#### Deepak Tanna

Company Secretary

## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
**FUTURE ENTERPRISES LIMITED**

### Report on the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of Future Enterprises Limited ("the Company"), its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), associates and Jointly Controlled Entities, which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other comprehensive income), the Consolidated statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the Consolidated Financial Statements, including summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates and Jointly Controlled Entities as at March 31, 2019, and consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements Section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and Jointly Controlled Entities, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our Audit
Valuation of Inventory Refer note no. 7 to the accompanying Consolidated Financial Statements We identified this matter as key in our audit due to the materiality of the value of inventories, and the numerous SKUs and high volume of movement in the inventory.	<p>Our Procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"><li>• Assessment of the design, implementation and operational effectiveness of the relevant controls in place in the inventory management and measurement process.</li><li>• Evaluation of the inventory costing methodology and valuation policy established by management, including compliance with the applicable accounting standard.</li><li>• Assessment of the inventory costing methodology and valuation policy maintained and applied in the IT system.</li><li>• Assessing the analysis and assessment made by the management with respect to slow moving and obsolete inventory.</li><li>• Verification of the determination of net realizable value on a representative sample basis</li></ul>



The Key Audit Matter	How the matter was addressed in our Audit
Accounting for Lease Rental Income Lease rental income amounted to Rs. 742.97 Crore for the year ended 31 March 2019, Generally lease revenue is recognised net of discount, in accordance with the terms of lease contracts over the lease term on a straight line basis using a standard IT system. Also there are few lease arrangements where revenue recognition is not subject to straight line basis depending on the nature of the lease arrangements and performance of the lease. There is an inherent risk around the accuracy of the revenue recorded given the complexity of the IT system and impact of the terms of lease agreements to the revenue recognition.	Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. We performed test of controls, assisted by our IT specialists, over revenue recognition with specific focus on whether lease income is recorded over the lease term on a straight line basis or other applicable basis as per the terms of the lease contract. We performed tests of details, on a sample basis, to review the case contracts entered into with the customers to assess whether lease income recorded is as per the contract terms and also to identify any non-standard lease clauses and to assess the appropriateness of the rental income accounting. We assessed the completeness of lease rental income recorded during the year through matching the data used in the revenue recognition to the approved lease agreements with the customers. We also performed detailed substantive analytical procedures of case rental income and the timing of its recognition.

#### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate

Governance and Shareholders Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matter stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Jointly Controlled Entities and an Associate Company in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group and of its Jointly Controlled Entities and an Associate Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Jointly Controlled Entities and Associate Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group and of its Jointly Controlled Entities and an Associate Company are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



The respective Board of Directors of the Companies included in the Group and of its Jointly Controlled Entities and an Associate Company are also responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibility for the audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company and its subsidiary companies which are incorporated in India and abroad, has adequate internal financial controls systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements.

Materiality is the magnitude of misstatement in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we may have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

We did not audit the Financial Statements of the ten subsidiaries whose Financial Statements reflect total assets of Rs. 1242.98 Crore as at March 31, 2019, total revenues of Rs. 1531.86 Crore for the year ended on that date as considered in the Consolidated Financial Statements. These Financial Statements and the other financial information have been audited by other auditors whose report has been furnished to us by the Management, and our opinion on the consolidated results to the extent they have been derived from such Financial Statements is based solely on the other auditor's report.

The Consolidated Financial Statements also includes the Group's share of profit after tax of 14.47 Crore for the year

ended March 31, 2019, as considered in the Consolidated Financial Statements, in respect of Jointly Controlled Entities, whose financial statement 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 other disclosures included in respect of these subsidiaries and associate, and our reporting terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the auditors.

We have relied on the unaudited Financial Statements of two Jointly Controlled Entities whose Financial Statements reflect the Group's share of profit of 6.12 Crore for the year ended on that date. These unaudited Financial Statements are approved by the respective Board of Directors of these Companies and have been furnished to us by the management and our report in so far as it relates to amounts included in respect of this Jointly Controlled Entities are based solely on such approved unaudited Financial Statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statements.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the IND AS specified under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and the reports of the

statutory auditors of its Subsidiary Companies and Jointly Controlled Entities and associates Companies incorporated in India, None of the Directors of these entities is disqualified as on March 31, 2019 from being appointed as a Director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of internal Financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditors' reports of the subsidiary companies, associate companies and jointly controlled companies. Our report expresses and unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its Jointly Controlled Entities and an Associate Company – Refer Note 43 to the Consolidated Financial Statements.
- ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts in case of Subsidiary Companies, Jointly Controlled Entities and Associate Companies which were required to be transferred to Investor Education and Protection Fund.

**For DMKH & CO.**  
Chartered Accountants  
FRN: 116886W

**Durgesh Kumar Kabra**  
Partner

Place : Mumbai  
Date : May 27, 2019

Membership No. 044075

## Annexure – A to the Independent Auditors' Report

### Report on the Internal Financial Controls Over Financial Reporting under Clause (I) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the Consolidated Financial Statement of Future Enterprises Limited ("The Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") its associates and jointly control entities as at and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of the Holding Company and its Subsidiary Companies, its jointly control entities and associates incorporated in India, as at that date.

#### Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company and its Subsidiary Companies, which are Companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the Consolidated Financial Statement, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company, its subsidiaries, associates and jointly controlled entities internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statement for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statement in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorization of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

#### Inherent Limitation of Internal Financial Controls Over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility

of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedure may deteriorate.

### Opinion

In our opinion, the Company and its Subsidiary Companies, which are Companies incorporated in India and abroad have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit

of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India (ICAI).

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Financial Statements of 10 Subsidiary Companies, 6 Joint Ventures entities and 1 Associates are based on the corresponding reports of the auditors of such Companies.

**For DMKH & CO.**

Chartered Accountants

FRN: 116886W

**Durgesh Kumar Kabra**

Partner

Place : Mumbai

Date : May 27, 2019

Membership No. 044075

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

	Note No.	As At March 31, 2019	(₹ in crore) As At March 31, 2018
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
Property, Plant and Equipment	2	7,206.24	6,756.15
Capital Work-in-Progress	2	597.48	585.20
Intangible Assets	2	216.89	2.72
Financial Assets			
Investments	3	956.69	855.90
Loans	4	178.05	205.97
Other Financial Assets	5	56.08	0.39
Other Non-Current Assets	6	528.86	231.32
<b>Total Non-Current Assets</b>		<b>9,740.29</b>	<b>8,637.65</b>
<b>2. Current Assets</b>			
Inventories	7	1,261.77	1,097.30
Financial Assets			
Investments	8	0.01	9.55
Trade Receivables	9	896.15	777.21
Cash and Cash Equivalents	10	141.41	102.29
Bank Balances Other than The Above	11	26.05	30.16
Loans	12	52.02	19.45
Other Financial Assets	13	57.44	23.27
Other Current Assets	14	907.50	759.72
<b>Total Current Assets</b>		<b>3,342.35</b>	<b>2,818.95</b>
<b>Total Assets</b>		<b>13,082.64</b>	<b>11,456.60</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	15	98.71	98.67
Instruments Entirely Equity In Nature	16	15.40	15.40
Other Equity	17	4,173.32	3,936.57
<b>Total Equity</b>		<b>4,287.43</b>	<b>4,050.64</b>
<b>Liabilities</b>			
<b>1. Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	18	6,152.64	5,340.87
Other Financial Liabilities	19	624.26	559.94
Provisions	20	12.94	12.56
Deferred Tax Liabilities (Net)		36.86	74.17
<b>Total Non-Current Liabilities</b>		<b>6,826.70</b>	<b>5,987.54</b>
<b>2. Current Liabilities</b>			
Financial Liabilities			
Borrowings	21	392.10	354.56
Trade Payables	22		
Due to Micro, Small and Medium Enterprises		27.38	14.28
Due to Others		958.35	741.36
Other Financial Liabilities	23	460.51	276.48
Provisions	24	8.05	1.65
Other Current Liabilities	25	122.11	27.41
Current Tax Liabilities (Net)		-	2.68
<b>Total Current Liabilities</b>		<b>1,968.51</b>	<b>1,418.42</b>
<b>Total Equity and Liabilities</b>		<b>13,082.64</b>	<b>11,456.60</b>

The accompanying notes are an integral part of the financial statements.

1-47

As per our report of even date attached

For and on behalf of Board of Directors

**For DMKH & CO.**

Chartered Accountants  
FRN 116886W

**Durgesh Kumar Kabra**

Partner  
Membership No.: 044075

**Mumbai**

May 27, 2019

**V. K. Chopra**

Chairman & Director

**Bala Despande**

Director

**Deepak Tanna**

Company Secretary

**Vijay Biyani**

Managing Director

**Anil Harish**

Director  
(Goa)

**Haresh Chawla**

Director

**Dinesh Maheshwari**

Executive Director &  
Chief Financial Officer

# STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in crore)

	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>INCOME</b>			
Revenue From Operations	26	5,983.14	5,103.09
Other Income	27	81.82	183.23
<b>Total Income</b>		<b>6,064.96</b>	<b>5,286.32</b>
<b>EXPENSES</b>			
Cost of Materials and Services Consumed	28	961.30	556.95
Purchase of Stock-In-Trade	29	3,289.14	3,226.95
Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	30	(158.69)	(215.73)
Employee Benefits Expense	31	234.13	179.58
Finance Costs	32	597.62	577.79
Depreciation and Amortization Expense	2	815.58	725.21
Other Expenses	33	192.85	180.30
<b>Total Expenses</b>		<b>5,931.93</b>	<b>5,231.05</b>
<b>Profit Before Share of Profit From Associate and Joint Ventures</b>		<b>133.03</b>	<b>55.27</b>
Share of Profit From Associate and Joint Ventures		20.63	9.36
<b>Profit Before Tax</b>		<b>153.66</b>	<b>64.63</b>
<b>Tax Expense</b>			
(1) Current Tax		-	25.91
(2) Deferred Tax		(21.78)	(1.02)
<b>Profit For The Year</b>		<b>175.44</b>	<b>39.74</b>
<b>Attributable To :</b>			
Equity Holders of The Parent		144.96	6.90
Non-Controlling Interest		30.48	32.84
<b>Other Comprehensive Income For The Year</b>			
Other Comprehensive Income	34	13.26	21.20
Share of OCI from Associate and Joint Ventures		0.64	(6.78)
<b>Total Other Comprehensive Income For The Year</b>		<b>13.90</b>	<b>14.42</b>
<b>Attributable To :</b>			
Equity Holders of The Parent		13.90	14.40
Non-Controlling Interest		-	0.02
<b>Total Comprehensive Income For The Year</b>		<b>189.34</b>	<b>54.16</b>
<b>Earnings Per Equity Share of Face Value of ₹ 2/- each</b>	40		
Basic - Equity Share		2.93	0.13
Basic - Class B (Series 1) Share		2.97	0.17
Diluted - Equity Share		2.93	0.13
Diluted - Class B (Series 1) Share		2.97	0.17
The accompanying notes are an integral part of the financial statements.	1-47		

As per our report of even date attached

## For DMKH & CO.

Chartered Accountants  
FRN 116886W

## Durgesh Kumar Kabra

Partner  
Membership No.: 044075

## Mumbai

May 27, 2019

For and on behalf of Board of Directors

## V. K. Chopra

Chairman & Director

## Bala Deshpande

Director

## Deepak Tanna

Company Secretary

## Vijay Biyani

Managing Director

## Anil Harish

Director  
(Goa)

## Haresh Chawla

Director

## Dinesh Maheshwari

Executive Director &  
Chief Financial Officer



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(₹ in crore)

	As At March 31, 2019	As At March 31, 2018
<b>(A) EQUITY SHARE CAPITAL</b>		
Opening Balance	98.67	94.57
Change During The Year		
Issue of Equity Shares Under Employee Stock Option Scheme	0.04	0.42
Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	-	3.69
Closing Balance	98.71	98.67
<b>(B) INSTRUMENTS ENTIRELY EQUITY IN NATURE</b>		
<b>Preference Share Capital</b>		
Opening Balance	15.40	23.53
Change During The Year		
Purchase (Redemption) of Preference Shares	-	(8.13)
Closing Balance	15.40	15.40
<b>OTHER EQUITY</b>		
<b>Retained Earnings</b>		
Opening Balance	336.00	286.13
Profit For The Year	144.96	6.90
Adjustment on Account of Subsidiary	(59.70)	38.92
Adjustment on Account of Associate/Joint Venture	-	1.22
Dividend on Equity Shares	(2.78)	(9.61)
Transferred to Debenture Redemption Reserve	(49.02)	-
Tax on Dividend	-	(1.96)
Other Comprehensive Income/(Loss) For The Year	13.90	14.40
Closing Balance	383.36	336.00
<b>Capital Reserve</b>		
Opening Balance	0.00	0.00
Adjustment / Restatement on Account of Subsidiary	17.14	0.00
Closing Balance	17.14	0.00
<b>Securities Premium</b>		
Opening Balance	2,987.02	2,891.63
Change During The Year		
Issue of Equity Shares	0.34	3.28
Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	-	92.11
Closing Balance	2,987.36	2,987.02



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(₹ in crore)

	As At March 31, 2019	As At March 31, 2018
<b>Share Options Outstanding Account</b>		
Opening Balance	3.79	2.79
Change During The Year		
Expense on Employee Stock Option Scheme	7.34	4.28
Exercise of Stock Options	(0.34)	(3.27)
Less : Transfer to Securities Premium on Exercise of ESOP	(0.76)	-
Closing Balance	10.03	3.79
<b>Equity Component of Optionally Convertible Debentures</b>		
Opening Balance	-	1.27
Change During The Year		
Conversion of Optionally Convertible Debentures (Equity Component)	-	(1.27)
Closing Balance	-	-
<b>Capital Reserve on Consolidation</b>	41.40	8.06
<b>Non - Controlling Interest</b>		
Opening Balance	202.53	124.36
Change During The Year	75.99	78.17
Closing Balance	278.52	202.53
<b>Debenture Redemption Reserve</b>		
Opening Balance	268.13	268.13
Add : Transfer From Profit & Loss Account	49.02	-
Closing Balance	317.15	268.13
<b>Promoter Equity Contribution</b>		
Opening Balance	20.21	13.68
Change During The Year		
Personal Guarantees By Promoters	7.34	6.53
Closing Balance	27.55	20.21
<b>General Reserve</b>		
Opening Balance	110.82	110.82
Transfer During The Year	-	-
Closing Balance	110.82	110.82
<b>TOTAL OTHER EQUITY</b>	<b>4,173.32</b>	<b>3,936.57</b>

As per our report of even date attached

**For DMKH & CO.**

Chartered Accountants  
FRN 116886W

**Durgesh Kumar Kabra**

Partner  
Membership No.: 044075

**Mumbai**

May 27, 2019

For and on behalf of Board of Directors

**V. K. Chopra**

Chairman & Director

**Bala Deshpande**

Director

**Deepak Tanna**

Company Secretary

**Vijay Biyani**

Managing Director

**Anil Harish**

Director  
(Goa)

**Haresh Chawla**

Director

**Dinesh Maheshwari**

Executive Director &  
Chief Financial Officer

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in Crore)

		Year Ended March 31, 2019	Year Ended March 31, 2018
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit Before Tax	133.03	55.27
	<b>Adjusted for :</b>		
	Depreciation and Amortization Expense	815.58	725.21
	Expense on Employee Stock Option Scheme	7.34	4.28
	Finance Costs	597.62	577.79
	Dividend Income	(0.00)	(0.00)
	(Profit) on Sale of Investments	(48.87)	(145.36)
	Loss on Disposal/Discard of Fixed Assets (Net)	5.13	29.80
	Interest Income	(25.97)	(29.67)
	Allowances For Bad and Doubtful Debts	3.75	2.25
		1,354.58	1,164.30
		1,487.61	1,219.57
	<b>Operating Profit Before Working Capital Changes</b>		
	<b>Adjusted for :</b>		
	Trade and Other Receivables	(122.69)	(176.09)
	Inventories	(164.47)	(214.45)
	Other Financial Assets and Other Assets	(463.26)	146.40
	Trade and Other Payables	230.09	113.86
	Other Financial Liabilities, Other Liabilities and Provisions	244.45	(51.01)
		(275.86)	(181.30)
	<b>Cash Generated From Operations</b>	1,211.75	1,038.28
	Share in Profit/(Loss) of Joint Ventures and Associate Company	30.48	(32.84)
	Share in Minority Interest	75.99	78.17
	Adjustment on Account of Associate/Joint Venture Include in Consolidation	-	1.22
	Adjustment on Account of Subsidiary Include in Consolidation	(59.70)	38.92
	Taxes Paid	72.71	(10.17)
	<b>Net Cash Flow From Operating Activities</b>	1,124.85	1,113.58
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant and Equipment	(1,497.25)	(1,661.23)
	Sale of Investments	40.35	442.88
	Interest Received	25.97	29.67
	<b>Net Cash Used In Investing Activities</b>	(1,430.92)	(1,188.68)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in Crore)

		Year Ended March 31, 2019	Year Ended March 31, 2018
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds From Borrowings	938.97	589.74
	Proceeds From Issue of Share Capital	6.62	101.49
	Redemption of Preference Shares	-	(8.12)
	Dividend Paid (Including Dividend Distribution Tax)	(2.78)	(11.57)
	Interest Paid	(597.62)	(577.79)
	<b>Net Cash From Financing Activities</b>	<b>345.19</b>	<b>93.75</b>
	<b>Net Increase /(Decrease) In Cash And Cash Equivalents (A+B+C)</b>	<b>39.12</b>	<b>18.65</b>
	Net Increase /(Decrease) In Cash And Cash Equivalents	39.12	18.65
	Cash and Cash Equivalents At Beginning of The Year	102.29	83.64
	<b>Cash and Cash Equivalents At End of The Year</b>	<b>141.41</b>	<b>102.29</b>

As per our report of even date attached

**For DMKH & CO.**

Chartered Accountants  
FRN 116886W

**Durgesh Kumar Kabra**

Partner  
Membership No.: 044075

**Mumbai**

May 27, 2019

For and on behalf of Board of Directors

**V. K. Chopra**

Chairman & Director

**Vijay Biyani**

Managing Director

**Haresh Chawla**

Director

**Bala Despande**

Director

**Anil Harish**

Director  
(Goa)

**Dinesh Maheshwari**

Executive Director &  
Chief Financial Officer

**Deepak Tanna**

Company Secretary

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. Company Overview And Significant Accounting Policies

### 1.1 Overview

Future Enterprises Limited ('the company or parent') is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956 on October 12, 1987. The Company, its Subsidiaries, Joint Ventures and Associate collectively refer to as a 'Group'.

The Group engaged in the business of manufacturing, trading, leasing of assets, logistics services and joint ventures with Life and Non Life Insurance services.

The Group has its registered office at Mumbai, Maharashtra, India. The Group has its primary listings on the National Stock Exchange of India Limited and BSE Limited.

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 27, 2019.

### 1.2 Basis of Preparation and Presentation

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention method on accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

### 1.3 Basis of Consolidation

The Group consolidate entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Group, it controlled its subsidiaries, associates and joint venture.

Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-Group balances and transactions including unrealised gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

Associates are entities over which the Group has significant influence but not control. Investments in associates and joint ventures are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates and joint ventures includes goodwill identified on acquisition.

### 1.4 Use of Estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

### 1.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building	: 30 years
Plant and Equipment	: 15 years
Office Equipment*	: 3 to 6 years
Furniture And Fixture	: 10 years
Electrical Installation and Equipment	: 10 years
Vehicles	: 10 years
Leasehold Improvement*	: Lease term or 15 Years, whichever is lower

\*Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

### 1.6 Intangible Assets

Intangible assets are stated at acquisition cost and other cost incurred, which is attributable to preparing the asset for its intended use, less accumulated amortization and accumulated impairment losses, if any. The cost of intangible assets acquired in a business combination is recorded at fair value on the date of acquisition. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life not exceeding ten years and assessed for impairment whenever there is an indication that the Intangible assets may be impaired. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 1.7 Goodwill

Goodwill on acquisition of Subsidiaries and Joint Ventures is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

### 1.8 Impairment of Assets

#### (i) Financial Assets

The Group recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in such case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit and loss.

### (ii) Non-Financial Assets

#### (a) Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

## 1.9 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

## 1.10 Financial instruments

### (i) Initial Recognition and Measurement

The Group recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised on the trade date.

### (ii) Subsequent Measurement

#### a) Non-Derivative Financial Instruments

##### (i) Financial Assets Carried At Amortized Cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### (ii) Financial Assets At Fair Value Through Other Comprehensive Income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

##### (iii) Investments in Associates and Joint Venture

Investments in Associates and Joint Venture are carried at cost.

##### (iv) Financial Assets at Fair Value Through Profit or Loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### (v) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### b) Derivative Financial Instruments

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

#### (i) Financial Assets or Liabilities, at Fair Value Through Profit or Loss.

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/ liabilities if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

#### (ii) Derecognition of Financial Instruments

The Group derecognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

### 1.11 Current Versus Non-Current Classification

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is considered as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### 1.12 Measurement of Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Input for the asset or liability that are not based on observable market data (unobservable inputs).

### 1.13 Inventories

Inventories are valued at lower of cost or net realizable value. Inventories of traded goods are valued at lower of cost or net realizable value. Finished Goods and Work-in-Progress include cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are computed on weighted average basis.

### 1.14 Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

Post-employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognised in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effect of any plan amendments are recognised in the statement of profit and loss.

### 1.15 Share-Based Payment

The Group recognizes compensation expense relating to share-based payments in statement of profit and loss, using fair-value. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

### 1.16 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

### 1.17 Business Combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

consideration. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

### 1.18 Revenue recognition

Revenue is recognised on a fair value basis to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

(i) Sale of goods

Revenue from sale of goods is recognised, when significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It also includes excise duty and excludes value added tax and Goods and Service Tax (GST). It is measured at fair value of consideration received or receivable, net of returns and allowances.

(ii) Revenue from Sale of Services

Revenue from Sale of services are recognised as they are rendered based on arrangements with the customers.

(iii) Lease Income

Lease agreements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals are recognised on straight - line basis as per the terms of the agreements in the statement of profit or loss.

(iv) Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

(v) Dividend Income

Dividend income is recognised when the Group's right to receive the payment is established.

### 1.19 Foreign Currency Transactions

(i) Functional Currency

Consolidated financial statements of the Group's are presented in Indian Rupees (₹), which is also the functional currency.

(ii) Transactions and Translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gain and losses are presented in the statement of profit and loss on net basis within other gains/ (losses).

### 1.20 Leases

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### 1.21 Taxes on Income

Income tax comprises current and deferred income tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent there is reasonable certainty that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### 1.22 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

### 1.23 Borrowing Costs

Borrowing costs, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use, are capitalised as part of the cost of the respective asset. All other borrowing costs are charged in the period, in which they occur in the statement of profit and loss.

### 1.24 Application of new and revised standards

#### Ind AS 116- Leases:

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in IND AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 2 Property, Plant And Equipment

(₹ in crore)

Tangible Assets	Freehold Land	Leasehold Land	Leasehold Improve-ment	Building	Plant and Machinery	Computer	Office Equipment	Furniture and Fix-tures	Vehicle	Total	Capital Work-in-Progress
<b>Cost :</b>											
<b>As At April 1st, 2018</b>	4.83	28.87	1,864.75	7.53	1,506.98	32.27	311.85	4,929.36	10.06	8,696.50	585.20
Additions	-	0.49	250.56	-	193.76	37.59	43.50	756.13	0.18	1,282.21	-
Disposals / Transfers		0.30	6.28	-	0.26	0.35	4.46	9.01	1.31	21.97	-
Less : Asset Held For Sale											-
<b>As At March 31, 2019</b>	4.83	29.06	2,109.03	7.53	1,700.48	69.51	350.90	5,676.48	8.93	9,956.75	585.20
<b>Accumulated Depreciation :</b>		-	-	-	-	-	-	-	-	-	-
<b>As At April 1st, 2018</b>	-	11.89	246.41	0.48	241.74	15.64	155.98	1,263.82	4.49	1,940.44	-
Depreciation Charged For The Year		8.66	117.89	0.20	105.47	6.73	45.84	526.10	1.52	812.42	-
Disposals / Transfers		0.16	0.78		0.09	0.33	0.09	0.32	0.58	2.36	-
<b>As At March 31, 2019</b>	-	20.39	363.52	0.68	347.12	22.04	201.73	1,789.60	5.42	2,750.50	-
<b>Net Book Value</b>											
<b>As At March 31, 2019</b>	4.83	8.66	1,745.51	6.85	1,353.36	47.47	149.17	3,886.88	3.51	7,206.25	597.48
As At March 31, 2018	4.83	16.98	1,618.34	7.05	1,265.24	16.63	155.88	3,665.54	5.58	6,756.07	585.20

### Other Intangible Assets

	Computer Software	Brands / Trademarks	Total	Intangible Assets under Development
<b>Cost</b>				
<b>As At April 1st, 2018</b>	9.54	0.29	9.83	
Additions	0.89	216.44	217.33	-
Disposals / Transfers	-	-	-	-
<b>As At March 31, 2019</b>	10.43	216.73	227.16	-
<b>Accumulated Amortisation</b>				
<b>As At April 1st, 2019</b>	6.87	0.24	7.11	-
Amortisation Charged For The Year	1.02	2.14	3.16	-
Disposals / Transfers			-	-
<b>As At March 31, 2019</b>	7.89	2.38	10.27	-
<b>Net Book Value</b>				
<b>As At March 31, 2019</b>	2.54	214.35	216.89	-
As At March 31, 2018	2.67	0.05	2.72	-

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 3 Non-Current Financial Assets-Investments

(₹ in crore)

	As At March 31, 2019	As At March 31, 2018
<b>Quoted Investments</b>		
<b>Investment in Equity Instruments</b>		
<b>Others</b>		
100 (15,00,00,000) Equity Shares of Future Consumer Limited of ₹ 6/- each (Formerly Known as Future Consumer Enterprise Limited)	0.00	0.01
49,37,935 Equity Shares of Galaxy Cloud Kitchens Limited (Formerly Known as Galaxy Entertainment Corporation Limited)	19.34	8.39
<b>Associate</b>		
<b>Investment in Equity Instruments</b>		
<b>Unquoted Investments</b>		
Investment in Equity Instruments		
1,78,500 Equity Share of ₹ 10 Each of Leanbox Logistics Solutions Pvt Ltd.	4.93	8.71
<b>Joint Ventures</b>		
22,03,500 Equity Shares of Apollo Design Apparel Parks Limited	92.48	88.09
20,65,50,000 Equity Shares of Future Generali India Insurance Company Limited	204.32	173.56
11,64,61,781 (5,77,15,020) Equity Shares of Future Generali India Life Insurance Company Limited	79.87	67.61
22,81,500 Equity Shares of Goldmohur Design and Apparel Park Limited	88.41	84.32
24,86,05,660 (19,22,47,809) Equity Shares of Sprint Advisory Services Private Limited	272.72	247.01
11,18,44,321 Equity Shares of Shendra Advisory Services Private Limited	110.86	110.86
<b>Others</b>		
6,30,000 9% Redeemable Preference Shares of Praxis Home Retail Limited of ₹100/- each	-	-
19,833 Convertible Debentures of ₹10 Each of Leanbox Logistics Solutions Pvt Ltd.	1.00	1.00
38,00,000 (NIL) Compulsory Convertible Debentures of ₹ 30/- each of Galaxy Cloud Kitchens Limited (Formerly Known as Galaxy Entertainment Corporation Limited)	11.40	-
<b>Non - Trade Investments Paid Up of ₹10/- each Unless Otherwise Stated</b>		
<b>Equity Instruments</b>		
<b>Unquoted</b>		
<b>Others</b>		
48,281 Equity Shares of Foot-Mart Retail India Limited	0.08	0.08
Less: Provision	(0.08)	(0.08)
47,71,037 Equity Shares of Pan India Food Solutions Limited	5.38	5.38
5,79,771 Equity Shares of Planet Retail Holdings Private Limited	3.13	3.13
7,11,74,377 (NIL) partly paid Equity Shares of Livquik Technology (India) Private Limited of ₹ 1/- each	5.00	-
<b>Investment in Government or Other Securities</b>		
<b>Quoted</b>		
2,00,000 9% Bonds of Mahindra & Mahindra Financial Services Limited	31.13	31.13
200 8.45% Bonds of Bajaj Finance Ltd	20.13	20.13
60 8.75% Bonds of Bajaj Finance Ltd	6.07	6.07
<b>Unquoted</b>		
National Saving Certificates (Deposited with Sales Tax Authorities)	0.05	0.07
LIC Mutual Fund Liquid Plan	0.47	0.43
50 (NIL) Equity Shares of Saraswat Co-Operating Bank Limited	0.00	0.00
	<b>956.69</b>	<b>855.90</b>
<b>Note:</b>		
Investment Carried At Fair Value Through Other Comprehensive Income		
<b>Aggregate Amount of Quoted Investments</b>	<b>76.68</b>	<b>65.74</b>
<b>Market Value of Quoted Investments</b>	<b>76.68</b>	<b>8.40</b>
<b>Aggregate Amount of Unquoted Investments</b>	<b>1,075.78</b>	<b>790.16</b>
<b>Aggregate Amount of Diminution in Value of Investments</b>	<b>0.08</b>	<b>0.08</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crore)

		As At March 31, 2019	As At March 31, 2018
<b>4</b>	<b>Non-Current Financial Asset - Loans</b>		
	Others Unsecured, Considered Good	178.05	205.97
		178.05	205.97
<b>5</b>	<b>Non-Current Financial Assets - Others</b>		
	Deposit with Banks	56.08	0.39
		56.08	0.39
<b>6</b>	<b>Other - Non Current Assets</b>		
	<b>Capital Advances</b>		
	Others Unsecured, Considered Good	227.95	26.13
	<b>Others</b>		
	Others Unsecured, Considered Good*	300.91	205.19
	Doubtful	0.23	0.23
	Less: Provisions	(0.23)	(0.23)
	(* Includes Balances with Government Authorities.)		
		528.86	231.32
<b>7</b>	<b>Inventories</b>		
	Raw Material	1.76	1.48
	Work-in-Progress	6.11	5.96
	Stock-in-Trade	1,253.90	1,089.86
		1,261.77	1,097.30
<b>8</b>	<b>Current Financial Asset - Investments</b>		
	<b>Quoted Investments</b>		
	Investment in Mutual Fund	-	9.55
	National Saving Certificate	0.01	-
		0.01	9.55
<b>9</b>	<b>Trade Receivables (Refer Note No. 35)</b>		
	Unsecured, Considered Good	896.15	784.66
	Unsecured, Considered Doubtful	9.53	0.95
	Less: Provision For Doubtful Debts	(0.71)	(0.95)
	Less: Allowance For Credit Losses	(8.82)	(7.45)
		896.15	777.21

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crore)

		As At March 31, 2019	As At March 31, 2018
<b>10</b>	<b>Cash And Cash Equivalents</b>		
	Balances with Banks	141.14	101.11
	Cheque on Hand	0.25	-
	Cash on Hand	0.02	1.18
		141.41	102.29
<b>11</b>	<b>Bank Balance Other Than The Above</b>		
	<b>Dividend Account</b>	0.88	0.34
	Deposits with Banks*	25.17	29.82
		26.05	30.16
	*Held as margin money or security against the Borrowings, Guarantees and other Commitments.		
<b>12</b>	<b>Current Financial Assets - Loans</b>		
	<b>Unsecured , Considered Good</b>	39.02	-
	Inter-Corporate Deposits	13.00	12.50
		52.02	12.50
	<b>Security Deposits :</b>		
	Unsecured, Considered Good	-	6.95
	Unsecured, Considered Doubtful	-	0.05
	Less: Allowance For Bad and Doubtful Advances	-	(0.05)
		-	6.95
		52.02	19.45
<b>13</b>	<b>Current Financial Assets - Others</b>		
	Balances with Government Authorities	0.06	1.36
	Other Advances	3.54	0.03
	Deposits	53.83	11.22
	<b>Others</b>		
	Secured, Considered Good	0.01	-
	Unsecured, Considered Good	-	0.01
	Doubtful	1.07	11.68
	Less: Provisions	(1.07)	(1.03)
		57.44	23.27
<b>14</b>	<b>Other Current Assets</b>		
	Insurance Claim Receivables	0.81	0.73
	Income Accrued / Interest Accrued But Not Received	3.59	2.63
	Other Advances #	903.10	756.36
		907.50	759.72

#Includes Advance to Suppliers, Prepaid Expenses etc.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 15 Share Capital

	As at March 31, 2019		As at March 31, 2018	
	Number	(₹ in crore)	Number	(₹ in crore)
<b>Authorised</b>				
Equity Shares of ₹ 2/- each	60,00,00,000	120.00	60,00,00,000	120.00
Equity Shares of Class B (Series 1) of ₹ 2/- each	5,00,00,000	10.00	5,00,00,000	10.00
Preference Shares of ₹100/- each	-	-	-	-
	65,00,00,000	130.00	65,00,00,000	130.00
<b>Issued *</b>				
Equity Shares of ₹ 2/- each	45,43,13,146	90.86	45,40,92,946	90.82
Equity Shares of Class B (Series 1) of ₹ 2/- each	3,93,83,172	7.88	3,93,83,172	7.88
	49,36,96,318	98.74	49,34,76,118	98.70
<b>Subscribed and Paid up *</b>				
Equity Shares of ₹ 2/- each	45,42,17,268	90.84	45,39,97,068	90.80
Equity Shares of Class B (Series 1) of ₹2/- each	3,93,74,679	7.87	3,93,74,679	7.87
	49,35,91,947	98.71	49,33,71,747	98.67

\*Refer Note No 15 (v)

#### (i) Reconciliation of Number of shares

Equity Share of ₹2/- each

Particulars	As at March 31, 2019	As at March 31, 2018
	Number of Shares	Number of Shares
<b>Opening Balance</b>	45,39,97,068	43,34,59,836
Add : Shares Issued*	2,20,200	20,96,424
Add : Shares issued on conversion of Optionally Convertible Debentures into Equity Shares	-	1,84,40,808
<b>Closing Balance</b>	45,42,17,268	45,39,97,068

\* 2,20,200 (2018 : 20,96,424) equity shares of ₹ 2/- each issued pursuant to exercise of employees stock options scheme

Equity Shares of Class B (Series 1) of ₹2/- each

Particulars	As at March 31, 2019	As at March 31, 2018
	Number of Shares	Number of Shares
<b>Opening Balance</b>	3,93,74,679	3,93,74,679
Shares Issued	-	-
<b>Closing Balance</b>	3,93,74,679	3,93,74,679

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### (ii) Terms/Rights Attached to Equity Shares

The Company has Equity Shares having a par value of ₹ 2/- each at the Balance Sheet Date. Equity Shares have been further classified in to Equity Shares carrying normal voting and dividend rights (Ordinary Shares) and Equity Shares carrying differential voting and dividend rights Class B (Series 1) Shares.

Each holder of Ordinary Shares, is entitled to one vote per member in case of voting by show of hands and one vote per Ordinary Shares held in case of voting by poll/ballot. Each holder of Equity Share is also entitled to normal dividend (including interim dividend, if any) as may declared by the company.

Each holder of Class B (Series 1) Shares, is entitled to one vote per member in case of voting by show of hands and three vote per four Class B (Series 1) shares held in case of voting by poll/ballot. Each holder of Class B (Series 1) Share is also entitled to 2% additional dividend in addition to normal dividend (including interim dividend, if any) as may declared by the company. Further, the Company may declare dividend only for Class B (Series 1) Share up to 2% without declaring any dividend for Equity Shares. All other rights would be same for both classes of Equity Shares.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by shareholder.

### (iii) The Company does not have any holding Company.

### (iv) Shares in the Company held by each shareholder holding more than 5 percent shares and number of Shares held are as under:

Name of Shareholders	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares</b>				
Central Departmental Stores Private Limited	20,01,11,430	39.18	17,78,61,430	39.18
Cedar Support Services Limited	-	-	6,19,19,069	13.64
Bennett, Coleman and Company Limited	5,89,09,916	12.97	-	-
Future Corporate Resources Private Limited (Formerly Known as Suhani Trading and Investment Consultants Private Limited)	2,78,20,408	6.13	2,78,20,408	6.13
Brand Equity Treaties Limited	2,49,99,999	5.51	2,49,99,999	5.51
<b>Equity Shares of Class B (Series 1)</b>				
Central Departmental Stores Private Limited	2,54,41,753	64.61	2,54,41,753	64.61
Future Corporate Resources Private Limited (Formerly Known as Suhani Trading and Investment Consultants Private Limited)	28,79,503	7.31	28,79,503	7.31

### (v) Pursuant to the provisions of the Companies Act, 1956 and Companies Act 2013, the issue of equity shares are kept in abeyance.

- 11,400 Equity Shares of Rights Issue of 2006.
- 84,478 Equity Shares of Rights Issue of 2015.
- 8,493 Equity Shares of Class B (Series 1) of Rights Issue of 2015.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crore)

		As At March 31, 2019	As At March 31, 2018
<b>16</b>	<b>Instruments Entirely Equity In Nature</b>		
	<b>Preference Share Capital</b>		
	<b>Opening Balance</b>	<b>15.40</b>	23.53
	Change During The Year		
	Purchase (Redemption) of Preference Shares	-	(8.13)
	<b>Closing Balance</b>	<b>15.40</b>	<b>15.40</b>
<b>17</b>	<b>Other Equity</b>		
	<b>Retained Earnings</b>		
	<b>Opening Balance</b>	<b>336.00</b>	286.13
	Profit For The Year	<b>144.96</b>	6.90
	Adjustment / Restatement on Account of Subsidiary	<b>(59.70)</b>	38.92
	Adjustment on Account of Associate/Joint Venture	-	1.22
	Transferred to Debenture Redemption Reserve	<b>(49.02)</b>	-
	Proposed Dividend on Equity Shares	<b>(2.78)</b>	(9.61)
	Tax on Dividend	-	(1.96)
	Other Comprehensive Income/(Loss) For The Year	<b>13.90</b>	14.40
	<b>Closing Balance</b>	<b>383.36</b>	<b>336.00</b>
	<b>Capital Reserve</b>		
	<b>Opening Balance</b>	<b>0.00</b>	0.00
	Adjustment/Restatement on Account of Subsidiary	<b>17.14</b>	0.00
	<b>Closing Balance</b>	<b>17.14</b>	<b>0.00</b>
	<b>Securities Premium</b>		
	<b>Opening Balance</b>	<b>2,987.02</b>	2,891.63
	Change During The Year		
	Add : Premium received during the Year	-	-
	Issue of Equity Shares	<b>0.34</b>	3.28
	Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	-	92.11
	<b>Closing Balance</b>	<b>2,987.36</b>	<b>2,987.02</b>
	<b>Share Options Outstanding Account</b>		
	<b>Opening Balance</b>	<b>3.79</b>	2.79
	Change During The Year		
	Expense on Employee Stock Option Scheme	<b>7.34</b>	4.28
	Exercise of Stock Options	<b>(0.34)</b>	(3.27)
	Less: Transfer to Securities Premium on exercise of ESOP	<b>(0.76)</b>	-
	<b>Closing Balance</b>	<b>10.03</b>	<b>3.79</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crore)

	As At March 31, 2019	As At March 31, 2018
<b>Equity Component of Optionally Convertible Debentures</b>		
Opening Balance	-	1.27
Change During The Year		
Issue of Optionally Convertible Debentures (Equity Component)	-	(1.27)
Closing Balance	-	-
<b>Capital Reserve on Consolidation</b>	<b>41.40</b>	<b>8.06</b>
<b>Non - Controlling Interest</b>		
Opening Balance	202.53	124.36
Change During the Year	75.99	78.17
Closing Balance	278.52	202.53
<b>Debenture Redemption Reserve</b>		
Opening Balance	268.13	268.13
Add : Transfer from Profit & Loss Account	49.02	-
Closing Balance	317.15	268.13
<b>Promoter Equity Contribution</b>		
Opening Balance	20.21	13.68
Change During The Year		
Personal Guarantees By Promoters	7.34	6.53
Closing Balance	27.55	20.21
<b>General Reserve</b>		
Opening Balance	110.82	110.82
Transfer During The Year	-	-
Closing Balance	110.82	110.82
<b>TOTAL OTHER EQUITY</b>	<b>4,173.32</b>	<b>3,936.56</b>

### Nature and Purpose of Reserves :

#### a) Securities Premium Reserve

Securities Premium Reserve is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and Company can use this reserve for buy-back of shares.

#### b) Capital Reserve

Capital Reserve reflect amounts arising out of adjustment pursuant to giving effect to various schemes of arrangements.

#### c) Debenture Redemption Reserve

Debenture Redemption Reserve is created out of profits of the company and is to be utilised to redemption of Debentures only

#### d) General Reserve

The General Reserve is mainly created/built by the Company from time to time by transferring the profits from retained earnings. This reserve can be utilised for various purposes in compliance with applicable provisions of the Companies Act, 2013 and rules made there under

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crore)

		As At March 31, 2019	As At March 31, 2018
<b>18</b>	<b>Non-Current Financial Liabilities - Borrowings</b>		
	<b>Secured Loans</b>		
	Non Convertible Debentures	5,129.94	4,324.89
	Long Term Loan From Banks / Others	1,022.67	1,015.98
	<b>Unsecured Loans</b>		
	Non Convertible Debentures	2.03	-
	Compulsory Convertible Debenture	1.00	-
		6,152.64	5,340.87
<b>19</b>	<b>Non-Current - Financial Liabilities - Others</b>		
	Deposits Received From Others	624.26	559.94
		624.26	559.94
<b>20</b>	<b>Non-Current Liabilities - Provisions</b>		
	Long Term Provision For Employee Benefits	12.94	12.56
		12.94	12.56
<b>21</b>	<b>Current Financial Liabilities - Borrowings</b>		
	<b>Secured</b>		
	Term Loans From Banks	100.00	-
	Working Capital Loans and Others	292.10	354.56
		392.10	354.56
<b>22</b>	<b>Current Financial Liabilities - Trade Payables</b>		
	Trade Payables		
	Due to Micro, Small and Medium Enterprises	27.38	14.28
	Due to Others	958.35	741.36
		985.73	755.64
<b>23</b>	<b>Current - Other Financial Liabilities</b>		
	Current Maturities of Long-Term Borrowings	166.25	76.60
	Current Maturities of Public Deposits	6.43	-
	Interest Accrued But Not Due on Borrowings	225.50	141.58
	Unclaimed Dividend*	0.27	0.34
	Other Payables #	62.06	57.96
		460.51	276.48
	* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund .		
	# Includes Statutory Dues, Security Deposits, Creditors for Capital Expenditure, Advance from Customers, etc.		
<b>24</b>	<b>Current Provisions</b>		
	Short Term Provision For Employee Benefits	0.58	1.65
	Other Provisions	7.47	-
		8.05	1.65
<b>25</b>	<b>Other Current Liabilities</b>		
	Advance From Customers	2.13	1.94
	Employee Related Liabilities	1.39	-
	Other Payables *	118.59	25.47
	*Other Payables includes Statutory Dues, Deferred Interest etc.	122.11	27.41

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crore)

		Year Ended March 31, 2019	Year Ended March 31, 2018
<b>26</b>	<b>Revenue From Operations</b>		
	Sale of Products	4,198.98	3,696.09
	Sale of Services	1,229.77	799.03
	Less : VAT, Sales Tax, GST	(189.79)	(152.87)
	Other Operating Revenues	744.18	760.84
		<b>5,983.14</b>	<b>5,103.09</b>
<b>27</b>	<b>Other Income</b>		
	Interest Income	25.97	29.67
	Profit on Sale of Investment	48.87	145.36
	Excess Provisions/Liabilities Written Back	1.02	2.36
	Miscellaneous Income	5.96	5.84
		<b>81.82</b>	<b>183.23</b>
<b>28</b>	<b>Cost of Materials Consumed</b>		
	Cost of Materials and Services Consumed	961.30	556.95
		<b>961.30</b>	<b>556.95</b>
<b>29</b>	<b>Purchases of Stock-In-Trade</b>		
	Purchases of Stock-In-Trade	3,289.14	3,226.95
		<b>3,289.14</b>	<b>3,226.95</b>
<b>30</b>	<b>Changes In Inventories of Work-In-Progress And Stock- In-Trade</b>		
	<b>Changes in Inventories of and Work-In-Progress :</b>		
	<b>Closing Inventory :</b>		
	Work-in-Progress	6.11	5.96
	Stock-In-Trade	1,248.37	1,089.65
		<b>1,254.48</b>	<b>1,095.61</b>
	<b>Opening Inventory :</b>		
	Work-in-Progress	5.96	4.24
	Stock-In-Trade	1,089.83	875.64
		<b>1,095.79</b>	<b>879.88</b>
		<b>(158.69)</b>	<b>(215.73)</b>
<b>31</b>	<b>Employee Benefits Expense</b>		
	Salaries, Wages and Bonus	211.53	165.13
	Contribution to Provident and Other Funds	8.99	6.12
	Employee Stock Option Expense	7.34	4.28
	Staff Welfare Expenses	6.27	4.05
		<b>234.13</b>	<b>179.58</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crore)

		Year Ended March 31, 2019	Year Ended March 31, 2018
<b>32</b>	<b>Finance Costs</b>		
	Interest Expense	<b>593.51</b>	574.85
	Other Borrowing Costs	<b>4.11</b>	2.94
		<b>597.62</b>	<b>577.79</b>
<b>33</b>	<b>Other Expenses</b>		
	Power and Fuel	<b>24.23</b>	13.59
	Rent including Lease Rentals	<b>25.74</b>	22.89
	Repairs and Maintenance	<b>14.52</b>	11.85
	Insurance	<b>5.56</b>	4.82
	Rates and Taxes	<b>6.26</b>	3.40
	Labour Charges	<b>0.36</b>	0.44
	Advertisement and Marketing	<b>0.60</b>	1.44
	Loss on Disposal / Discard of Fixed Assets (Net)	<b>5.13</b>	29.80
	Provision For Doubtful Debts / Advances	<b>0.99</b>	0.10
	Allowance For Credit Loss	<b>2.76</b>	2.14
	Sundry Balances Written Off	<b>0.07</b>	0.10
	Corporate Social Responsibility Expenses	<b>1.27</b>	1.82
	Exchange Fluctuation Loss / (Gain) (Net)	<b>6.31</b>	(1.90)
	Miscellaneous Expenses	<b>99.05</b>	89.81
		<b>192.85</b>	<b>180.30</b>
<b>34</b>	<b>Other Comprehensive Income</b>		
	Re-measurement Gains/ (Losses) on Defined Benefit Plans	<b>2.27</b>	(0.20)
	Fair Value Changes on Investment	<b>10.99</b>	21.40
		<b>13.26</b>	<b>21.20</b>



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 35 Financial Risk Management

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the managing board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including loans and borrowings, foreign currency receivables and payables.

The Group manage market risk through treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and borrowing strategies.

#### (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is not exposed to significant interest rate risk as at the respective reporting dates.

#### (ii) Foreign Currency Risk

The Group are exposed to exchange fluctuation risk for its purchase from overseas suppliers in various foreign currencies.

The Group follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposures to foreign currency risk.

The following table analysis foreign currency risk from financial instruments as of:

	(₹ in crore)	
	2018-19	2017-18
Trade Payables	3.30	114.02
Trade Receivables	11.15	3.57

#### (iii) Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹896.15 crore and ₹771.21 crore as of March 31, 2019 and March 31, 2018 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grant credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Group's historical experience for customers.

#### (iv) Liquidity Risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. Typically the Group ensure that it has sufficient cash on demand to meet expected operational expenses and servicing of financial obligations.

	(₹ in crore)	
	2018-19	2017-18
Short-Term Borrowings	392.10	354.56
Trade Payables	985.73	755.64
Other Financial Liabilities	460.51	276.48

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### (v) Financial Instruments Valuation

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

- The fair value of quoted investment is measured at quoted price or NAV.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair value measurement hierarchy:

(₹ in crore)

Particulars	As At March 31, 2019			As At March 31, 2018		
	Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Trade Receivables	896.15	-	-	777.21	-	-
Cash and Bank Balances	167.47	-	-	132.46	-	-
Loans	230.06	-	-	225.42	-	-
Other Financial Assets	113.51	-	-	23.66	-	-
<b>At FVTOCI</b>						
Investments	102.12	93.08	9.04	84.31	75.28	9.03
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Borrowings	6,544.75	-	-	5,695.43	-	-
Trade Payables	985.73	-	-	755.64	-	-
Other Financial Liabilities	1,084.77	-	-	836.42	-	-

The financial instruments are categorised into two levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

### (vi) Capital Management

For the purpose of the Group capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group capital management is to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crore)

	March 31, 2019	March 31, 2018
Borrowings	6,544.75	5,695.43
Trade Payables	985.73	755.64
Other Payables	1,206.90	863.83
Less: Cash and Cash Equivalents	167.47	132.46
<b>Net Debt</b>	<b>8,569.91</b>	<b>7,182.44</b>
Equity	98.71	98.67
Other Equity	4,173.29	3,936.57
<b>Total Capital</b>	<b>4,272.01</b>	<b>4,035.24</b>
<b>Capital and Net Debt</b>	<b>12,841.92</b>	<b>11,217.68</b>
<b>Gearing Ratio</b>	<b>67%</b>	<b>64%</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and March 31, 2018.

### 36. Deferred Tax Expense

(₹ in crore)

	2018-19	2017-18
Unused Tax Losses	187.07	234.93
Accelerated Depreciation for Tax Purpose	(226.74)	(312.23)
Other items giving rise to temporary differences	2.81	3.13
Deferred tax asset / (liability)	(36.86)	(74.17)

### 37. Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group's operations predominantly relate to manufacturing, trading and leasing of assets. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

(₹ in crore)

Particulars	2018-19	2017-18
<b>1 Segment Revenue</b>		
Manufacturing and Trading	4,010.40	3,544.67
Leasing and Others	742.97	759.39
Logistics	1,229.77	799.03
Revenue from Operations	5,983.14	5,103.09

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crore)

Particulars	2018-19	2017-18
<b>2 Segment Results</b>		
Manufacturing and Trading	596.80	402.27
Leasing and Others	87.15	65.53
Logistics	76.95	93.02
Less :		
Finance Costs	597.62	577.79
Net Unallocated Income (Net)	9.62	(81.61)
Total Profit Before Tax	153.66	64.63
<b>3 Segment Assets</b>		
Manufacturing and Trading	2,350.76	1,723.97
Leasing and Others	7,225.00	6,771.89
Logistics	1,126.34	736.42
Unallocated	2,380.54	2,224.33
Total Assets	13,082.64	11,456.60
<b>4 Segment Liabilities</b>		
Manufacturing and Trading	815.15	495.42
Leasing and Others	720.51	620.19
Logistics	353.84	285.69
Unallocated	49.80	91.05
Total Liabilities	1,939.29	1,492.35

### 38 Related Party Disclosures

Disclosure as required by Ind AS 24 "Related Party Disclosures" are given below:

#### (i) List of Related Parties

##### A Subsidiary Companies

- (i) Bluerock eServices Private Limited
- (ii) Future E-Commerce Infrastructure Limited
- (iii) Future Media (India) Limited
- (iv) Future Merchandising and Sourcing Pte. Ltd.
- (v) Future Supply Chain Solutions Limited (FSCSL) (Subsidiary of RTPL w.e.f. December 24, 2018)
- (vi) Futurebazaar India Limited
- (vii) Office Shop Private Limited (100% Subsidiary of Work Store Limited)
- (viii) Ritvika Trading Private Limited (RTPL) (w.e.f. November 19, 2018)
- (ix) Vulcan Express Private Limited (100% Subsidiary of FSCSL)
- (x) Work Store Limited

##### B Associate Company

- (i) Leanbox Logistics Solutions Private Limited (Associate of FSCSL)

##### C Joint Venture Companies

- (i) Apollo Design Apparel Parks Limited
- (ii) Future Generali India Insurance Company Limited

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- (iii) Future Generali India Life Insurance Company Limited
- (iv) Goldmohur Design and Apparel Park Limited
- (v) Shendra Advisory Services Private Limited
- (vi) Sprint Advisory Services Private Limited

### **D Enterprises over which Key Managerial Personnel are able to exercises significant influence**

- (i) Future Ideas Company Limited
- (ii) Future Retail Limited
- (iii) Future Lifestyle Fashions Limited
- (iv) Future Sharp Skills Limited
- (v) Retail Light Techniques India Limited

### **E Entities Able to Exercise Significant Influence:**

- (i) Central Departmental Stores Private Limited
- (ii) Future Corporate Resources Private Limited (formerly known as Suhani Trading and Investment Consultants Private Limited)

### **F Key Managerial Personnel**

- (i) Mr. Vijay Biyani
- (ii) Mr. Dinesh Maheshwari
- (iii) Mr. Deepak Tanna

### **G Relatives of Key Managerial Personnel**

- (i) Mrs. Pravina Tanna

## **(2) Transaction with Related Parties**

(₹ in crore)

<b>Nature of Transaction</b>	<b>Associates/Joint Ventures</b>	<b>Key Management Personnel Exercise Significant Influence</b>	<b>Key Management Personnel/Relatives</b>
Sale of Goods and Services	- (1.05)	<b>3,838.14</b> (3,076.99)	- -
Purchases of Goods and Services	<b>384.92</b> (235.11)	<b>0.18</b> (3.05)	<b>0.03</b> -
Purchases of Fixed Assets	- -	- (1.38)	- -
Managerial Remuneration	- -	- -	<b>6.20</b> (5.44)
Dividend Received	<b>2.46</b> (2.46)	- -	- -
Investment	<b>52.54</b> (115.11)	- -	- -
Outstanding Balances as on March 31, 2019	-		-
Receivable	- -	<b>405.73</b> (373.93)	- -
Payable	<b>208.35</b> -	- -	- -

*Note:* Previous year figures are given in parenthesis.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### (iii) Significant Related Party Transactions

- A Sale of Goods and Services and Fixed Assets includes Apollo Design Apparel Parks Limited ₹ NIL (2018: ₹ 0.01 crore), Future Retail Limited ₹ 3838.14 crore (2018: ₹ 3076.99 crore).
- B Purchases of Goods and Services and Fixed Assets includes Apollo Design Apparel Parks Limited ₹ 179.11 crore (2018 : ₹ 97.89 crore), Goldmohur Design and Apparel Park Limited ₹ 203.15 crore (2018: ₹ 136.60 crore), Future Generali India Life Insurance Company Limited ₹ 0.23 crore (2018: ₹ 0.35 crore), Future Ideas Company Limited ₹ 0.18 crore (2018 : ₹ 0.11 crore), Galaxy Entertainment Corporation Limited ₹ NIL (2018 - ₹ 0.18 crore), Future Retail Limited ₹ NIL (2018 : ₹ 1.61 crore).
- C Managerial Remuneration includes Mr. Vijay Biyani ₹ 3.18 crore (2018: ₹ 2.68 crore), Mr. Dinesh Maheshwari ₹ 2.42 crore (2018: ₹ 2.24 crore), Key Managerial Personnel includes Mr. Deepak Tanna ₹ 0.59 crore (2018: ₹ 0.52 crore).
- D Dividend Received includes Apollo Design Apparel Parks Limited ₹ 1.21 crore (2018: ₹ 1.21 crore), Goldmohur Design and Apparel Park Limited ₹ 1.25 crore (2018: ₹ 1.25 crore).
- E Investment includes Sprint Advisory Services Private Limited ₹ 25.76 crore (2018: ₹ 56.36 crore), Future Generali India Life Insurance Company Limited ₹ 26.78 (2018: ₹ 58.75 crore).

### 39. Interest In Other Entities

#### Subsidiary Companies :

S. No.	Name of the Company	Description of Interest	Country of Incorporation	Percentage of Interest as on March 31, 2019	Percentage of Interest as on March 31, 2018
1	Futurebazaar India Limited	Equity	India	100.00%	100.00%
2	Future Media (India) Limited	Equity	India	93.10%	93.10%
3	Future Supply Chain Solutions Limited	Equity	India	51.22%*	51.22%
4	Future E-Commerce Infrastructure Limited	Equity	India	86.71%	86.71%
5	Office Shop Private Limited	Equity	India	61.67%#	61.67%
6	Work Store Limited	Equity	India	61.67%	61.67%
7	Bluerock eServices Private Limited	Equity	India	100.00%	100.00%
8	Future Merchandising and Sourcing Pte. Ltd	Equity	Foreign	100.00%	100.00%
9	Ritvika Trading Private Limited	Equity	India	100.00%	0.00%
10	Vulcan Express Private Limited	Equity	India	51.22%\$	51.22%

\* Held by Ritvika Trading Private Limited

# Held by Work Store Limited

\$ Held by Future Supply Chain Solutions Limited

#### Joint Venture Companies Information :

Sr. No	Name of the Company	Description of Interest	Country of Incorporation	Percentage of Interest as on March 31, 2019	Percentage of Interest as on March 31, 2018
1	Apollo Design Apparel Parks Limited	Equity	India	39.00%	39.00%
2	Future Generali India Insurance Company Limited	Equity	India	25.51%	25.51%
3	Future Generali India Life Insurance Company Limited	Equity	India	7.77%	6.70%
4	Goldmohur Design and Apparel Park Limited	Equity	India	39.00%	39.00%
5	Sprint Advisory Services Private Limited	Equity	India	49.81%	49.81%
6	Shendra Advisory Services Private Limited	Equity	India	49.82%	49.82%

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Company's Interest in the Joint Ventures :

(₹ in crore)

Particulars	As At March 31, 2019	As At March 31, 2018
Assets	2,496.24	2,049.27
Liabilities	1522.82	1,132.56
Income	1098.53	923.11
Expenditure	1077.61	905.67

### Associate Company Information :

Sr. No.	Name of the Company	Description of Interest	Country of Incorporation	Percentage of Interest as on March 31, 2019	Percentage of Interest as on March 31, 2018
1	Leanbox Logistics Private Limited#	Equity	India	25.61%	25.61%

# Associate of Future Supply Chain Solutions Limited

### 40. Earnings Per Share

Statement of Calculation of Basic and Diluted EPS is as under:

(₹ in crore)

	Units	2018-19	2017-18
Profit for the Year attributable to Equity Holders	₹ in crore	144.94	6.90
Weighted average number of Ordinary Shares for Basic EPS	No. in crore	45.42	45.39
Weighted average number of Class B (Series 1) Shares for Basic EPS	No. in crore	3.94	3.94
Weighted average number of Ordinary Shares for Diluted EPS	No. in crore	45.42	45.39
Weighted average number of Class B (Series 1) Shares for Diluted EPS	No. in crore	3.94	3.94
The Nominal Value per Share (Ordinary and Class B Shares)	₹	2	2.00
Share of Profit for Ordinary Shares for Basic EPS	₹ in crore	133.22	6.20
Share of Profit for Class B (Series 1) Shares for Basic EPS	₹ in crore	11.71	0.70
Share of Profit for Ordinary Shares for Diluted EPS	₹ in crore	133.22	6.20
Share of Profit for Class B (Series 1) Shares for Diluted EPS	₹ in crore	11.71	0.70
Earnings Per Ordinary Share (Basic)	₹	2.93	0.14
Earnings Per Class B (Series 1) Share (Basic)	₹	2.97	0.18
Earnings Per Ordinary Share (Diluted)	₹	2.93	0.14
Earnings Per Class B (Series 1) Share (Diluted)	₹	2.97	0.18

### 41. Leases

The Group (consist subsidiary companies) has entered into operating lease arrangements for fixed assets and premises. The future minimum lease rental obligation under non-cancellable operating leases payable not later than one year is ₹ 68.00 crore(2018: ₹ 43.63 crore), payable later than one year but not later than five year is ₹ 129.74 crore (2018: ₹ 81.19 crore) and payable later than five years is ₹ 30.77 crore (2018: ₹ 15.18 crore).



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

42. For Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:

Name of the Entities in the Group	2018-19							
	Net Assets (Total Assets minus Total Liabilities)		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount (₹ in Crore)	As a % of Consolidated Profit	Amount (₹ in Crore)	As a % of Consolidated Profit	Amount (₹ in Crore)	As a % of Consolidated Profit	Amount (₹ in Crore)
Future Enterprises Limited	97.93%	3,958.25	77.35%	95.92	94.86%	12.57	79.04%	108.50
Subsidiaries								
Future E-Commerce Infrastructure Limited	-0.95%	(38.56)	0.58%	0.72	0.00%	-	0.53%	0.72
Futurebazaar India Limited	-0.03%	(1.32)	0.65%	0.80	0.00%	-	0.58%	0.80
Future Media (India) Limited	-0.04%	(1.54)	-0.08%	(0.09)	0.00%	-	-0.07%	(0.09)
Future Supply Chain Solutions Limited	7.08%	286.03	25.41%	31.52	4.68%	0.62	23.41%	32.14
Work Store Limited (Formerly Known as a Staples Future Office Products Limited )	1.09%	43.91	0.78%	0.97	0.36%	0.05	0.74%	1.02
Office Shop Private Limited	-0.32%	(12.98)	-0.50%	(0.62)	0.00%	-	-0.45%	(0.62)
Bluerock eServices Private Limited	-0.54%	(21.65)	-0.42%	(0.51)	0.00%	-	-0.37%	(0.51)
Future Merchandising and Sourcing Pte. Ltd	0.00%	0.12	-0.04%	(0.05)	0.10%	0.01	-0.02%	(0.03)
Ritvika Trading Private Limited	-0.00%	(0.11)	-0.10%	(0.13)	0.00%	-	-0.09%	(0.13)
<b>Subtotal</b>		<b>4,212.16</b>		<b>128.53</b>		<b>13.26</b>		<b>141.78</b>
Intercompany Elimination and Consolidation Adjustments	-4.21%	(170.27)	-3.64%	(4.52)			-3.29%	(4.52)
<b>Total</b>		<b>4,041.89</b>		<b>124.01</b>		<b>13.26</b>		<b>137.27</b>
Non - Controlling Interest		278.52		0.32		-		0.32
Associates (Investment as per Equity Method)								
Leanbox Logistics Solutions Pvt Ltd.		(1.40)		(1.11)		-		(1.11)
<b>Joint Ventures (Investment as per Equity Method)</b>								
Apollo Design Apparel Parks Limited		18.69		3.25		0.02		3.26
Goldmohur Design and Apparel Park Limited		17.97		2.91		0.00		2.91
Future Generali India Insurance Company Limited		(2.23)		30.32		0.44		30.76
Future Generali India Life Insurance Company Limited		(63.37)		(14.69)		0.17		(14.52)
Sprint Advisory Services Private Limited		(1.65)		(0.05)		-		(0.05)
Shendra Advisory Services Private Limited.		(0.99)		0.00		-		0.00
<b>Grand Total</b>		<b>4,287.44</b>		<b>144.96</b>		<b>13.90</b>		<b>158.86</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 43. Contingent Liabilities

Claims Against the Group Not Acknowledged as Debts, In respect of Income Tax ₹ 3.10 Crore (2018: ₹ 0.54 Crore), Value Added Tax ₹ 5.56 Crore (2018: ₹ 5.56 Crore), Service Tax ₹ 3.92 Crore (2018 : ₹ 3.92 Crore) Others ₹ NIL (2018: ₹ 0.06 Crore), Letter of Credit ₹ 143.06 Crore (2018: ₹ 123.17 Crore) and Other money for which the Company is Contingently Liable, Corporate Guarantees Given ₹ 5,752.00 Crore (2018: ₹ 5,753.26 Crore).

Share in the Contingent Liabilities of Associate Company and Joint Ventures ₹ 6.22 Crore (2018: ₹ 40.96 Crore).

There are various labour, legal metrology, food adulteration and cases under other miscellaneous acts pending against the Group, the liability of which cannot be ascertained. However, management does not expect significant or material liability devolving on the Group.

### 44. Capital and Other Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 124.76 Crore (2018: ₹ 115.17 Crore).

### 45. Payment to the Auditor (Inclusive of Goods & Service Tax)

(₹ in Crore)

	2018-19	2017-18
Statutory Audit Fees	0.62	0.63
Certification & Other Expenses	0.04	0.32
<b>Total</b>	<b>0.66</b>	<b>0.95</b>

46. The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of M/s. Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative issues related to the judgement which require clarification. Further Surya Roshni has filed a review petition with hon'ble Supreme Court which is pending for disposal Pending decision on the subject review petition and clarificatory directions from the EPFO, the impact, if any, is not ascertainable and consequently no effect has been given in the accounts.

47. Pursuant to the Composite Scheme of Arrangement between the Future Enterprise Limited (the Company) and Bharti Retail Limited (now known as Future Retail Limited (FRL)) and their respective Shareholders and Creditors under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 2013 (the Scheme), the Shareholders and OCD holders of Bharti Group have agreed to share with the respective companies (i.e. The company and FRL) an upside on the realization out of the shares of the two companies, subject to certain broad terms and conditions. Further, the said transaction has been partially completed and amount received under this arrangement is shown a part of other Current liabilities.

As per our report of even date attached

For and on behalf of Board of Directors

**For DMKH & CO.**

Chartered Accountants  
FRN 116886W

**Durgesh Kumar Kabra**

Partner  
Membership No.: 044075

**Mumbai**

May 27, 2019

**V. K. Chopra**

Chairman & Director

**Bala Deshpande**

Director

**Deepak Tanna**

Company Secretary

**Vijay Biyani**

Managing Director

**Anil Harish**

Director  
(Goa)

**Haresh Chawla**

Director

**Dinesh Maheshwari**

Executive Director &  
Chief Financial Officer

## Form NO. AOC. 1

**Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures (Pursuant to the first proviso to sub-section (3) of Section 125 read with rule of Companies (Accounts) Rules, 2014)**

### Part "A" : Subsidiaries

(₹ in Crore)

Sl. No.	Name of Subsidiary Companies	Date of becoming Subsidiary	Reporting Period of the Subsidiary Concerned, if different from the Holding Company reporting Period	Report- ing Cur- rency	Share Capi- tal	Re- serve & Sur- plus	Total Assets	Total Liabili- ties	Invest- ment (ex- clud- ing invest- ment in sub- sidi- aries)	Rev- enue From Opera- tions	Profit Be- fore Taxa- tion	Pro- vi- sion for Taxa- tion	Profit after Taxa- tion	Pro- posed Divi- dend	% of Share- holding
1	Future Media (India) Limited	March 8 , 2006	March 31, 2019	INR	29.41	(27.81)	9.78	8.19	-	-	(0.10)	-	(0.10)	-	93.10 %
2	Futurebazaar India Limited	August 17, 2006	March 31, 2019	INR	19.16	(20.48)	0.26	1.58	-	101.60	0.80	-	0.80	-	100 %
3	Future E-Commerce Infrastructure Limited	May 25, 2007	March 31, 2019	INR	50.98	(89.54)	2.74	41.30	-	100.40	0.83	-	0.83	-	86.71%
4	Bluerock e-Services Private Limited	April 16, 2016	March 31, 2019	INR	22.45	(44.10)	1.13	22.78	-	-	(.51)	-	(.51)	-	100%
5	Work Store Limited	February 8, 2013	March 31, 2019	INR	5.61	65.59	85.03	13.83	-	87.29	1.58	-	1.58	-	61.67%
6	Office Shop Private Limited*	February 8, 2013	March 31, 2019	INR	0.01	(21.05)	0.66	21.70	-	.19	(1.01)	-	(1.01)	-	61.67%
7	Future Merchandising Pte. Ltd.	July 3, 2017	March 31, 2019	SGD \$	.20	(.08)	0.16	0.04	-	-	(.04)	-	(.04)	-	100%
8	Ritvika Trading Private Limited	November 19, 2018	March 31, 2019	INR	.01	(.12)	14.69	14.80	-	-	(0.13)	-	(0.13)	-	100%
9	Future Supply Chain Solutions Limited <sup>s</sup>	December 24 , 2018	March 31, 2019	INR	40.08	560.27	1183.92	583.57	10.00	1112.77	96.38	-	65.16	-	51.22%
10	Vulcan Express Private Limited <sup>#</sup>	February 2, 2018	March 31, 2019	INR	15.06	(17.53)	2.18	4.66	-	2.94	(1.64)	-	(1.64)	-	51.22%

*Note* : Revenue from Operations excludes Other Income

\* 100% subsidiary of Work Store Limited

# 100% subsidiary of Future Supply Chain Solutions Limited

\$ Future Supply Chain Solutions Limited Subsidiary of Ritvika Trading Private Limited w.e.f. December 24, 2018

## Part B : Associate and Joint Ventures

### Statement pursuant to Section 129 (3) of Companies Act , 2013 related to Associate and Joint Ventures

Sl. No.	Name of Associate / Joint Ventures	Date of becoming Associate / Joint Ventures	Reporting Period of the Associate/ Joint Venture	Share of Associate/Joint Ventures held by the company on the year end			Description how there is a significant influence	Reason why the associate/ joint venture is not consolidated	Net Worth attributable to Shareholding as per latest audited Balance Sheet (Rs. in crore)*	Profit / Loss for the year	
				No.	Amount of Investment in Associate / Joint Ventures (₹ in crore)	Extent of the Holding Companies Interest (%)				Considered in Consolidation (₹ in crore)	Not Considered in Consolidation (₹ in crore)
1	Apollo Design Apparel Parks Limited	November 22, 2007	March 31, 2019	22,03,500	73.78	39.00	Due to Joint Venture Agreement	-	45.59	3.24	-
2	Goldmohur Design and Apparel Park Limited	November 22, 2007	March 31, 2019	22,81,500	70.44	39.00	Due to Joint Venture Agreement	-	43.85	2.91	-
3	Future Generali India Insurance Company Limited	May 23, 2006	March 31, 2019	20,65,50,000	206.55	25.51	Due to Joint Venture Agreement	-	216.78	30.32	-
4	Future Generali India Life Insurance Company Limited	May 23, 2006	March 31, 2019	14,32,37,839	143.24	7.77	Due to Joint Venture Agreement	-	19.78	(14.49)	-
5	Sprint Advisory Services Private Limited	May 23, 2006	March 31, 2019	27,43,66,794	274.37	49.81	Due to Joint Venture Agreement	-	449.94	(0.05)	-
6	Shendra Advisory Services Private Limited	May 23, 2006	March 31, 2019	11,18,44,321	111.84	49.82	Due to Joint Venture Agreement	-	197.68	(0.00)	-
7	Leanbox Logistics Solutions Private Limited#	July 27, 2017	March 31, 2019	1,78,500	8.99	25.61	Due to Shareholding (Associates)	-	1.18	(1.11)	-

\* Aggregate of the paid-up equity share capital and convertible preference share.

# Associate of Future Supply Chain Solutions Limited

As per our report of even date attached

For and on behalf of Board of Directors

**For DMKH & CO.**

Chartered Accountants  
FRN 116886W

**Durgesh Kumar Kabra**

Partner

Membership No.: 044075

**Mumbai**

May 27, 2019

**V. K. Chopra**

Chairman & Director

**Vijay Biyani**

Managing Director

**Haresh Chawla**

Director

**Bala Despande**

Director

**Anil Harish**

Director

(Goa)

**Dinesh Maheshwari**

Executive Director & Chief  
Financial Officer

**Deepak Tanna**

Company Secretary

## FUTURE ENTERPRISES LIMITED

**Information as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended March 31, 2019**

**Sl. No., Employee Name, Designation, Age, Date of Joining, Experience (in Yrs), Qualification, Remuneration received (in Rs.), Last Employment;**

1. Anuraag Agarwal, Head-Strategy, Mergers & Acquisitions, 44, June 01, 2012, 19, MSc, 1,90,24,237, Berenson & Company; 2. Dinesh Maheshwari, Executive Director & Chief Financial Officer, 50, December 03, 2004, 21, CA, 2,42,80,427, Mukwand Group of Company; 3. \*Harsh Kundra, Senior Vice President - Technology, 42, December 19, 2018, 17, Master of Human – Computer Interaction, 66,04,870, B2C2; 4. Hemant Kumar Taware, Strategic Planning & Business Development Head, 51, January 02, 2018, 26, MBA, 1,16,98,899, Hyper City Retail Limited; 5. Manoj Agarwal, Chief Transformation Officer, 46, October 05, 2011, 26, Others, 2,22,76,967, P&G; 6. Rajesh Kalyani, CFO-Property Division, 49, June 09, 1997, 27, CA and ICWA, 1,40,24,430, Paschim Chemical; 7. Sanjay Rath, Head-Legal & Corp Governance, 53, February 01, 2007, 28, BCom Accounts & Economics / ACS, 1,83,36,663, Sanjay Rath and Associates; 8. \*Suyash Saraogi, COO Projects, 52, April 02, 2015, 29, BSC Economics, 1,17,34,930, Reliance Industries; 9. Vijay Biyani, Managing Director, 59, September 26, 2009, 35, BCom Accounts & Economics, 3,18,00,428, Business; 10. Vishal Kapoor, Chief Design Officer, 45, June 15, 2002, 24, BA Fashion Design, 1,19,53,810, Shopper Stop

**“\*” denotes employed part of the year**

### **Notes:**

1. Nature of employment is permanent and terminable by Notice on either side except in case of Directors, which is contractual.
2. The above employees are not related to any other Director of the Company except Mr. Kishore Biyan and Mr. Vijay Biyani who are brothers.
3. No employee holds by himself/herself or along with spouse and dependent children 2% or more of the equity shares of the Company.
4. Terms and conditions of employment are as per Company's Rules.
5. Gross Remuneration received shown in statement includes Salary, House Rent Allowance, Car Perquisites value/ allowances as applicable, employer's contribution to Provident Fund and Superannuation Scheme, Leave encashment, Leave Travel Facility, reimbursement of Medical expenses and all allowances/ perquisites and terminal benefits, as applicable.

For and on behalf of the Board of Directors

Place: Mumbai  
Date : June 24, 2019

**V. K. Chopra**  
Chairman



