

BUSINESS RESPONSIBILITY REPORT

OVERVIEW

The Company ('FLFL') is a trendsetter by building unique brands and fashion retailing in India. With a team of talented business professionals, fashion designers and entrepreneurs, FLFL aims to provide a perfect blend of modern and traditional fashion to the Indian customers.

FLFL believes that inclusive and sustainable growth is necessary for developing a happy ecosystem. FLFL is committed to create positive impacts on the lives of communities, the physical environment and other stakeholders in building a stronger foundation for long-term growth.

Your Directors present the Business Responsibility Report (BRR) of FLFL for the financial year ended March 31, 2018, pursuant to regulation 34 (2)(f) of the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This BRR delineates FLFL's endeavors to conduct business with responsibility and accountability towards all its stakeholders in keeping with the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' ("NVGs"). This BRR is in line with the format proposed by SEBI.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. no.	Particulars	Company information
1	Corporate Identity Number (CIN) of the Company	L52100MH2012PLC231654
2	Name of the Company	Future Lifestyle Fashions Limited
3	Registered address	Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060.
4	Website	www.futurelifestyle.in
5	E-mail id	investorrelations@futurelifestyle.in
6	Financial Year reported	2017-18
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Fashion retail business (NIC Code 477)
8	List three key products / services that the Company manufactures / provides (as in balance sheet)	Retailing of: (i) Apparels / Garments (ii) Footwear (iii) Other fashion goods / accessories
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	FLFL does not have any stores in International markets.
	(b) Number of National Locations	As on March 31, 2018, the Company has a pan India presence with 332 stores covering various formats of the Company.
10	Markets served by the Company - Local/ State / National / International	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. no.	Particulars	Company information
1	Paid up Capital (₹)	38.08 crore
2	Total Turnover (₹)	4,252.45 crore (standalone)
3	Total profit after taxes (₹)	110.51 crore (standalone)
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.82% of average profit of previous three financial years.
5	List of activities in which expenditure in point 4 above has been incurred	During the year under review, the Company contributed its CSR amount through the "Sone Ki Chidiya Foundation" ('SKC Foundation'), which in-turn has deployed these funds through Non-Government Organisations towards measures to reduces inequalities by improving access to basic goods or needs for socially and economically backward groups and measures for the benefit of armed forces veterans. (For further details please refer Principal 8 given herein)

SECTION C: OTHER DETAILS

Sr. no.	Particulars	Company information
1	Does the Company have any Subsidiary Company / Companies?	Yes, FLFL has two subsidiaries and one step down subsidiary as on March 31, 2018.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company/ Companies	The subsidiary companies define their own initiatives specific to their business context whilst having access to information and expertise residing with the Parent Company.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	FLFL encourages adoption of BR initiatives by its Business Partners. Based on dialogue with the suppliers and distributors of FLFL, currently less than 30% of other entities participate in the BR initiatives of the Company. During the year under review the Future Group has approved sustainability policies and framework. The Company would initiate the familiarization of the same, amongst its prominent business partners.

SECTION D: BR INFORMATION

1. Details of Director and BR Head responsible for implementation of the BR policy / Policies (Din, Name, Designation):

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	00005740
2	Name	Mr. Kishore Biyani
3	Designation	Managing Director
4	Telephone number	022-6644 2200
5	E-mail Id	investorrelations@futurelifestyle.in

2. Principle-wise (as per NVGs) BR policy / policies (Replies in Y - Yes / N - No):

The NVGs released by the Ministry of Corporate Affairs has adopted Nine areas of Business Responsibility. These briefly are as under:

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment.
Principle 7 (P7)	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

BR Policies and coverage of NVG's Nine principles:

[illegible]

3. Governance related to BR:

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.	The Board of Directors of the Company assess various BR initiatives undertaken by the Company at least once a year.
Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company published the BRR in the Annual Report for the financial year 2017-18 which is also available on website of the Company at www.futurelifestyle.in

SECTION E: PRINCIPLE WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Governance:

FLFL is committed to conduct its business in ethical and transparent manner. FLFL diligently follows the corporate governance practices, policies and procedures that ensures ethical conduct at all levels. FLFL is accountable to all its stakeholders and adapted the culture of professionalism, honesty and integrity across its value chain.

FLFL has a Code of Conduct for its Directors, Senior Management Personnel. Their affirmation to the Code of Conduct is communicated to all stakeholders by Managing Director, through a declaration in the Annual Report.

FLFL's employees are abided by the Code of Conduct (CoC), which prohibits abusive, corrupt, anti-competitive and unfair practices. The Company ensures that all employees get acquainted with the CoC during induction training program. The CoC is available on the Company's website at http://futurelifestyle.in/corporate_governance.aspx

FLFL communicates about access of information about their decision that impact any of the relevant stakeholder. FLFL fairly discloses all necessary legal and financial disclosures and disseminated to the stakeholder through the Stock Exchanges, Company's website, Annual Report, Newspapers, etc.

FLFL has established robust governance structure, which consists of various committees such as Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. These committees inter-alia help to address concerns with respect to policies and procedures enforced across FLFL's business.

The reporting period witnessed strengthening of governance in areas of social, environmental and economic performance within the Future Group by establishing a group level sustainability cell, developing guidelines and policies (including anti-corruption and

stakeholder engagement) in this direction, thus laying down the foundation stones towards improved transparency and disclosure within business.

'Happiness Matters' is the cornerstone of the Group's sustainability framework. Future Group is committed towards creating a happy ecosystem. The Group's sustainability vision is "Striving to grow responsibly and achieve our dual goal of a happy environment and society, both of which are necessary ingredients for business continuity and growth." The four pillars of the sustainability framework are "Responsible Products", "Resource Efficiency", "Responsible Supply Chain" and "Happy Communities". The coming reporting period will see deployment of these policies on the basis of these four pillars through strengthening of processes, creation of roadmaps, target setting and performance management. The Company will extend the same to its value chain stakeholders and promote adoption of the same.

Vigil mechanism:

The Company has established a whistle blower policy/ vigil mechanism.

Vigil mechanism empowers employees and other stakeholders who have concerns about suspected misconduct, unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or ethics policy to come forward and express their concerns without fear of punishment or unfair treatment. The mechanism promotes responsible and secure whistle blowing and provides adequate safeguards to the whistle blower.

The Future Group treats any act of fraud, bribery and corruption very seriously and expects its business partners to adopt the same approach.

There were no complaints received during the reporting year under Whistle Blower Policy of the Company.

Grievance redressal mechanism:

FLFL has institutionalized effective grievance redressal mechanism for receiving and dealing with the concerns, complaints of its stakeholders which in turn resulted into efficient business processes.

FLFL has designated e-mail id investorrelations@futurelifestyle.in for receiving and addressing investor grievances. 13 investor grievances were received during the year under review, all investor grievances have been satisfactorily resolved by the Company and no investor grievance was pending as on March 31, 2018.

The Company has an Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment and discriminations and follows the guidelines provided in the policy. ICC has its presence at corporate office as well as at stores / other locations.

The committee on Prevention of Sexual Harassment (POSH) addresses all sexual harassment complaints. A POSH policy is also available on the intranet for easy access to all employees. Any complaints with regard to sexual harassment can be reported at posh@futuregroup.in in order to resolve grievance. The Company has received no complaints on sexual harassment during the reporting year.

FLFL has established a consumer grievance redressal mechanism, where consumers can raise their concerns through mails, social media, call or personal meetings. There were total of 188 customer cases pending as on March 31, 2018, which were largely pertaining to interpretation of chargeability of tax on transaction value, within the maximum retail price.

Principle 2: Product Stewardship

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

FLFL is an integrated fashion Company with a variety of brand preferences which provides latest trends based on consumer choices. The Company focuses on building brands and product portfolio in the fashion space. The Company operates through its retail chains viz., 'Central' which operates in 40 Stores, 'Brand Factory' which operates in 63 Stores and 229 Exclusive Brand Outlets (EBOs), across India.

New product development:

FLFL is vigilant towards achieving product quality, safety and having zero impact on environment. During the reporting year, the Company launched a new brand called 'Mini Club' for infants which includes product categories which are made up of 100% cotton and contain no harmful chemicals.

The Company endeavors to achieve inclusive growth and adapts sustainable development approach. All products of FLFL address environmental and social concerns and positively impact the business operations.

Sustainable sourcing:

FLFL is committed towards sourcing garments from renowned garment manufacturers and is vigilant on compliances of suppliers to relevant labour and environmental laws. FLFL seeks self-certification from suppliers about all the necessary compliance documents related to applicable laws, quality, environmental and social norms. The Company strives to promote social enterprise networks and sourcing from local suppliers.

FLFL works with 341 local (state region) vendors, comprising 31% of total vendors of the Company.

In compliance with the recent ban on plastic in Maharashtra state, FLFL substituted all plastic carry bags used for packaging with paper bags. In this process, the Company has provided livelihood earning opportunities to small and medium enterprises including local vendors.

Product labelling:

FLFL endeavours to provide necessary information related to type of fabric, content, country of origin and other applicable statutory information on product labels. The Company ensures sourcing of garments that carry the 'Care' label, the label provides information with regards to use and wash care of garments.

Recycling:

The Company comprehends the importance of resource efficiency and has adopted the 3R approach (Reduce-Reuse-Recycle) for addressing the environmental concerns. During the reporting year, FLFL has substituted all plastic carry bags by paper bags and established an effective inter-departmental communication mechanism related to it across all the stores PAN India.

Principle 3: Welfare of employees

Businesses should promote the wellbeing of all employees

FLFL as a responsible retailer in fashion retail business, considers employees as most important resource and is committed to treating all everyone with dignity and respect and well-being of employees working in its value chain.

FLFL believes that diversity at the workplace creates an environment conducive to engagement, alignment, innovation and high performance. FLFL's Policy on diversity & equal opportunity achieves diversity and non-discrimination across the Company.

FLFL ensure to provide a work environment that is free from any form of discrimination, including but not limited to sexual harassment.

The Company endeavors to provide equal opportunity to each individual by evaluating him/her on its performance and ensure

that there is no discrimination amongst its employees based on caste, creed, religion, disability, gender, age, sexual orientation, race, colour, ancestry, marital status and medical background.

FLFL's HR policies ensure that there is no child labour, forced labour or any form of involuntary labour, paid or unpaid at any of its premises.

Employees strength at FLFL as on March 31, 2018 was as under:

Total strength	No. of female employees	% of female employees to total strength
10175	2123	20.86%

FLFL's employees are not a part of any collective bargaining agreement and no worker/labour unions were existed as on March 31, 2018.

FLFL did not hire any employee on contract basis in FY 2017-18.

Non-discrimination in recruitment

Future Group believe that hiring people with disabilities can contribute to the overall diversity, creativity and workplace morale and enhance a company's image among its staff, in the community and among customers as well as other stakeholders. There is a need to illustrate opportunities for this section of society and build employment, internships, training/sensitivity programmes specifically oriented to those with disabilities.

FLFL always emphasizes on talent acquisition and provides opportunities for career development to its employees. FLFL provided equal opportunity for 33 employees with disabilities, during the reporting year. Persons with Disabilities (PwD), employees have been recruited since 2011 through TRRAIN, a third-party organization. This initiative was launched with an aim to train PwDs by providing them employment opportunities in the retail industry, the training programs include retail specific skills such as retail math, cashiering, computers, customer handling and work readiness. Majorly, PwD employees work in front end sales team and the Company is planning to promote more such recruitments in future.

Facilities for employee well-being

FLFL ensures adherence to policies and processes related to labour laws and human rights and update the same on continuous basis. The Company always promotes gender diversity, inclusiveness and open culture to enhance the productivity at work place.

FLFL takes cognizance of the work-life balance of its employees and provided a flexible time window at the start of and conclusion of the core working period of 8 hours, this enables the employee to balance and plan both his personal life and work activities.

FLFL policies provide for maternity leave as well as paternity leave, as governed by Indian laws. Insurance policies such as Medi-claim, EDLI have been implemented on a Group level. FLFL also covers its permanent employees under a unique Life Security Plan, which provides employee's dependents with a comprehensive financial security under the Insurance policy.

FLFL has received no complaints related to child labour, forced labour or any form of involuntary labour, paid or unpaid at any of its premises from its' stakeholders.

Under the health benefits provided by FLFL, eligible employees can avail free health check-up services at various locations across India.

Employee retention:

FLFL's robust retention scheme is an outcome of customized growth plan and group level guidance on employees development. Along with this, an employee assistance plan is intended to help employees deal with personal and professional problems that might adversely impact work performance, health and overall well-being. Employees being encouraged by the Company to apply for Internal Job Posting to explore new opportunities across different verticals and domains.

Employee growth, training and development and overall well-being:

FLFL ensures to provide equal and non-discriminatory learning opportunities to all employees for continuous upgradation in their skills and competencies.

During the reporting period, FLFL had conducted talent development activities such as GST & its implications, leadership programme, Customer Centricity, Future of branding in digital India, Finance for Non-Finance, Problem Solving & Decision Making, Team Building workshops and Customer Service Excellence for Brand Factory, Central, Lee Cooper and other FLFL's brands.

During the reporting year, FLFL has organised 210 Nos. of training and development programmes aggregating to 74,672 Man hours to its employees.

FLFL has several programmes designed to benefit its employees and includes:

FutuReady - Induction & Orientation Program:

FutuReady is an interactive & engaging induction & orientation program for all new joiners which explains them an overview of Future Group, its businesses, its values & culture and prepares them for their journey at Future Group.

Hero in You:

A two days' training program for Fashion Consultants of aLL – the plus size store format which focused on personalized selling, customer service excellence, visual merchandising & grooming.

Power of One:

Power of One was a two days' workshop for the store managers of aLL, with an emphasis on target achievement, leadership skills, ownership, succession planning and negotiation skills.

CEO in you:

A two days' workshop targeted towards Store Managers (SM) of aLL, focusing on enhancing leadership & entrepreneurship to encourage SMs to think like the CEO of their respective stores. It focused on a 360° change in the approach of store managers by enhancing their skills to tackle daily business challenges better.

Disha:

A program planned for potential frontend women employees of Brand Factory, which gives them an opportunity for a complete role transformation into a role of their own interest (VM, CSD, Cashier, SPO or In-store trainer).

Visual Merchandizing Certification Program:

A five days' certification program conducted at Pearl Academy for visual merchandisers (VM) of Brand Factory; designed keeping in mind the fast growing business and the visual merchandising requirements of Brand Factory. The program was developed by the subject matter experts from Brand Factory and experienced professors from Pearl Academy.

Aspire:

A two days' workshop for Store Managers of Brand Factory to enable them to aspire to bring Brand Factory up to the next level i.e. Brand Factory 2.0

Udaan – SPO Workshop:

A two days' workshop focusing on getting the Brand Factory Store People Officers (SPO) to aspire to bring Brand Factory up to the next level i.e. Brand Factory 2.0. It also covered transformational activities to create a mind-set change to achieve the vision of the business.

Customer Centricity and Mentoring:

A three days' workshop targeted towards store managers (SM) of Central, focusing on developing a clear, customized strategy and a supporting action plan to implement Customer Centricity. In addition, the workshop focused on coaching & mentoring to help store managers unleash the true potential of their team.

Emerging Leaders Program:

A two days' workshop targeted towards department managers (DM) of Central, who are beginning their journey as leaders. It aimed to sharpen the skills of department managers on 3 main pillars – Customer Centricity, People Development and Business Analytics, thus preparing them for their next role as a Store Manager.

Health & Safety:

FLFL embraces the Group's policy of health and safety to ensure employee welfare through accident free operations. FLFL has a dedicated person at store level who is responsible for inspection of safety concerns.

FLFL ensures compliance to fire safety as per the local authority requirements as mandated. FLFL also conducts mock drills at offices and stores. Functioning of all equipment such as sprinklers and fire hydrants are checked at all stores for loss prevention in case of fire, emergency exits remain unblocked and can be easily identified through appropriate signage.

The Company organised health check-up, eye check-up camps at different stores to ensure good health of its employees.

Principle 4: Stakeholder Engagement

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

FLFL believes in its approach of collaboration with its stakeholders to bring smiles and happiness in their lives. To achieve this, FLFL has identified its stakeholders and established periodic and effective communication with them. FLFL's stakeholder engagement also aids in identifying the concerns and needs of its stakeholders. The Company is committed to the welfare of disadvantaged, vulnerable and marginalized section of the society.

Shareholders:

The Company strives to be transparent, proactive and responsive towards its responsibility towards the investors.

FLFL has an established mechanism for Investors' service and grievances handled by its Registrar and Transfer Agents (RTA) and the Company's dedicated team for resolving the grievances in an effective and timely manner. FLFL has constituted Stakeholders' Relationship Committee of the Board to inter-alia periodically review the stakeholders' grievance mechanism of the Company.

FLFL has designated investor relations e-mail id investorrelations@futurelifestyle.in for Shareholders to make any communication to the Company beside writing to the Company and its RTA.

The Company respects the rights of its Shareholders and to facilitate the effective exercise of those rights by various means of communicating effectively and the Company also promptly and periodically disseminates information / reports via Stock Exchanges and uploading on separate investors page on the website of the Company which includes Annual Report, Press Release, Financial Results, Policies, Notices related to General Meetings and Postal Ballot and Investors' presentation, etc.

Statutory bodies:

FLFL interacts with various statutory bodies as and when required during the course of its business and maintains statutory records and ensure compliances of applicable laws.

Employees:

FLFL considers its employees as a source of creativity, dedication and positive thinking and strives to create an environment that encourages such creativity. The Inclusivity is key to creating a supporting environment.

Various employee engagement activities were organised across all the Offices, Stores and EBOs, during the reporting year, which are highlighted as under:

1. Celebration of cultural and festival events .
2. Celebration of Independence day and Republic day.
3. Women's day celebration, kids' carnival and fun activities for employees and their families
4. Health awareness and various Sports activities

The FLFL's employees were also participated in social engagement activities as under:

1. FLFL's Bengaluru office organized wellness camps, Quit Smoking initiative in association with Cipla.
2. Brand Factory stores in Vishakapatnam organized street clean up drive in the nearby areas of stores.
3. Organized sessions of Brahmakumaris on positive thinking at workplace for Brand Factory stores in Dilkushnagar, Lingampalli, Vijaywada, Vishakapatnam, Jubilee MPM, Kharkhana and Attapur near Hyderabad.

Suppliers / Vendors:

FLFL values its suppliers and vendors by sharing a professional and transparent relationship. FLFL engages with its suppliers through various training programs related to new procurement policies, technology upgradation or business development. During the reporting year, FLFL organised a capacity building program for its suppliers on understanding Enterprise Resource Planning Software (ERP) and processes for seamless transaction and business operations. The program involved knowledge transfer related to new development in ERP software, various policy

Consumers:

FLFL believes in developing long-term relationship with its consumers. The Company has framed product exchange policy which entails convenient exchange process of damaged merchandise through credit note generation. To promote the products at all stores, the Company provided variety of offers and quick turnaround time for availing the offers/discounts. Different feedback mechanisms such feedback forms, website, emails, social media, customer service desk, etc. have been developed by the Company to understand challenges faced by the consumers during shopping.

Communities:

FLFL works with various communities; it employs young Indians in urban and peri-urban areas, engages with its consumers, works closely with workers, suppliers and distribution systems across the country and interacts with various stakeholders who are closely linked to its business.

FLFL contributed its efforts for community development by providing access to basic goods and services to socially and economically backward groups. Through these initiatives, the Company aims to achieve one of the mission of Group's sustainability framework as 'Happy Communities'.

Principle 5: Human rights

Businesses should respect and promote human rights

FLFL has a direct obligation to protect human rights of its employees and workers including the right to equal opportunities, fair working conditions and protection from discrimination. FLFL does not employ child labour or forced labour among its staff and seeks to influence its principal suppliers to respect human rights. FLFL makes a positive contribution to local and other communities through its CSR initiatives spread across the country.

FLFL's Human Rights policy endeavours to provide equal opportunities to its employees to express their concerns through appropriate forums and representations. FLFL has not received any complaints during the reporting period pertaining to such violation.

Principle 6: Environment

Business should respect, protect, and make efforts to restore the environment

FLFL is committed to work with its stakeholders to create awareness and provide solutions with respect to energy conservation, waste management and resource efficiency.

During the reporting period, the Group has developed its Energy and Carbon Policy with a commitment towards low carbon transformation through reduced energy consumption and procuring energy from renewable sources.

The operations of FLFL are not energy intensive; however adequate measures have been taken to reduce energy consumption, conserve water and other material resources, wherever possible through consumption of more renewable energy, installation of temperature controlled air conditioners, use of natural lights in offices/store premises, washrooms installed with proximity sensors and display of signages have created awareness on conservation of resources. FLFL's Initiatives such as paperless board meetings, electronic data exchange, digitalization of invoices, awareness drives for reducing printouts helps in paper conservation significantly.

The Company endeavors to reduce its energy consumption by replacing old lighting fixtures with 1x28 W LED lights in all its existing stores. Most of the retail stores of FLFL are located in commercial places having LEED (Leadership in Energy and Environmental Design) certification.

The Group has instituted its water stewardship policy which encourages both stores and corporate offices to initiate water conservation measures.

FLFL has identified scrap vendors for safe disposal of defective merchandise. Scrap vendors segregate, reprocess and reuse the fabric of defective merchandise for making dusters, mats etc.

During the reporting year, there were no incidents of environmental non-compliance or fines or penalties levied on the Company. Also, there were no show cause and legal notices received during the year under review, which were pending from the Central Pollution Control Board (CPCB) or State Pollution Control Board (SPCB) at any of FLFL's operations.

Principle 7: Public Advocacy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

FLFL, as a responsible business leader, keenly participates in various industry events and is a member of the Retailers Association of India (RAI), The Clothing Manufacturers Association of India (CMAI) and Bangalore Chamber of Industry and Commerce (BCIC). In case of policy advocacy, FLFL is committed to public good, however not actively advocated or lobbied directly with government officials or institutions. FLFL's senior leadership team interacts with various professional bodies and organizations to anticipate and understand the economic scenario, industrial environment, government regulations and advancement of public goods and services.

Principle 8: Inclusive growth

Businesses should support inclusive growth and equitable development

FLFL has aligned its commitment towards community, environment and all its stakeholders with the vision of Future Group. The Company has CSR policy under the provisions

of section 135 of the Companies Act, 2013 and Rules made thereunder.

FLFL contributes its CSR spent to Sone Ki Chidiya Foundation's ("SKC Foundation"), which in-turn spends through various eligible implementation partners, which undertakes projects, in line with the activities identified by the CSR Committee. FLFL endeavours to encourage its employees and value chain members to volunteer and participate on key issues that affect communities in areas where stores, warehouses and vendors are located.

During the year under review, FLFL has identified CSR projects / activities under "Measures for reducing inequalities faced by socially and economically backward groups through access to basic goods and services" and transferred its entire eligible CSR contribution to the SKC Foundation to spend through not-for-profit organizations. Accordingly, the following projects were undertaken:

1. FLFL has extended support worth ₹22.16 lakh to "Goonj", wherein 10,000 families across Maharashtra, Gujarat, Uttarakhand, Delhi and NCR region, through the programme "Odha do Zindagi" under the Cloth for Work program are being supported. In the Cloth for Work program, communities identify issues in their locality. Goonj, partner Non-Government organisations (NGOs) and the community work out solutions and implement the same jointly through rural volunteerism. In exchange, communities received garments, blankets, quilts in addition to other materials, thus making sure that value and economic development reaches the last mile.
2. Seva Sahayog Foundation works towards the development and welfare of those living in urban slums through interventions in education, livelihood generation and sanitation. FLFL has extended support worth ₹8.23 lakh to Seva Sahayog Foundation and partner NGOs through their centers in Palghar, Thane and Raigad located in Maharashtra. This program impacted 3556 underprivileged children from rural communities (1711 girls and 1845 boys) between the age of 6-17.
3. FLFL has extended support worth of ₹6.60 lakh to Seva Sahayog Foundation for the Bhotia tribe living in the remote Niti valley of Chamoli district in Uttarakhand and the scheduled communities in over 75 villages of Rudrapur and Chamoli districts and the Nomadic pastoralists in Chamoli, Uttarakhand.
4. FLFL has extended support worth of ₹14.46 lakh to Bhavani Vidyarthi Kalyan Pratishthan for its initiative 'Shantivan', which aims at helping the economically backward, the young, physically handicapped, farming communities and women, who affected by human trafficking. Project 'Shantivan' focusses on addressing, basic needs of the beneficiaries followed by opportunities to develop holistically and other skill development activities.

5. FLFL has extended support worth of ₹0.29 lakh to Vivek Rural Development Centre, which caters to basic needs, healthcare, education and livelihood generation opportunities of tribals and villagers including the disabled in Palghar district. Under this initiative, 100 children from the tribal community at Saraswati Vidyamandir in a village located in Vasai were benefited.
6. FLFL has extended supports worth of ₹50.00 lakh to 'Bharat Ke Veer' (India's Bravehearts) towards 'Support Soldiers' initiative for the survival and sustenance of families of martyred soldiers.

In addition to the aforesaid CSR activities, FLFL's employees jointly with local communities were engaged in the following activities:

1. Brand Factory store in Mysore distributed books to orphanage children from Sri Chayadevi Anathashram Trust. Brand Factory Raipur, Belegkata distributed notebooks to children staying in nearby communities.
2. Brand Factory stores in East zone partnered with Hope Foundation in Kolkata for distribution of grocery and food products to the slum children. Along with this, stores also arranged recreational activities for children.
3. Brand Factory Mysore store arranged student activities and games for mentally challenged children from Mythri Foundation.
4. Brand Factory stores in Behala honored and appreciated visually impaired children by distributing gifts.
5. Brand Factory Mysore store distributed gifts to slum children from Ashadayaka slum children rehabilitation center.

Principle 9: Value to customers

Businesses should engage with and provide value to their customers and consumers in a responsible manner

Customer centricity is one of the key parameters of FLFL's value chain. The Company endeavors to provide safe and quality products to its customers in a responsible manner. The Company believes in engaging its customers through different channels such as mails, website, social media, telephones, questionnaires

for providing their valuable feedback. The Company collects customer feedback from various modes on daily basis and implement the suggestions provided by customer related to products, parking facility, billing speed, offers and availability of sizes and options.

The Company initiated Voice of Customer initiative across all 'Central' and 'Brand Factory' stores. The Voice of Customer system works on the concept of Net Promoter Score (NPS) which is a difference between no. of customers who are promoters and no. of customers who are detractors. Under this initiative, customers rate different shopping attributes such as billing experience, staff helpfulness, product availability, store ambience and price or promotions on products etc.

Customer service desks set up in each store serve customers for product exchange, alteration, collecting feedback and resolution of any complaints within 72 hours unless it requires further check / information on products or otherwise requires an higher lead for resolution.

There were 10 consumer cases were pending at the beginning of the reporting year. 182 cases filed and 4 cases settled / resolved during the reporting year. There were 188 consumer cases pending at the end of the reporting year, which was largely pertaining to interpretation of chargeability of tax on Transaction Value, within the maximum retail price.

There are no cases filed by any stakeholder against FLFL regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of the year under review.

The Company discloses product information truthfully and factually through labelling and other means for responsible consumption of the product. FLFL strives to promote and advertise its products in a way that do not mislead or confuse its consumers or violates any principle in these Guidelines. The Company endeavours to display adequate information on responsible consumption with respect to social and environmental resources.