

30th August, 2018

To,
BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Scrip Code: 523574 / 570002

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

Scrip Symbol: FEL / FEL DVR

BSE Debt Scrip Codes: 952009-10-45-46-53-54-74-75-97-98 / 952715-17-18-21-879-880-881-882-883 / 954326-28-30-34-35-40-43 / 955100-101-140-141-371-373-454-456-749-750-957-958 / 956012-13 / 956243-268-69 / 956310-11 / 956954-55 / 957077-263-264-711-712-713 / 957875-76 / 957889

Dear Sir / Madam,

Sub.: Annual Report

This is with reference to Regulation 34 of the SEBI (LODR) Regulations, 2015, please find enclosed the 30th Annual Report of the Company in soft copy.

Kindly take the aforesaid on records.

Thanking you,

Yours faithfully,

For **Future Enterprises Limited**



Deepak Tanna
Company Secretary

Encl. : As above.





Consumption Ecosystem

Corporate Information

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
DIN: 00042897

Anil Harish

Director
DIN: 00001685

Bala Deshpande

Director
DIN: 00020130

Dinesh Maheshwari

Executive Director &
Chief Financial Officer
DIN: 00088451

Company Secretary

Deepak Tanna

Statutory Auditor

DMKH & CO.

Share Transfer Agent

Link Intime India Pvt. Ltd.
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai 400 083
T: + 91 22 4918 6000
F: + 91 22 4918 6060
www.linkintime.co.in

Bankers

Axis Bank
Canara Bank
Central Bank of India
IDBI Bank
State Bank of India
Syndicate Bank
United Bank of India

Registered Office

Knowledge House, Shyam Nagar,
Off. Jogeshwari-Vikhroli Link Road,
Jogeshwari (East),
Mumbai 400 060
T: + 91 22 6644 2200
F: + 91 22 6644 2201

Corporate Office

247 Park, 'C' Tower
L.B.S. Marg, Vikhroli (West),
Mumbai 400 083
T: + 91 22 6119 0000
F: + 91 22 6199 5019

Website

www.felindia.in

Investor Email Id

investorrelations@futuregroup.in

Corporate Identity Number

L52399MH1987PLC044954

Contents



02	Corporate Information
04	Vice Chairman's Message
06	Completing the Cycle
10	Management Discussion and Analysis
14	Directors' Report
49	Corporate Governance Report
68	5 Years Financial Summary
69	Independent Auditors' Report
74	Balance Sheet
75	Statement of Profit & Loss
76	Statement of Changes In Equity
78	Statement of Cash Flow
79	Notes Forming Financial Statements
109	Auditors' Report on Consolidated Accounts
114	Consolidated Balance Sheet
115	Consolidated Statement of Profit & Loss
116	Consolidated Statement of Changes In Equity
118	Consolidated Statement of Cash Flow
120	Consolidated Notes Forming Financial Statements

Vice-Chairman's Message



Dear Stakeholders,

We are pleased to share with you the Annual Report for the financial year 2017-18. Your Company posted a total income on consolidated basis of ₹ 5,286 Crore, a growth of 11.94% and a net profit of ₹ 40 Crore at the end of this financial year.

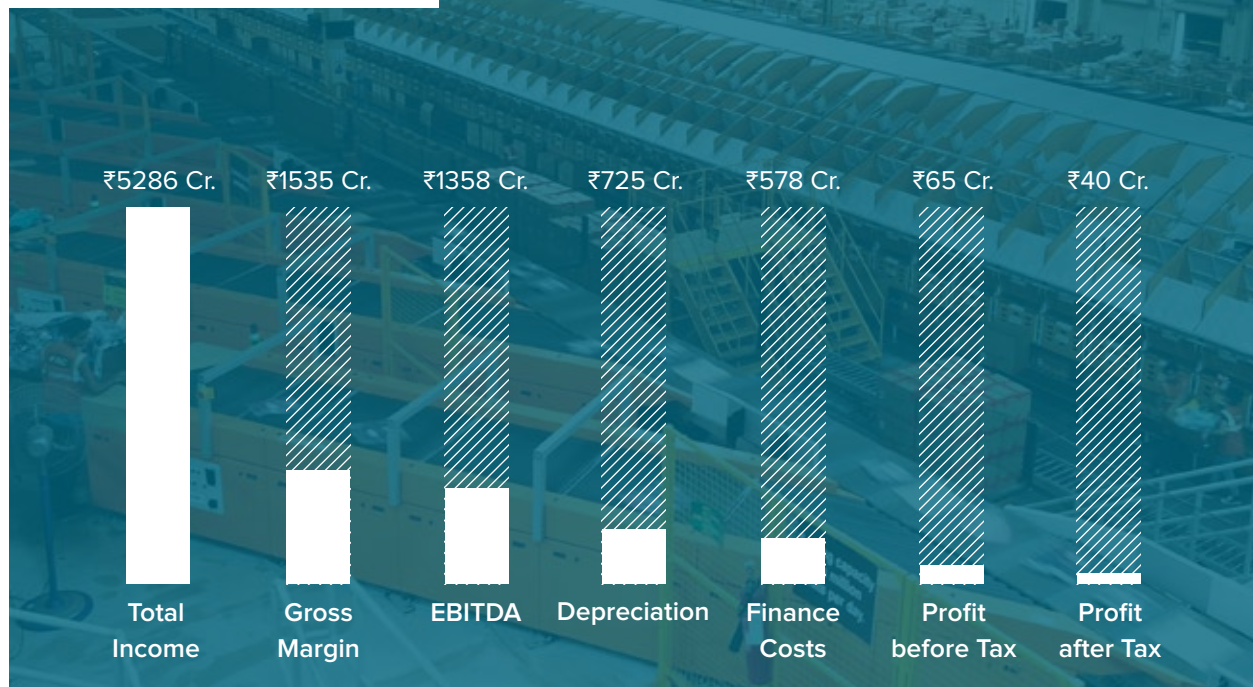
Your Company owns and operates through its subsidiaries, joint-ventures and associated businesses some of the fundamental blocks that help run the extensive retail operations of Future Group.

These include critical functions like design, sourcing and manufacturing of its apparel business, creation and maintenance of the retail infrastructure network in 276 cities and towns and through its subsidiary, Future Supply Chain Solutions Limited, the supply chain and warehousing network for the entire retail business of Future Group. 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.

The operation of each of these businesses demands extensive managerial and strategic skills and prudent investments in maintenance and growth of these networks. Among the key milestones achieved during the year was the Initial Public Offer and subsequent listing of the Future Supply Chain Solutions Ltd. on The Stock Exchanges, BSE Ltd. (BSE) and the National Stock Exchange (NSE). The Future Supply Chain Solutions Ltd. subsidiary also made a key acquisition, Vulcan Express Private Limited, that will help it extend its presence in the last mile delivery business that is increasingly becoming important to support the omni-channel presence and home delivery for the various retail businesses. Vulcan operates a supply chain network that connects 15 warehouses and 166 hubs to stores and homes of customers. The supply chain business grew its revenues of ₹ 784 Crore, a growth of 35.95% while net profit was ₹ 67 Crore, a growth of 47.19%.

The insurance companies, wherein your Company owns substantial stakes promises significant value

Financial Snapshot (Consolidated)



creation for the company in the medium to long-term future of your Company. Your Company continues to strengthen these companies and invest in growing these businesses. The general insurance business sold over 2 million policies and posted a net premium growth of 17.67%. The company's net profit grew at 83.72% to ₹ 79 Crore, during this financial year. The life insurance business grew its net premium by 35.27% to ₹ 958 Crore during the financial year and improved upon its net retention ratio to 96.50%.

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, easyday, fbb, Foodhall, among others. 862 retail stores are part of the Company's network and these stores cover more than 13 million square feet of retail space in 276 cities and towns spread in 26 states and UTs across the country. The Company has been investing heavily in renovating, upgrading and opening new Big Bazaar stores,

including the highly acclaimed Big Bazaar GenNxt stores that feature world class design and consumer experiences. An extensive sourcing, design and manufacturing base for textiles and garments that is housed within your Company support these stores. This continues to be a key driver for growth as more and more Indians go for value added, branded consumption in the apparel space.

During the forthcoming year, we will continue to strengthen the Companies' investments and subsidiaries and create opportunities for both unlocking of value and value creation. We deeply appreciate your support and encouragement in being part of our journey.

Rewrite Rules, Retain Values

Kishore Biyani

Completing the Cycle



Supply Chain Solutions

During the financial year, Future Supply Chain Solutions Limited made an Initial Public Offering and was successfully listed on Indian stock exchanges. During the year, the company grew its revenues to ₹ 784 Crore, a growth of 35.95% while net profit was ₹ 67 Crore, a growth of 47.19%. The company now operates 4.58 million square feet of warehousing space, along with a technologically enabled pan India supply chain network covering over 11,000 pin codes. It also acquired Vulcan Express Private Limited, giving it a strong foothold in the last mile delivery space. Vulcan operates a supply chain network that connects 15 warehouses and 166 hubs to stores and homes of customers. FEL owns a 51.22% stake in Future Supply Chain Solutions Limited.

Insurance

The Company owns stakes in two insurance companies - life and general insurance, along with the Generali Group, the largest insurer in Europe. During the year, the general insurance business increased its Net Premium to ₹ 1280 Crore, a growth of 17.67% and posted a profit of 79 Crore, a growth of 83.72%.

The life insurance issued around 79,000 new policies and renewed around 8,36,000 policies, with a net retention ratio of 96.50%. The company posted net premium of ₹ 958 Crore, a growth of 35.27%. FEL owns a 31.11% stake in Future Generali Life Insurance Company Limited and a 49.91% stake in Future Generali India Insurance Company Limited.

With presence across logistics, design, sourcing, manufacturing and insurance, the Company is well placed to benefit from India's growing consumption economy.



Manufacturing & Leasing

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, easyday, fbb, Foodhall, among others. 862 retail stores are managed by the Company and these stores cover more than 13 million square feet of retail space in 276 cities and towns spread in 26 states and UTs across the country. Most of these stores now feature world-class store design, customer services and experience that are designed to grow the consumption economy in India. The Company has been investing in growing this network as well as upgrading the existing stores in line with international trends and customer expectations. The Company's lease income grew to ₹ 759 Crore during the year.

The manufacturing and trading income of the company grew to ₹ 3425 Crore during the year. The Company has a specialized apparel design and sourcing team, coupled with an in-house manufacturing facility at Tarapur in Maharashtra and at the Apollo and Goldmohur mills located in the heart of Mumbai. During the year, some of the key brands sourced, designed or manufactured by the Company, such as DJ&C, Shyla and Pink N Blue in menswear, womenswear and kidswear segments respectively each posted sharp rise in value of brand sales. Other brands such as Knighthood and Buffalo continue to grow at a rapid pace. These businesses support the fast growing fashion businesses of Future Group and a few third party companies.



*State-of-the-art
warehousing and
logistics network*





*Next generation
store designs
and retail
experiences*



MANAGEMENT DISCUSSION AND ANALYSIS

Indian economy is poised to become among fastest growing Asian economy in the fiscal 2018. One of the contributors of this fastest growing economy is growth of domestic consumption and the Retail Industry. The Company being associated with the retail industry has also received 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 as well as increased demand for the products manufactured and traded by the Company. Further, the insight and experience of the Company with regard to the managing retail stores enables it to ensure the optimum capex to get the maximum efficiency and ease of shopping for customers in organised retail stores equipped by it.

With initiative of the creating the Company as a key player in the value chain of the fashion industry, the Company is concentrating on increasing its manufacturing footprint as well as vendor network to cater to ever increasing demand of fashion segment. During the year under review the Company has taken a divestment initiative to ensure revaluation of its investments held in the supply chain arm of the Group. Further, it is entering into various agreements and taking further initiatives to ensure value accretion of its various held investments. These all efforts would ensure the sustainable revenue from different income streams as well as help the Company to achieve its target to reduce overall debt exposure to reduce finance cost and increase the ROCE. The Company continues all its efforts towards the Group objective of creating best in class shopping experience for the customers of various retail formats of the Group.

Operational Overview

The Company continues its activities of providing the retail infrastructure for various retail formats of the Group. The initial push of having such large portfolio of the assets put to use in various retail formats, coupled with its experience to handle the future requirements in a much sophisticated manner using its past knowledge and applying technological upgradation to optimise space utilisation at minimum cost is resulting in overall capex reduction for the new stores. Many stores are also remodelled as per requirements of the retail formats and at the same time help these formats improve its operational efficiency and give best in class shopping experience to the ultimate customers. The Company also

on continuous basis, gets feedback from the retail formats as well as from other sources, which helps it in improving its knowledge and skills to put up new stores in minimum time frame and cost for the retail formats. The emphasis on using the more greener resources to minimise impact on the environment continues to be the one of the prime objective, while using any new technology or process or putting up any new store or revamping existing store.

The manufacturing and trading operations continue to see the good response. 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. The Company has already added one more manufacturing centre, strategically located in south, to cater additional requirements of manufactured garments. Further the Company has also identified few key vendors in each category of the fashion to ensure continuous supply of the fashion garments to its customers and ensure revenue stream from this segment of operations.

While the Company does plan to divest most of its various investments, the Company is also continuing to nurture all its investee companies in best possible manner and guide its management team to ensure better operations, which in turn would give better valuation for such invested business. The Company would look to divest from various investments at opportune time, when the specific business is mature enough to get the appropriate valuation. For few of its matured investments the Company has given standing mandate, to find out willing investors, who would be willing to consider the desired valuation for divestment by the Company. This would ensure maximum debt reduction by this divestment process and enhance value for the stakeholders.

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 it's 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

India's domestic consumption sector is poised for exponential growth as it is almost hitting the per capita GDP of \$2000, which has been critical benchmark for various economies once they crossed the per capita GDP of \$2000. Retail sector would be reaping the maximum benefit of this exponential growth since each individual would have additional income available for consumption and one of the biggest beneficiaries would be retail food, fashion and electronics consumption. With rise of the retail consumption, the Company would be getting more requirements for its unique proposition of retail infrastructure services provision and may as well get the assignments for consultation and advisory services, which may be a new area of activities for the Company. Further, with rise in the retail fashion consumption, the Company would be in much better position, being having a network of the vendors and the manufacturing facilities at its command.

As explained above the growth of economy would as well translate in better business opportunities for its investee business, which has already started showing sign of positive turn around. This would further ensure the surge in valuation of the respective investments the Company has made in various investee companies.

The Company is continuously putting in efforts to reduce the overall debt burden and the finance cost. For this purpose, the Company has in short run swapped some of the high cost and near maturity debts with low cost and the longterm maturity debts. The Company is considering to change its entire debt profile in such manner that the cost is minimised and the Company has options to release the debt at any given point of time, when it gets funds from its divestment initiatives. The reduction in the finance cost as well as other operating cost reduction would result in the better margins and accordingly would be value accretive for the shareholders.

The Credit Analysis & Research 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, 2018.

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 ₹ 3,782.09 Crore in previous twelve months to ₹ 4,184.80 Crore with YOY growth of 10.65 % for the financial year ended March 31, 2018.

Profit Before Tax: Loss Before Tax of the Company for financial year ended March 31, 2018 stood at ₹ 18.64 Crore as compared to profit before tax of ₹ 43.56 Crore during the previous twelve months.

Interest: Interest & Financial charges outflow has Increased from ₹ 507.61 Crore incurred in previous twelve months of 2016-17 to ₹ 568.41 Crore for financial year ended March 31, 2018. The Increase in interest and financial charges is due to increase of borrowings. The interest & financial charges cover for financial year ended March 31, 2018 under review is 2.20 times as compared to 2.33 times in the previous twelve months.

Net Profit: Net loss of the Company for financial year ended March 31, 2018 stood at ₹ 12.19 Crore as compared to Net profit of ₹ 43.56 Crore in the previous twelve months with decrease of ₹ 55.75 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 ₹ 9604.17 Crore as at March 31, 2018.

Return on capital employed (EBIDTA / average capital employed) during 2017-18 is 13.45% as compared to 13.79% during 2016-17.

Surplus management: The Company generated a cash profit of ₹ 686.21 Crore for financial year ended March 31, 2018 as compared to ₹ 676.75 Crore in the previous twelve months, registering the growth of 1.40%. 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 ₹ 94.57 Crore to ₹ 98.67 Crore due to issue of shares pursuant to ESOP shares and conversion of Optionally Convertible Debentures during the financial year under review.

Optionally Convertible Debentures: 958 Optionally Convertible Debentures aggregating to ₹ 95.80 Crore pursuant to the Scheme to debenture holders of the Bharti Retail Limited (now known as Future Retail Limited) has

been converted on October 31, 2017 at the rate of ₹ 51.95 per share being the price determined as per applicable regulations for issue of shares on preferential basis under SEBI ICDR Regulations.

Debt-Equity: Debt-Equity ratio of the Company was 1.47 as at March 31, 2018.

Earnings Per Share (EPS): The Company's Basic EPS has gone down from ₹ 0.92 per share in previous financial year to ₹ (0.25) per share for the current financial year ended March 31, 2018.

Cash Earnings Per Share (CEPS): The Company's Cash Earnings per Share (CEPS) has decreased to ₹ 13.18 in current financial year in comparison to ₹ 14.34 in the preceding financial period.

Investment: The Company's investment portfolio has reduced from ₹ 1404.45 Crore to ₹ 1120.56 Crore during the current financial year ended March 31, 2018. The reduction in investment during the financial year is due to divestment of holding in Future Consumer Limited and Future Supply Chain Solutions Limited.

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the Thirtieth Annual Report of the Company together with the Audited Financial Statements for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS:

The financial performance of the Company is as follows:

Particulars	(₹ in Crore)	
	Financial Year 2017-18	Financial Year 2016-17
Revenue from operations	4184.80	3782.09
Other Income	183.88	231.05
Total Income	4368.68	4013.14
Profit before Depreciation & Tax	679.76	676.75
Less: Depreciation	698.40	633.19
Tax expense	(6.45)	-
Profit after Tax	(12.19)	43.56

REVIEW OF PERFORMANCE

Income from operations for the financial year 2017-18 the year under review was at ₹ 4184.80 Crore which was at ₹ 3782.09 Crore during the financial year of 2016-17. Profit before Depreciation and tax stood at ₹ 679.76 Crore for the financial year 2017-18 which was at ₹ 676.75 Crore for the previous year. After providing depreciation and tax, loss for the year under review was ₹ 12.19 Crore as compared to profit of ₹ 43.56 Crore for the previous year.

SHARE CAPITAL

During the year under review, the Company has issued and allotted 2,05,37,232 Equity Shares which are as under:

- The Company has made allotment of 1,84,40,808 equity shares of ₹ 2/- each, fully paid-up, at a premium of ₹ 49.95 per share to Cedar Support Services Limited ("CEDAR") on October 31, 2017 upon conversion of Optionally Convertible Debentures (OCDs) which were allotted to CEDAR pursuant to the Composite Scheme of Arrangement between the Company and Future Retail Limited ("FRL") and their respective Shareholders and Creditors ("FEL – FRL Scheme"). After conversion, there are no outstanding OCDs remains in the Company.
- On November 13, 2017 the Company has made allotment of 20,96,424 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 – 2012 and 2015 (FEL ESOP 2012 & 2015). None of the employee is in receipt of Equity Shares exceeding 1% of Equity Share capital of the Company against the vested options exercised by them under FEL ESOP – 2012 & 2015.

DIVIDEND AND RESERVES

Your Directors have not recommended any dividend for the financial year 2017-18. Further, no amount is proposed to be transferred to the General Reserve.

INVESTMENTS

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

- **Subsidiaries Companies:**
 - Future Merchandising & Sourcing Pte. Ltd. ("FMSPL") is incorporated as Wholly Owned Subsidiary Company at Singapore. The Company has invested US \$ 30,000 in FMSPL.
 - Company has acquired shares held by one of the investor of Future E-Commerce Infrastructure Limited ("FECIL") for a value of ₹ 1 Crore and increased its stake from 70.43% to 86.71%.
- **Joint Venture / SPV Companies**

The Company has made further investment of ₹ 58.75 Crore in Future Generali India Life Insurance Company Limited and ₹ 56.36 Crore in Sprint Advisory Services Private Limited, as a part of its entitlement of Rights issue of respective companies.

DIVESTMENTS

On July 6, 2017, the Company divested its holding of Future Consumer Limited ("FCL") as a part of its divestments initiatives. At the end of the financial year ended March 31, 2018, your Company directly holds 100 equity shares in Future Consumer Limited.

On December 8, 2017, the Company participated in Offer for Sale ("OFS") and divested 19,56,914 Equity shares of its subsidiary company, Future Supply Chain Solutions Limited ("FSCSL"), comprising of 5% of paid-up Equity share capital of FSCSL.

DEBENTURES

During the year under review, the Company has raised long term funds through Non-Convertible Debentures aggregating ₹ 774 Crore. The funds were utilised for the objects as stated at the time of raising funds. This has helped the Company to improve its debt maturity profile as well as reduce the overall cost of debt.

The Company has made timely payment of interests and principal amount, as and when due on Debentures, issued by the Company. The Company has repaid the principal amount of Secured Redeemable Non - Convertible Debentures Series- IX A of ₹ 415.48 Crore together with accrued interest thereon on March 27, 2018.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as at March 31, 2018.

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 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), forms part of the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS

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

POLICIES AND DISCLOSURE REQUIREMENTS

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

- Details of programmes for familiarization of Independent Directors with the Company are available on the website of the Company at the link http://felindia.in/pdf/Details_of_Familiarisation_Programs_Imparted_to_Independent_Directors.pdf
- Policy for determining material subsidiaries of the Company is available on the website of the Company at the link http://felindia.in/pdf/Policy_For_Material_Subsidiary.pdf
- Policy for determining Materiality of Events of the Company is available on the website of the Company at the link http://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
- Policy for determining the 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 http://felindia.in/pdf/Code_of_Conduct.pdf

- 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
- Remuneration Policy of the Company is available on the website of the Company as at the link http://felindia.in/pdf/Remuneration_Policy.pdf
- The Dividend distribution policy is given as **Annexure I** to this Report. The same is also available on the website of the Company at the link http://felindia.in/pdf/Dividend_Distribution_Policy.pdf

The Company has formulated and disseminated a Whistle Blower Policy to provide Vigil Mechanism 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.

NUMBER OF BOARD MEETINGS

The Board of Directors met 7 (Seven) times during the financial year 2017-18. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of the 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 the Annual Report.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has following Subsidiaries (including step down subsidiaries), Joint Ventures and Associates as at the end of financial year ended March 31, 2018.

Futurebazaar India Limited

Futurebazaar India Limited ("FBIL") is set up as the e-Retailing arm of the Future Group for providing on-line shopping experience through e-portal www.futurebazaar.com. Your Company holds 100% in FBIL. FBIL is successfully operating its e-retailing business and during the financial year ended March 31, 2018, it has registered income from operations amounting to ₹ 42.80 Crore and its net profit stood at ₹ 0.08 Crore.

Future Media (India) Limited

Future Media (India) Limited ("FMIL") is the Group's media venture, aimed at creation of media properties in the ambience of consumption and thus offers active engagement to brands and consumers. FMIL offers relevant engagement through its media properties

like Visual Spaces, Television and Activation. The Company holds equity capital of 93.10% in FMIL. During the financial year ended March 31, 2018, FMIL registered income from operations amounting to NIL and the net loss stood at ₹ 0.06 Crore.

Future Supply Chain Solutions Limited

Future Supply Chain Solutions Limited ("FSCSL") is designed to operate in the logistics, transportation, distribution and warehousing space. FSCSL provides solutions in the areas of integrated Supply Chain Management, warehousing, distribution and Multi Modal transportation. Your Company has 51.22 % stake in FSCSL. FSCSL has warehousing space of 4.58 million square feet spread over all across India. FSCSL is currently building large scale warehousing facilities and also increasing its presence in 3PL logistics solutions. During the year ended March 31, 2018, FSCSL has registered income from operations amounting to ₹ 774.99 Crore and the earned net profit of ₹ 67.35 Crore.

Vulcan Express Private Limited

Vulcan Express Private Limited ("VEPL") was acquired by Future Supply Chain Solutions Limited on February 2, 2018. VEPL is 100% subsidiary of FSCSL and accordingly, is step down subsidiary of the Company. VEPL has earned revenue of ₹ 18.67 Crore & incurred net loss of ₹ 8.44 Crore during the year ended March 31, 2018.

Bluerock eServices Private Limited

Bluerock eServices Private Limited ("BEPL") was incorporated to deal in the business of furniture and home furnishing under the brand "Fabfurnish". BEPL is 100% subsidiary of the Company. BEPL has earned revenue of ₹ 4.28 Crore & incurred net loss of ₹ 1.64 Crore during the year ended March 31, 2018. During the year under review BEPL has demerged its ecommerce business undertaking and vested the same with Praxis Home Retail Limited w.e.f. November 20, 2017.

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, 2018, FECIL registered income from operations amounting to ₹ 42.56 Crore and the net profit stood at ₹ 0.42 Crore.

Work Stores Limited (f/k/a Staples Future Office Products 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 the Company's holding in the total capital of WSL works out to 62.63%. During the financial year ended March 31, 2018, WSL has registered income from operations amounting to ₹ 78.27 Crore and the net loss stood at ₹ 2.24 Crore.

Office Shop Private Limited

Office Shop Private Limited ("OSPL") was incorporated to deal in the business of distribution services. OSPL is 100% subsidiary of WSL and accordingly, is step down subsidiary of the Company. OSPL has earned revenue of ₹ 0.29 Crore & incurred net loss of ₹ 1.45 Crore during the year ended March 31, 2018.

Future Merchandising & Sourcing Pte. Ltd.

The Company has incorporated wholly owned subsidiary in Singapore in the name of Future Merchandising & Sourcing Pte. Limited (FMSPL) to undertake the activity of global sourcing of food, fashion, footwear and others from South East Asia, Middle East, China and Japan and will act as an aggregator of various commodities (with back to back procurement contracts with identified vendors/exporters) which will be imported by the Company for onward sales to FRL / Future Lifestyle Fashions Limited ("FLFL") and other corporates. The Company holds 100% in FMSPL. FMSPL has earned revenue of NIL & incurred net loss of ₹ 0.04 Crore during the year ended March 31, 2018.

JOINT VENTURES

Apollo Design Apparel Parks Limited and Goldmohur Design and 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 and 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 with NTC. During the financial year ended March 31, 2018 ADAPL registered income from operations amounting to ₹ 305.66 Crore and earned net profit of ₹ 8.37 Crore. Further during the year GDAPL registered income from operations amounting to ₹ 320.20 Crore and earned net profit of ₹ 8.05 Crore.

Future Generali India Life Insurance Company Limited

Future Generali India Life Insurance Company Limited ("FGI-Life") is Company's joint venture 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, 2018, FGI-Life has registered income from operations of ₹ 957.51 Crore and net loss of ₹ 146.82 Crore.

Future Generali India Insurance Company Limited

Future Generali India Insurance Company Limited ("FGI-Nonlife") is Company's joint venture in the general insurance sector. FGI-Nonlife has introduced insurance products for various general insurance needs of the different categories of customers. During the financial year ended March 31, 2018, FGI-Nonlife has registered income from operations of ₹ 1280.18 Crore and net profit of ₹ 78.63 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, 2018, Shendra has registered income from operations of ₹ 0.16 Crore and net profit of ₹ 0.08 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, 2018, Sprint has registered income from operations of ₹ 0.11 Crore and net profit of ₹ 0.02 Crore.

ASSOCIATE COMPANY

Galaxy Entertainment Corporation Limited (upto January 2, 2018)

Galaxy Entertainment Corporation Limited ("GECL") is a leisure and entertainment organization. The company is into operation of family entertainment gaming centers, food courts in shopping malls and restaurants. GECL also undertakes sponsorship contracts. Your Company has 19.57% stake in GECL. During the financial year ended March 31, 2018, GECL has registered income from operations amounting to ₹ 40.52 Crore and the net loss stood at ₹ 10.03 Crore.

GECL cease to be associate of the Company, upon issuance of fresh equity shares to other promoter and outside investors. Further, the holding of Company was further diluted to 18.03% upon conversion of Compulsory Convertible Debentures(CCDs) on April 3, 2018.

Leanbox Logistics Solutions Pvt Ltd. (w.e.f. July 27, 2017)

Leanbox Logistics Solutions Pvt Ltd. ("LLSPL") is Associate of FSCSL. LLSPL has earned revenue of ₹ 21.71 Crore & incurred net loss of ₹ 1.14 Crore during the year ended March 31, 2018.

A report on the performance and financial position of each of the Subsidiaries, Joint Venture and Associate Companies as per the Companies Act, 2013 is provided as **Annexure II** as AOC-1 to this report forming part of Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statements which is prepared in accordance

with the Accounting Standards prescribed by the Institute of Chartered Accountants of India in this regard.

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 the subsidiary companies have been placed on the website of the Company – 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

In terms of section 152 of the Act, Mr. Dinesh Maheshwari is liable to retire by rotation and being eligible, offers himself for re-appointment.

Additional information on appointment / reappointment of directors, as required under Regulation 36 of the Listing Regulations, is given in the Notice convening the ensuing Annual General Meeting.

DECLARATION OF INDEPENDENCE

The Company has received necessary declarations from all the Independent Directors under section 149(7) of the Act that they meet the criteria of independence laid down in section 149(6) of the Act and Regulation 25 of the Listing Regulations.

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 the Annual Report.

PARTICULARS OF EMPLOYEE STOCK OPTION PLAN 2012 (ESOP- 2012 & ESOP 2015)

Future Enterprises Limited ("FEL") has not granted any Options under Employee Stock Option Plan 2012 ("ESOP 2012") and FEL Employees Stock Option Plan 2015 ("ESOP 2015") to eligible employees in the year under review.

The applicable disclosures as stipulated under SEBI (Share Based Employee Benefits) Regulation 2014 as on March 31, 2018 with regard to ESOP 2012 and ESOP 2015 are provided in **Annexure III** to this Report.

EXTRACT OF ANNUAL RETURN

In terms of provisions of Section 92(3) of the Companies Act, 2013, an extract of Annual Return in prescribed format is annexed to this Report as **Annexure IV**.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans granted, Guarantees provided and Investments made by the Company which are covered under the provision of Section 186 of the Companies Act, 2013, is provided in note no. 47 of Notes forming part of Standalone Financial Statements.

INDIAN ACCOUNTING STANDARD (Ind AS)

The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2016 with a transition date of April 01, 2015. Accordingly, the Financial Results for the year 2017-18 have been prepared in accordance with Ind AS, prescribed under Section 133 of the Act, read with the relevant Rules issued thereunder and the other recognised accounting practices and policies to the extent applicable

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. 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 as required under the Indian Accounting Standard (AS-24) has been made in the notes forming part of the financial statements.

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 is presented before the Audit Committee on periodic and need basis for its review and approval.

Particulars of contracts or arrangements with related parties as required under Section 134(3)(h) of the Act, in the prescribed Form AOC-2 is given in **Annexure V** of this Annual 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 applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund Rules, 2016 ('the Rules')) 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 ₹ 6,66,588/- relating to financial year 2009-10. Further, 4,93,921 equity shares & 49,360 Class B (Series 1) shares were transferred as

per the requirements of the IEPF Rules. The details are provided on our website at <http://felindia.in/investors/shares-transferred-to-IEPF.aspx>

MATERIAL CHANGES AND COMMITMENTS

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

FUTURE OUTLOOK

The Company is continuing with its operations and services activities, as per requirements of entities availing its services and procuring its products. The Company is considering expansions based on the projected requirements of such entities. Further, with improved economy and better results achieved by its few investee companies, the valuation of its investments in such investee companies is improving and enabling the Company to consider divestment as a part of its initiative to monetise investments and reduce overall debt of the Company.

VIGIL MECHANISM / WHISTLE BLOWER

The Company has established a vigil mechanism to provide a framework to promote responsible and secure whistle blowing 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 from time to time. The mechanism provides for adequate safeguards against victimization 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.

AUDITORS AND AUDITORS' REPORT

As per Section 139 of the Companies Act, 2013 and the Rules made thereunder, it was mandatory to rotate the statutory auditors on completion of the maximum term permitted under the section. In line with requirements of Companies Act, 2013, 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) 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, subject to ratification by the shareholders at the General Meeting or as may be necessitated by the Act from time to time.

In terms of Section 40 of the Companies (Amendment) Act, 2017 notified on May 7, 2018 the requirement of ratification of appointment of Statutory Auditors by Members at every Annual General Meeting has been omitted and accordingly, henceforth Members' approval would not be required for ratification of appointment of auditors on annual basis. The Board has confirmed the appointment of Statutory Auditors which was

already appointed for a period of five (5) years based on recommendation of Audit Committee.

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 Companies Act, 2013 and Rules made thereunder.

The Auditors' Report on the financial statements for the financial year ended March 31, 2018 does not contain any qualification, observation, emphasis of matter or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

SECRETARIAL AUDITOR

M/s. Virendra Bhatt, Practising Company Secretary (Membership No. 1157 / Certificate of Practice No.124) was appointed as Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2017-18, as required under Section 204 of the Act and Rules made thereunder.

The Secretarial Audit Report for the financial year 2017-18 is appended as **Annexure VI** 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 Companies Act, 2013, with respect to Directors' Responsibility Statement it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2018, 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, 2018 and of the loss 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 Companies Act, 2013 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, 2018, 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; and
- 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 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, are provided in **Annexure VII** 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 Audit Committee of the Company comprises of Mr. S. Doreswamy, Independent Director as Chairman of the Committee and Mr. V.K. Chopra, Independent Director and Ms. Bala Deshpande, Independent Director, as Members of the Committee. There are no instances where the Board did not accept the recommendations of the Audit Committee. The terms of reference, powers and roles of the Committee are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

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 minimization 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. The Audit Committee and the Board also periodically review the risk management assessment and minimization 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 analyzed in the Management Discussion and Analysis which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR)

In terms of the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR")

Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report, which forms part of this Annual Report.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is annexed to this Report as **Annexure VIII**.

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.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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 Companies Act, 2013.

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 thereof and the directors individually.

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.

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees 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 are provided under **Annexure IX**, which is annexed to this Report.

In terms of the provisions Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) 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.

In terms of proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is been sent to the Members of the Company. The said information by the Members is available for inspection at the Registered Office of the Company during working hours on working days. Member interested in obtaining such information, 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.

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, regulatory authorities and its banks. 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 : May 25, 2018

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 maximize 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 payout 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 endeavor, 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

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

Sl. No.	Name of Subsidiary Companies	Date of becoming Subsidiary	Reporting Period of the Subsidiary Concerned, if different from the Holding Company reporting period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment (excluding investment in subsidiaries)	Revenue From Operations	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding
1	Future Supply Chain Solutions Limited	March 8, 2006	March 31, 2018	INR	40.05	376.94	679.75	262.75	10.01	774.99	98.68	31.34	67.35	-	51.22
2	Future Media (India) Limited	March 8, 2006	March 31, 2018	INR	29.41	(27.71)	1.71	0.01	-	-	(0.06)	-	(0.06)	-	93.10
3	Futurebazaar India Limited	August 17, 2006	March 31, 2018	INR	19.16	(21.28)	9.70	11.82	-	42.80	7.95	-	0.08	-	100.00
4	Future E-Commerce Infrastructure Limited	May 25, 2007	March 31, 2018	INR	24.14	(63.53)	15.43	54.82	-	42.56	0.42	-	0.42	-	86.71
5	Bluerock eServices Private Limited	April 16, 2016	March 31, 2018	INR	22.45	(43.58)	2.17	23.30	-	4.28	(1.64)	-	(1.64)	-	100.00
6	Work Store Limited (f/k/a Staples Future Office Products Limited)	February 8, 2013	March 31, 2018	INR	5.61	64.05	94.33	24.32	-	78.27	(2.24)	-	(2.24)	-	61.67
7	Office Shop Private Limited*	February 8, 2013	March 31, 2018	INR	0.01	(20.04)	0.63	20.67	-	0.29	(1.45)	-	(1.45)	-	61.67
8	Vulcan Express Private Limited#	February 2, 2018	March 31, 2018	INR	230.06	(168.06)	110.75	48.75	-	18.67	(8.44)	-	(8.44)	-	51.22
9	Future Merchandising Pte. Ltd.	July 3, 2017	March 31, 2018	SGD S\$	0.20	(0.04)	0.20	0.04	-	-	(0.04)	-	(0.04)	-	100.00

Note : Revenue from Operations excludes Other Income

* 100% subsidiary of Work Store Limited

100% subsidiary of Future Supply Chain Solutions Limited

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 (₹ 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, 2018	22,03,500	73.75	39.00	Due to Joint Venture Agreement	-	43.80	3.04	-
2	Goldmohur Design and Apparel Park Limited	November 22, 2007	March 31, 2018	22,81,500	70.41	39.00	Due to Joint Venture Agreement	-	42.45	2.91	-
3	Future Generali India Insurance Company Limited	May 23, 2006	March 31, 2018	20,65,50,000	206.55	25.51	Due to Joint Venture Agreement	-	185.81	13.51	-
4	Future Generali India Life Insurance Company Limited	May 23, 2006	March 31, 2018	11,64,61,781	116.46	6.70	Due to Joint Venture Agreement	-	22.71	(9.85)	-
5	Sprint Advisory Services Private Limited	May 23, 2006	March 31, 2018	24,86,05,660	248.61	49.81	Due to Joint Venture Agreement	-	424.27	0.01	-
6	Shendra Advisory Services Private Limited	May 23, 2006	March 31, 2018	11,18,44,321	111.84	49.82	Due to Joint Venture Agreement	-	197.64	0.04	-
7	Leanbox Logistics Solutions Private Limited	July 27, 2017	March 31, 2018	1,78,500	8.99	25.61	Due to Shareholding	-	2.28	(0.29)	-
8	Galaxy Entertainment Corporation Limited [#]	September 4, 2007	March 31, 2018	49,37,935	8.39	19.57	Due to Shareholding	-	(0.10)	-	-

* Aggregate of the paid-up equity share capital and convertible preference share.

[#] Associate upto January 2, 2018.

ANNEXURE III

Future Enterprises Limited Employees Stock Option Plan – 2012 and 2015 (FEL ESOP – 2012 and 2015) of the Company as at March 31, 2018.

Future Enterprises Limited ("FEL") has granted Options to eligible employees in 2014 and 2015 under FEL-Employee Stock Option Plan 2012 ("FEL ESOP 2012") and in 2016 under Employee Stock Option Plan 2015 ("FEL ESOP 2015"). During the year under review the Company has not granted any Options to the Employees.

Sl. No.	Particulars	FEL ESOP 2012 and 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, 2018

		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 (ESOP-2012) is 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 2017-18 would be ₹ 2.49 Crore.

E. Option movement during the year ended on March 31, 2018

Sl. No.	Particulars	Details	
		FEL ESOP 2012	FEL ESOP 2015
I	Details Number of options outstanding at the beginning of the year	8,06,561	26,03,196
II	Number of options revised during the Year during the year	Nil	Nil
III	Number of options granted during the year	Nil	Nil
IV	Number of options forfeited / Cancelled /lapsed during the year	Nil	Nil
V	Number of options vested during the year	Nil	24,00,996
VI	Number of Options Unvested	Nil	2,02,200

Sl. No.	Particulars	Details	
		FEL ESOP 2012	FEL ESOP 2015
VII	Number of options exercised during the year	93,428	20,02,996
VIII	Number of shares arising as a result of exercise of options	93,428	20,02,996
IX	Exercise Price	2	2
X	Money realized by exercise of options, if scheme is implemented directly by the Company	1,86,856	40,05,992
XI	Loan repaid by the Trust during the year from exercise price received	NA	N.A
XII	Total number of options outstanding (in force) at the end of the year	7,13,133	6,00,200
XIII	Number of options exercisable at the end of the year	7,13,133	6,00,200

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

		FEL ESOP 2012	FEL ESOP 2015
I	Exercise price equals market price	-	-
II	Exercise price is greater than market price	-	-
III	Exercise price is less than market price	-	-

Weighted average Exercise Price of options granted during the year:

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

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

		FEL ESOP 2012	FEL ESOP 2015
I	Exercise price equals market price	-	-
II	Exercise price is greater than market price	-	-
III	Exercise price is less than market price	15.30	14.98

G. Employee-wise details of options granted during the year on March 31, 2018

I Senior Managerial Personnel

	Name of the Employee	No. of options	
		FEL ESOP 2012	FEL ESOP 2015
	None		

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
	None		

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 previous 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	6.41%	6.57%
Expected Life	Immediate Vesting	2.75
Expected Volatility	47.00%	43.12%
Dividend	0	0
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**

ANNEXURE IV

FORM MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

(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, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400 083. Tel No.: +91 22 4918 6000 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:

Sl. 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	82
2	Renting of Assets Activities	77	18

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Future Supply Chain Solutions Limited (FSCSL) Knowledge House, Shyam Nagar, Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai 400060	L63030MH2006PLC160376	Subsidiary	51.22	Section 2(87)(iii)
2	Vulcan Express Private Limited* 61/1, Block III, Kirti Nagar, WHS New Delhi West, Delhi 110015	U63090DL2013PTC261203	Stepdown Subsidiary	51.22	Section 2(87)(iii)
3	Future Media (India) Limited Knowledge House, Shyam Nagar, Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai 400060	U74300MH2006PLC160375	Subsidiary	93.10	Section 2(87)(iii)
4	Futurebazaar India Limited Knowledge House, Shyam Nagar, Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai 400060	U51900MH2006PLC159197	Subsidiary	100.00	Section 2(87)(iii)

Sl. No.	Name & Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
5	Future E-Commerce Infrastructure Limited Knowledge House, Shyam Nagar, Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai 400060	U52399MH2007PLC171178	Subsidiary	86.71	Section 2(87)(iii)
6	Bluerock eServices Private Limited Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai 400060	U72900MH2012PTC298230	Subsidiary	100.00	Section 2(87)(iii)
7	Work Store Limited Knowledge House, Shyam Nagar, Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai 400060	U74999MH2007PLC166866	Subsidiary	61.67	Section 2(87)(iii)
8	Office Shop Private Limited** 509, Shah & Nahar Industrial Estate, Dr. E. Moses Road, Worli, Mumbai 400018	U30006MH2007PTC173922	Stepdown Subsidiary	61.67	Section 2(87)(iii)
9	Future Merchandising & Sourcing Pte. Ltd. 14, Robinson Road, # 08-01A, Far East Finance Building, Singapore 048545	201718557K	Subsidiary	100.00	Section 2(87)(iii)
10	Apollo Design Apparel Parks Limited 382, N. M. Joshi Marg, Chinchpokli, Mumbai 400011	U17291MH2007GOI195397	Joint Venture	39.00	Section 2(6)
11	Goldmohur Design and Apparel Park Limited Dada Saheb Phalke Road, Dadar (East), Mumbai 400014	U17291MH2007GOI195402	Joint Venture	39.00	Section 2(6)
12	Future Generali India Insurance Company Limited 6th Floor, Tower 3, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013	U66030MH2006PLC165287	Joint Venture	25.51	Section 2(6)
13	Future Generali India Life Insurance Company Limited 6th Floor, Tower 3, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013	U66010MH2006PLC165288	Joint Venture	6.70	Section 2(6)
14	Sprint Advisory Services Private Limited Knowledge House, Shyam Nagar, Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai 400060	U51909MH2005PTC151869	Joint Venture	49.81	Section 2(6)
15	Shendra Advisory Services Private Limited Knowledge House, Shyam Nagar, Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai 400060	U45200MH2005PTC157267	Joint Venture	49.82	Section 2(6)

Sl. No.	Name & Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
16	Galaxy Entertainment Corporation Limited [#] Eyelet House, M.S Patel Compound, Opp. Shah Industrial Estate, Saki - Vihar, Andheri (East) Mumbai 400072	L51900MH1981PLC024988	Associate	19.57	Section 2(6)
17	Leanbox Logistics Solutions Private Limited*** 1904, 19 th Floor, Amanda 'A', Hiranandani Meadows Gladys Alwares Road, Thane 400610	U74999MH2016PTC282290	Associate	25.61	Section 2(6)

*100% subsidiary of Future Supply Chain Solutions Limited

**100% subsidiary of Work Store Limited

***50% Associate of Future Supply Chain Solutions Limited (w.e.f. July 27,2017)

Associate upto January 2, 2018

IV. SHAREHOLDING PATTERN

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

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 (Equity Shares)
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter 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	20,17,83,399	-	20,17,83,399	46.55	20,57,60,572	-	20,57,60,572	45.32	-1.23
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	0.00
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	0.00
	Sub-Total (A)(1)	20,17,83,399	-	20,17,83,399	46.55	20,57,60,572	-	20,57,60,572	45.32	-1.23
(2)	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	0.00
(b)	Promoter Companies	-	-	-	-	-	-	-	-	0.00
(c)	Institutions	-	-	-	-	-	-	-	-	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)	20,17,83,399	-	20,17,83,399	46.55	20,57,60,572	-	20,57,60,572	45.32	-1.23
(B)	Public shareholding									
(1)	Institutions									

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 (Equity Shares)
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(a)	Mutual Funds / UTI	46,01,443	-	46,01,443	1.06	47,01,443	-	47,01,443	1.04	-0.03
(b)	Financial Institutions / Banks	57,37,691	-	57,37,691	1.32	62,04,246	-	62,04,246	1.37	0.04
(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	0.60	26,16,004	-	26,16,004	0.58	-0.03
(g)	Foreign Portfolio Investor	1,15,97,946	-	1,15,97,946	2.68	83,25,703	-	83,25,703	1.83	-0.84
(h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	0.00
(i)	Foreign Bodies Corporate	-	-	-	-	-	-	-	-	0.00
	Sub-Total (B)(1)	2,45,53,084	-	2,45,53,084	5.66	2,23,41,317	-	2,23,41,317	4.92	-0.74
(2)	Non-Institutions									
(a)	Bodies Corporate	13,80,29,485	3,005	13,80,32,490	31.84	13,99,26,944	2,505	13,99,29,449	30.82	-1.02
(b)	Individuals									
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	2,91,45,352	9,82,080	3,01,27,432	6.95	4,35,51,264	5,74,510	4,41,25,774	9.72	2.77
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3,12,68,136	-	3,12,68,136	7.21	3,45,76,653	-	3,45,76,653	7.62	0.40
(c)	Any Other									
	1. N R I	21,07,868	2,000	21,09,868	0.49	26,25,229		26,25,229	0.58	0.09
	2. Directors & Relatives	10,000	-	10,000	-	10,000	-	10,000	-	0.00
	3. Clearing Member	41,42,420	-	41,42,420	0.96	18,67,899	-	18,67,899	0.41	-0.54
	4. Trust	3,200	-	3,200	0.00	25,655	-	25,655	0.01	0.00
	5. Hindu Undivided Family	14,29,807	-	14,29,807	0.33	27,34,520	-	27,34,520	0.60	0.27
	Sub-Total (B)(2)	20,61,36,268	9,87,085	20,71,23,353	47.78	22,53,18,164	5,77,015	22,58,95,179	49.76	1.70
	Total Public Shareholding (B)= (B)(1)+(B)(2)	23,06,89,352	9,87,085	23,16,76,437	53.45	24,76,59,481	5,77,015	24,82,36,496	54.68	0.96
	TOTAL (A)+(B)	43,24,72,751	9,87,085	43,34,59,836	100.00	45,34,20,053	5,77,015	45,39,97,068	100.00	-0.27
(C)	Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	0.00
	GRAND TOTAL (A)+(B)+(C)	43,24,72,751	9,87,085	43,34,59,836	100.00	45,34,20,053	5,77,015	45,39,97,068	100.00	0.00

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

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 (Class B (Series 1) Shares)
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter 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	2,84,36,580	-	2,84,36,580	72.22	0.00
(2)	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)				-				-	0.00
(b)	Promoter Companies	-	-	-	-	-	-	-	-	0.00
(c)	Institutions	-	-	-	-	-	-	-	-	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	0.00
(B)	Public shareholding									
(1)	Institutions									
(a)	Mutual Funds / UTI	50	-	50	0.00	50	-	50	0.00	0.00
(b)	Financial Institutions / Banks	96,991	-	96,991	0.25	1,05,868	-	1,05,868	0.27	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	9,451	-	9,451	0.02	400	-	400	0.00	-0.02
(g)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	0.00
(h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	0.00
(i)	Foreign Bodies Corporate	-	-	-	-	-	-	-	-	0.00
	Sub-Total (B)(1)	1,06,492	-	1,06,492	0.27	2,30,678	-	2,30,678	0.59	0.32

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 (Class B (Series 1) Shares)
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	Non-Institutions									
(a)	Bodies Corporate	22,16,820	410	22,17,230	5.63	20,17,595	360	20,17,955	5.13	-0.51
(b)	Individuals									
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	24,73,573	1,06,787	25,80,360	6.56	34,02,432	66,636	34,69,068	8.81	2.26
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	53,29,318	-	53,29,318	13.53	48,36,451	-	48,36,451	12.28	-1.25
(c)	Any Other									
	1. N R I	49,492	200	49,692	0.13	80,492	-	80,492	0.20	0.08
	2. Directors & Relatives	1,000	-	1,000	-	1,000	-	1,000	-	0.00
	3. Clearing Member	5,30,477	-	5,30,477	1.35	1,27,347	-	1,27,347	0.32	-1.02
	4. Trust	-	-	-	-	127	-	127	0.00	0.00
	6. Hindu Undivided Family	1,23,530	-	1,23,530	0.31	1,74,981	-	1,74,981	0.44	0.13
	Sub-Total (B)(2)	1,07,24,210	1,07,397	1,08,31,607	27.51	1,06,40,425	66,996	1,07,07,421	27.19	-0.32
	Total Public Shareholding (B)= (B) (1)+(B)(2)	1,08,30,702	1,07,397	1,09,38,099	27.78	1,08,71,103	66,996	1,09,38,099	27.78	0.00
	TOTAL (A)+(B)	3,92,67,282	1,07,397	3,93,74,679	100.00	3,93,07,683	66,996	3,93,74,679	100.00	0.00
(C)	Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	0.00
	GRAND TOTAL (A)+(B)+(C)	3,92,67,282	1,07,397	3,93,74,679	100.00	3,93,07,683	66,996	3,93,74,679	100.00	0.00

(ii) Shareholding of Promoters

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

Sl. 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	17,38,84,257	40.12	31.02	17,78,61,430	39.18	21.72	-0.94
6	Future Corporate Resources Limited	2,10,13,249	4.85	4.85	0	0.00	0.00	-4.85
7	PIL Industries Limited	68,06,859	1.57	1.57	0	0.00	0.00	-1.57
8	Ryka Commercial Ventures Private Limited	100	0.00	0.00	100	0.00	0.00	0.00

Sl. 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	
9	Akar Estate and Finance Private Limited	1,000	0.00	0.00	1,000	0.00	0.00	0.00
10	ESES Commercial Private Limited	100	0.00	0.00	0	0.00	0.00	0.00
11	Future Capital Investment Private Limited	100	0.00	0.00	100	0.00	0.00	0.00
12	Gargi Business Ventures Private Limited	100	0.00	0.00	0	0.00	0.00	0.00
13	Manz Retail Private Limited	100	0.00	0.00	0	0.00	0.00	0.00
14	Aaradhak Commercial Ventures Private Limited	77,534	0.02	0.00	0	0.00	0.00	-0.02
15	Surplus Finvest Private Limited	0	0.00	0.00	77,534	0.02	0.00	0.02
16	Suhani Trading and Investment Consultants Private Limited	0	0.00	0.00	2,78,20,408	6.13	3.91	6.13
	Total	20,17,83,399	46.55	37.43	20,57,60,572	45.32	25.63	-1.23

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

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
2	Manz Retail Private Limited	15,79,203	4.01	0.51	0	0.00	0.00	-4.01
3	Gargi Business Ventures Private Limited	13,00,100	3.30	3.30	0	0.00	0.00	-3.30
4	ESES Commercial Private Limited	100	0.00	0.00	0	0.00	0.00	0.00
5	Future Capital Investment Private Limited	100	0.00	0.00	100	0.00	0.00	0.00
6	Future Corporate Resources Limited	100	0.00	0.00	0	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	Aaradhak Commercial Ventures Private Limited	27,009	0.07	0.00	0	0.00	0.00	-0.07
9	Suhani Trading and Investment Consultants Private Limited	0	0.00	0.00	28,79,503	7.31	0.00	7.31
10	Surplus Finvest Private Limited	0	0.00	0.00	27,009	0.07	0.00	0.07
12	Kishore Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
13	Gopikishan Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
14	Laxminarayan Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
15	Vijay Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
16	Sunil Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
17	Anil Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
18	Rakesh Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
19	Ashni Biyani	71,147	0.18	0.00	71,147	0.18	0.00	0.00
15	Vivek Biyani	2,121	0.01	0.00	2,121	0.01	0.00	0.00
	Total	2,84,36,580	72.22	3.81	2,84,36,580	72.22	0.00	0.00

(iii) Change in Promoters' Shareholding

(a) Equity Shares

Sl. 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
1	Central Departmental Stores Private Limited				
	At the beginning of the year	17,38,84,257	40.12	17,38,84,257	40.12
	Market Purchase - September 4, 2017	10,00,500	0.23	17,48,84,757	40.35
	Market Purchase - September 5, 2017	12,98,275	0.30	17,61,83,032	40.65
	Market Purchase - September 6, 2017	11,64,895	0.27	17,73,47,927	40.91
	Market Purchase - January 16, 2018	1,04,589	0.02	17,74,52,516	39.09
	Market Purchase - January 17, 2018	30,000	0.01	17,74,82,516	39.09
	Market Purchase - March 6, 2018	1,96,000	0.04	17,76,78,516	39.14
	Market Purchase - March 23, 2018	1,82,914	0.04	17,78,61,430	39.18
	At the end of the year			17,78,61,430	39.18
2	Suhani Trading and Investment Consultants Private Limited				
	At the beginning of the year	-	0.00	0	0.00
	November 14, 2017 Suhani become promoter group (Scheme of Amalgamation)	2,78,20,408	6.13	2,78,20,408	6.13
	At the end of the year			2,78,20,408	6.13
3	Surplus Finvest Private Limited				
	At the beginning of the year	-	0.00	0	0.00
	March 13, 2018 Surplus become promoter group (Scheme of Amalgamation)	77,534	0.02	77,534	0.02
	At the end of the year			77,534	0.02

(b) Class B (Series 1) Shares

Sl. 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
1	Suhani Trading and Investment Consultants Private Limited				
	At the beginning of the year	-	0.00	0	0.00
	November 14, 2017 Suhani become promoter group (Scheme of Amalgamation)	28,79,503	7.31	28,79,503	7.31
	At the end of the year			28,79,503	7.31
2	Surplus Finvest Private Limited				
	At the beginning of the year	-	0.00	0	0.00
	March 13, 2018 Surplus become promoter group (Scheme of Amalgamation)	27,009	0.07	27,009	0.07
	At the end of the year			27,009	0.07

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

(a) Equity Shares

Sl. 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
1	Cedar Support Services Limited				
	At the beginning of the year	4,34,78,261	10.03	4,34,78,261	10.03
	October 31, 2017 - Allotment made consequent to conversion of Optionally Convertible Debentures (OCDs)	1,84,40,808	4.08	6,19,19,069	13.70
	At the end of the year			6,19,19,069	13.64
2	Brand Equity Treaties Limited				
	At the beginning of the year	2,49,99,999	5.77	2,49,99,999	5.77
	At the end of the year			2,49,99,999	5.51
3	Bennett Coleman and Company Limited				
	At the beginning of the year	2,03,91,700	4.70	2,03,91,700	4.70
	At the end of the year			2,03,91,700	4.49
4	Life Insurance Corporation of India Limited				
	At the beginning of the year	49,70,150	1.15	49,70,150	1.15
	At the end of the year			49,70,150	1.09
5	Mauryan First				
	At the beginning of the year	46,00,943	1.06	46,00,943	1.06
	Market Purchase - May 12, 2017	1,00,000	0.02	47,00,943	1.08
	At the end of the year			47,00,943	1.04
6	Madan Doulatram Bahal				
	At the beginning of the year	42,30,968	0.98	42,30,968	0.98
	Market Purchase - May 26, 2017	9,498	0.00	42,40,466	0.98
	At the end of the year			42,40,466	0.93
7	Vardhaman Publishers Limited				
	At the beginning of the year	37,37,500	0.86	37,37,500	0.86
	At the end of the year			37,37,500	0.82
8	Vivek Saraogi				
	At the beginning of the year	28,74,941	0.66	28,74,941	0.66
	Market Purchase - October 13, 2017	2,20,000	0.05	30,94,941	0.71
	At the end of the year			30,94,941	0.68
9	Dharmayug Investments Limited				
	At the beginning of the year	29,25,000	0.67	29,25,000	0.67
	At the end of the year			29,25,000	0.64
10	Ratnabali Capital Markets Private Limited				
	At the beginning of the year	56,000	0.01	56,000	0.01
	Market Purchase - September 15, 2017	6,33,500	0.15	6,89,500	0.16
	Market Sale - October 6, 2017	(91,178)	(0.02)	5,98,322	0.14
	Market Sale - October 13, 2017	(5,98,322)	(0.14)	-	0.00
	Market Purchase - February 2, 2018	6,22,690	0.14	6,22,690	0.14

Sl. 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 Purchase - February 9, 2018	20,86,225	0.46	27,08,915	0.60
	Market Purchase - February 16, 2018	3,26,000	0.07	30,34,915	0.67
	Market Purchase - February 23, 2018	1,92,838	0.04	32,27,753	0.71
	Market Purchase - March 2, 2018	65,631	0.01	32,93,384	0.73
	Market Purchase - March 9, 2018	3,409	0.00	32,96,793	0.73
	Market Purchase - March 16, 2018	28,008	0.01	33,24,801	0.73
	At the end of the year			33,24,801	0.73

(b) Class B (Series 1) Shares

Sl. 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
1	Vivek Saraogi				
	At the beginning of the year	9,22,568	2.34	9,22,568	2.34
	At the end of the year			9,22,568	2.34
2	Sumedha Saraogi				
	At the beginning of the year	4,72,000	1.20	4,72,000	1.20
	At the end of the year			4,72,000	1.20
3	IL and FS Securities Services Limited				
	At the beginning of the year	130	0.00	130	0.00
	Market Sale - April 14, 2017	(120)	0.00	10	0.00
	Market Purchase - November 3, 2017	9,444	0.02	9,454	0.02
	Market Purchase - November 10, 2017	2,000	0.01	11,454	0.03
	Market Purchase - November 17, 2017	106	0.00	11,560	0.03
	Market Purchase - December 1, 2017	1,600	0.00	13,160	0.03
	Market Purchase - December 22, 2017	20	0.00	13,180	0.03
	Market Sale - December 29, 2017	(20)	0.00	13,160	0.03
	Market Purchase - January 5, 2018	36	0.00	13,196	0.03
	Market Sale - January 12, 2018	(36)	0.00	13,160	0.03
	Market Sale - January 26, 2018	(106)	0.00	13,054	0.03
	Market Purchase - February 2, 2018	1,650	0.00	14,704	0.04
	Market Purchase - February 9, 2018	303	0.00	15,007	0.04
	Market Purchase - February 16, 2018	1,21,000	0.31	1,36,007	0.35
	Market Sale - February 23, 2018	(600)	0.00	1,35,407	0.34
	Market Purchase - March 2, 2018	500	0.00	1,35,907	0.35
	Market Purchase - March 9, 2018	2,84,400	0.72	4,20,307	1.07
	Market purchase - March 23, 2018	16,871	0.04	4,37,178	1.11
	Market Sale - March 31, 2018	(200)	0.00	4,36,978	1.11
	At the end of the year			4,36,978	1.11

Sl. 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
4	Purvi Pankaj Patel				
	At the beginning of the year	3,90,339	0.99	3,90,339	0.99
	At the end of the year			3,90,339	0.99
5	Vishal Ashwin Patel				
	At the beginning of the year	3,26,253	0.83	3,26,253	0.83
	At the end of the year			3,26,253	0.83
6	B Sumanth kumar Reddy				
	At the beginning of the year	2	0.00	2	0.00
	Market Sale - April 7, 2017	(2)	0.00	0	0.00
	Market Purchase - April 28, 2017	11	0.00	11	0.00
	Market Purchase - May 5, 2017	99,989	0.25	1,00,000	0.25
	Market Purchase - May 12, 2017	1,87,326	0.48	2,87,326	0.73
	At the end of the year			2,87,326	0.73
7	Damyanti Ashwin Patel				
	At the beginning of the year	2,61,908	0.67	2,61,908	0.67
	At the end of the year			2,61,908	0.67
8	Gee Bee Securities Private Limited				
	At the beginning of the year	33,125	0.08	33,125	0.08
	Market Purchase - July 21, 2017	3,56,296	0.90	3,89,421	0.99
	Market Sale - August 4, 2017	(1,00,000)	(0.25)	2,89,421	0.74
	Market Sale - September 1, 2017	(8,000)	(0.02)	2,81,421	0.71
	Market Purchase - September 8, 2017	1,80,171	0.46	4,61,592	1.17
	Market Sale - September 15, 2017	(1,75,975)	(0.45)	2,85,617	0.73
	Market Sale - September 29, 2017	(29,321)	(0.07)	2,56,296	0.65
	Market Purchase - October 13, 2017	29,321	0.07	2,85,617	0.73
	Market Sale - March 31, 2018	(29,321)	(0.07)	2,56,296	0.65
	At the end of the year			2,56,296	0.65
9	Milind Pankaj Patel				
	At the beginning of the year	2,40,598	0.61	2,40,598	0.61
	At the end of the year			2,40,598	0.61
10	Angela Mercantiles Private Limited				
	At the beginning of the year	0	0.00	0	0.00
	Market Purchase - August 18, 2017	56,435	0.14	56,435	0.14
	Market Purchase - September 15, 2017	1,78,000	0.45	2,34,435	0.60
	At the end of the year			2,34,435	0.60

v. Shareholding of Directors and Key Managerial Personnel

(a) Equity Shares

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Equity Shares of the Company	Increase	Decrease	No. of Shares	% of total Equity Shares of the Company	No. of Shares	% of total Equity Shares of the Company
1	Mr. Anil Harish	10,000	0.00	-	-	10,000	0.00	10,000	0.00

(b) Class B (Series 1) Shares

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		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 (Series 1) Shares	% of total Class B (Series 1) Shares of the Company	No. of Equity Shares	% of total Equity Shares of the Company	No. of Class B (Series 1) Shares	% of total Class B (Series 1) Shares of the Company
1	Mr. Kishore Biyani	2,121	0.01	-	-	2,121	0.01	2,121	0.01
2	Mr. Vijay Biyani	2,121	0.01	-	-	2,121	0.01	2,121	0.01
3	Mr. Anil Harish	1,000	0.00	-	-	1,000	0.00	1,000	0.00

Note: Mr. S. Doreswamy, Mr. V. K Chopra, Ms. Bala Deshpande, Mr. Dinesh Maheshwari and Mr. Deepak Tanna did not hold any shares in the Company during the fiscal year 2018.

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
Indebtness at the beginning of the financial year April 1, 2017				
1) Principal Amount	5,095.61	103.80	-	5,199.41
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	105.11	-	-	105.11
Total (1+2+3)	5,200.72	103.80	-	5,304.52
Change in Indebtedness during the financial year				
Additions	1,212.79	250.00	-	1,462.79
Reduction	(791.06)	(103.80)	-	(894.86)
Net Change	421.73	146.20	-	567.93
Indebtedness at the end of the financial year March 31, 2018				
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
Total (1+2+3)	5,622.45	250.00	-	5,872.45

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Executive Directors and / or Manager:

(₹ in Crore)

Sl. No.	Particulars of Remuneration	Name of MD / ED / 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	2.39	2.05	4.44
	(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 ^{\$}	0.29	0.18	0.47
	Total (A)	2.68	2.24	4.92
	Ceiling as per Schedule V of the Act	₹ 3.97 Crore being maximum remuneration payable per Managerial Person under Part II (A) read with first proviso of 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 Deshpande	Mr. S. Doreswamy	Mr. Anil Harish	
Fee for attending Board / Committee Meetings	0.11	0.08	0.11	0.05	0.35
Commission	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total (I)	0.11	0.08	0.11	0.05	0.35

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
Total (II)	0.04	0.04
Total (B)=(I)+(II)		0.39
Total (A)+(B)		5.31
Overall Ceiling as per Schedule V of the Act	₹ 7.94 being maximum remuneration payable per Managerial Persons 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)

Sl. 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	0.49	0.49
	(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
	Total (C)	0.52	0.52

Represent ₹ 39,600/-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the financial year ended March 31, 2018.

ANNEXURE – V

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.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2018, which were not at arm's length basis.

2. 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, 2018 are as follows:

Name of the Related Parties	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) #	Approvals
Future Retail Limited ("FRL")	Related Party	Receipt of Leasing Retail Infrastructure Assets	N.A.	675	Necessary approvals of Audit Committee, Board of Directors and Shareholders have been obtained by the Company
		Sale of various products including apparels, merchandise and other products etc.	N.A.	2,500	
		Providing of Corporate Guarantee in favour of lenders / bankers of FRL	N.A.	5,750	
		Sale of imported products comprising of various general merchandise, fashion products, home furnishing, electronic products etc.	N.A.	Rupees equivalent to USD 350 million	
Future Merchandising & Sourcing Pte. Ltd ("FMSPL")	Subsidiary Company	Purchase of imported products comprising of various general merchandise, fashion products, home furnishing, electronic products etc.	N.A.	Rupees equivalent to USD 400 million	
		Issuance of Guarantee to secure borrowings and obtaining guarantee commission	N.A.	Rupee equivalent to USD 425 million	

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 : May 25, 2018

V. K. Chopra
Chairman

ANNEXURE – VI

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to 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 our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, during the audit period covering the financial year ended on March 31, 2018, 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 ROC and other records maintained by the Company for the financial year ended on March 31, 2018 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 under to the extent of Foreign Direct Investment, Overseas Direct Investment and - Applicable to the Company during the Audit Period;
- (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, 2009;
 - (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 31st March, 2018:-

- (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies 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, 1998;
- (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.

I have also examined compliance with the applicable clauses of the following:

- (a) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015
- (b) The Secretarial Standards 1 & 2 Issued by The Institute of Company Secretaries of India

During the period under review, the Company has prima facie complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. 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 our 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 / Committees 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 the company has given adequate notice 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 part of the minutes.

I report that there are prima facie/appear to be 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 audit period:

(a) There were instances of:

1. Debentures/allotment of shares under Employee Stock Option scheme
2. Major decisions taken by the Members in pursuance to Section 186 of the Companies Act, 2013 which would have major bearing on the Company's affairs.
3. Redemption of Debentures

(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. Our responsibility is to express an opinion on these Secretarial Records based on our 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 25, 2018

Virendra Bhatt
ACS No- 1157
COP No - 124

ANNEXURE - VII

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 optimize 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)	N.A.	
(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.		
(iv) the expenditure incurred on Research and Development.	Nil	
(C) Foreign Exchange Earnings and Outgo:		(₹ in Crore)
	Particulars	2017-18
	Total Foreign Exchange Used	162.19
	Total Foreign Exchange Earned	24.56
		24.88

For and on behalf of the Board of Directors

Place: Mumbai
Date : May 25, 2018

V. K. Chopra
Chairman

ANNEXURE VIII

A brief outline of the Company's CSR Policy

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The CSR Policy of the Company <i>inter-alia</i> includes CSR activities to be undertaken by the Company in line with Schedule VII of the Companies Act, 2013. CSR Policy of the Company is available on the website of the Company at the link http://felindia.in/pdf/CSR_Policy.pdf . The Company has deployed its CSR funds through – implementing agency, “Sone Ki Chidiya” Foundation (“SKC Foundation”).
2.	The Composition of the CSR Committee.	Ms. Bala Deshpande - Chairperson & Independent Director Mr. Kishore Biyani – Member Mr. Vijay Biyani - Member
3.	Average net profit of the company for last three financial years.	Loss of ₹ 11.64 Crore
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	Not Applicable in view of the Loss
5.	Details of CSR spent during the financial year 2017 -18: a. Total amount to be spent for the financial year 2017 -18;* b. Amount unspent, if any	a. ₹ 1.82 Crore b. Nil

c. Manner in which amount spent during the financial year is details below:

(₹ in Crore)

Sl. 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.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Development and welfare of socially and economically challenged people by Non-Government Organisation Seva Sahyog Foundation	Measures for reducing inequalities faced by socially and economically backward groups	Chamoli, Uttarakhand	0.09	0.09	0.09	Implementing Agency - SKC Foundation [#]

Sl. 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.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2	Welfare of women survivors affected by human trafficking under Justice and Care project undertaken by Waste Management Society	Promoting gender equality, empowering women	New Delhi, Patna, Bangalore, Mumbai, Kolkata	0.15	0.15	0.15	Implementing Agency - SKC Foundation [#]
3	Program 'Odha do Zindagi' undertaken by Non-Government Organisation 'Goonj'	Measures for reducing inequalities faced by socially and economically backward groups	PAN India basis	1.43	1.43	1.43	Implementing Agency - SKC Foundation [#]
4	Development and welfare of socially and economically challenged people by Non-Government Organisation Seva Sahyog Foundation	Measures for reducing inequalities faced by socially and economically backward groups	Palghar, Karjat, Navi Mumbai, Mumbai, Raigad, Thane, Maharashtra	0.07	0.07	0.07	Implementing Agency - SKC Foundation [#]
5	Welfare of economically challenged people under Project Shantivan undertaken by Non-Government Organisation Bhavani Vidyarthi Kalyan Pratishthan - Project Shantivan	Measures for reducing inequalities faced by socially and economically backward groups	Beed, Maharashtra	0.07	0.07	0.07	Implementing Agency - SKC Foundation [#]

Sl. 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.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
6	Development and welfare of socially and economically challenged people by Non-Government Organisation Bhakte Vimukta Vikas Pratishthan Sanchit	Measures for reducing inequalities faced by socially and economically backward groups	Aurangabad, Maharashtra	0.01	0.01	0.01	Implementing Agency - SKC Foundation [#]

* Includes unspent amount of previous financial years.

Notes:

Overheads - Nil

SKC Foundation has been set up *inter-alia* with objectives of undertaking the projects and activities for the benefits of various sections of the Society within India, supporting economically challenged people to meet their social needs and Corporate Social Responsibility activities as defined under Schedule VII to the Companies Act, 2013, as amended from time to time. In order to attain the above objective, SKC Foundation aligns its activities and works towards promoting, encouraging, supporting and assisting education and medical activities while reducing inequalities in society.

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. - N.A.
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 : May 25, 2018

Bala Deshpande
Chairperson

Vijay Biyani
Managing Director

ANNEXURE IX

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

- I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the Median Remuneration of the Employees (MRE) of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

(₹ in Crore)

Name of Director / KMP and Designation	Remuneration of Director / KMP for financial year 2017-18 (1)	% increase in Remuneration in the Financial Year 2017-18 (2)	Ratio of remuneration of each Director to MRE for Financial Year 2017-18 (3 = (1) / MRE)
Mr. Vijay Biyani - Managing Director	2.68	41	174.97
Mr. Dinesh Maheshwari – Executive Director & CFO	2.24	64	146.18
Mr. Deepak Tanna - Company Secretary	0.52	4	33.93

- II. The Median Remuneration of Employees (MRE) of the Company during the financial year 2017-18 under review ₹ 1,53,172 as compared to ₹ 1,51,200/- previous Financial Year 2016-17.
- III. The increase in MRE in the financial year 2018, as compare to the financial year 2017 is 1%.
- IV. There were 2,294 permanent employees on the rolls of Company as on March 31, 2018.
- V. Average percentage increase / decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 4% to 12% whereas there was 50% increase in the managerial remuneration for the same financial year since the same has now been revised as per first proviso of Part II (A) of Schedule V of the Act.
- VI. The Company has not paid any remuneration to Non-Executive Directors of the Company during the year 2017-18 except sitting fees for attending Meetings of Board and Committee.
- VII. 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 : May 25, 2018

V. K. Chopra
Chairman

CORPORATE GOVERNANCE REPORT

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 SEBI (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.

CODE OF CONDUCT

The Company has laid down a Code of Conduct (**"Code"**) for the Board Members and Senior Management Personnel 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 Board Members and Senior Management Personnel 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 posted on the Company's website www.felindia.in

COMPOSITION OF THE BOARD

The composition of the Board of Directors (**"the Board"**) is in conformity with the requirement of Regulation 17 of the Listing Regulations. Presently, the Board of the Company comprises of 7 (seven) Directors including one Woman Director. The Chairman of the Board is Non-Executive Independent Director and the number of Independent Directors is more than one-third of the total number of Directors. The number of Non-Executive Directors (NEDs) is more than one-half of the total number of Directors.

None of the Directors on the Board are serving as an Independent director in more than 7 (seven) / 3 (Three) Listed entities, as the case may be, as specified in Regulation 25 of the Listing Regulations.

None of the Directors on the Board is a Member of more than 10 (Ten) Committees and/or Chairman of more than 5 (Five) Committees (as specified in Regulation 26 of Listing Regulations), across all the public companies in which he/she is a Director.

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.

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, 2018 is as under:

Name of Director	Category	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	9	2	9	4
Mr. Kishore Biyani	Vice Chairman and Director (Promoter Group)	7	2	3	1
Mr. Vijay Biyani	Managing Director (Promoter Group)	2	8	1	NIL
Mr. Dinesh Maheshwari	Executive Director & CFO	2	2	NIL	NIL
Mr. Anil Harish	Independent Director	6	3	4	2
Mr. S. Doreswamy	Independent Director	2	1	4	3
Ms. Bala Deshpande	Independent Director	3	8	3	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.

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

Names of directors and their shareholding in the Company as on March 31, 2018 are as follows:

Sl. 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	0	0	0
2.	Mr. Kishore Biyani	0	2,121	0
3.	Mr. Vijay Biyani	0	2,121	0
4.	Mr. Dinesh Maheshwari	0	0	0
5.	Mr. Anil Harish	10,000	1,000	0
6.	Mr. S. Doreswamy	0	0	0
7.	Ms. Bala Deshpande	0	0	0

BOARD MEETINGS AND LAST AGM DETAILS

During the year under review, 7 (Seven) Board Meetings were held on May 19, 2017, July 29, 2017, August 07, 2017, October 31, 2017, November 13, 2017, February 12, 2018 and March 27, 2018.

The gap between two Meetings did not exceed one hundred and twenty days as prescribed in the Act and Listing Regulations. Twenty Ninth Annual General Meeting (AGM) of the Company was held on August 29, 2017.

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

Sl. No.	Name of Director	No. of Board Meetings		29th AGM (August 29, 2017)
		Held	Attended	
1.	Mr. V. K. Chopra	7	7	Yes
2.	Mr. Kishore Biyani	7	5	Yes
3.	Mr. Vijay Biyani	7	5	Yes
4.	Mr. Dinesh Maheshwari	7	7	Yes
5.	Mr. Anil Harish	7	6	Yes
6.	Mr. S. Doreswamy	7	6	No
7.	Ms. Bala Deshpande	7	5	No

AUDIT COMMITTEE

The Audit Committee of the Company comprises of three Directors and majority of them are Independent Directors. Mr. S. Doreswamy, Chairman of the Committee is an Independent Director. 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 19, 2017, July 29, 2017, August 07, 2017, November 13, 2017, February 12, 2018 and March 27, 2018. The gap between two 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 Members at the above meetings are as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. S. Doreswamy	Chairman	6	6
Mr. V. K. Chopra	Member	6	6
Ms. Bala Deshpande	Member	6	5

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 and 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 Companies Act, 2013;
 - 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 utilized 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.

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; and
- 5) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee;
- 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).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company comprises of four Non-Executive Independent Directors.

During the year under review, 2 (Two) meetings of the Nomination and Remuneration Committee were held on May 19, 2017 and November 13, 2017.

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

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Anil Harish	Chairman	2	1
Mr. V. K. Chopra	Member	2	2
Mr. S. Doreswamy	Member	2	2
Ms. Bala Deshpande	Member	2	2

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 Companies Act, 2013 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:

- 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;
- To formulate the criteria for evaluation of performance of Independent Directors and the Board;
- To devise a policy on Board diversity;
- 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;
- 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;
- 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
- 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, governance, etc.

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 organization. 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 on 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.

Further, 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, governance, etc.

Remuneration to Managing Director / Executive Director

Remuneration to Managing Director / Executive Director for the year ended March 31, 2018:

(₹ in Crore)

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	2.39	-	0.29	0.00*	2.68	September 26, 2017 to September 25, 2020	6	Nil
Mr. Dinesh Maheshwari	2.05	-	0.18	0.00*	2.24	May 04, 2016 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:

Name of Director	Sitting Fee paid (₹ in Crore)	*Commission paid (₹ in Crore)
Mr. V. K. Chopra	0.11	NIL
Mr. Kishore Biyani	0.04	NIL
Mr. Anil Harish	0.05	NIL
Mr. S. Doreswamy	0.11	NIL
Ms. Bala Deshpande	0.08	NIL

* No Commission was paid to any Director for the financial year 2017-18 in view of inadequacy of profits.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee presently comprises of Mr. S. Doreswamy, Independent Director as a Chairman of the Committee, Mr. Vijay Biyani, Managing Director and Mr. Dinesh Maheshwari, Executive Director of the Company, as the other Members of the Committee.

During the year under review, 4 (Four) Meetings of Stakeholders' Relationship Committee were held on May 19, 2017, August 07, 2017, November 13, 2017 and February 12, 2018.

The attendance of the Members at the above meetings are as under:

Name of Director	Designation	No. of meetings	
		Held	Attended
Mr. S. Doreswamy	Chairman	4	4
Mr. Vijay Biyani	Member	4	3
Mr. Dinesh Maheshwari	Member	4	4

Terms of reference of the Committee

- 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;
- To review and redress stakeholders' grievances regarding allotment of securities, transfer of shares, non-receipt of annual report, non-receipt of dividend, etc. and other allied matters;
- The Committee is also authorised to:
 - Investigate any activity within its terms of reference;
 - Seek any information from any employee of the Company;
 - Obtain outside legal or independent professional advice. Such advisors may attend meetings, if necessary; and
 - 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, 21 complaints were received from the Investors and 20 of them were attended to and resolved promptly. As on March 31, 2018 there was 1 complaint pending from the Investors.

Compliance Officer

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

Code of Conduct for Prevention of Insider Trading

The Company's Code of Conduct for Prevention of Insider Trading as approved by the Board of Directors, *inter-alia*, prohibits dealing in the securities of the Company by Directors and certain employees while in possession of unpublished price sensitive information in relation to the Company. The same is available on the Company's website.

INDEPENDENT DIRECTORS' MEETING

During the year under review, a separate meeting of Independent Directors was held on February 12, 2018 and the attendance of Independent Directors at the above Meeting is as under:

Name of Director	No. of meetings	
	Held	Attended
Mr. V.K. Chopra	1	1
Mr. Anil Harish	1	1
Mr. S. Doreswamy	1	1
Ms. Bala Deshpande	1	1

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee presently comprises of Ms. Bala Deshpande, Mr. Kishore Biyani and Mr. Vijay Biyani. During the year under review, one meeting of the Committee was held.

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.

COMMITTEE OF DIRECTORS

The Committee of Directors comprises of Mr. Kishore Biyani, Mr. Vijay Biyani and Mr. Dinesh Maheshwari. The Board has delegated powers to the Committee of Directors to carry out various activities for day to day operations of the Company. Twenty meetings of the Committee were held during the financial year 2017-18.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprises of Mr. Kishore Biyani, Mr. Vijay Biyani and Mr. Dinesh Maheshwari.

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.

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
2016-17	29	Tuesday, August 29, 2017 at 02:30 pm	Rangaswar, Fourth Floor, Y.B. Chavan Centre, Gen. Jagannath Bhosale Marg, Mumbai 400 021
2015-16	28	Monday, August 29, 2016 at 11:30 am	
2014-15	27	Wednesday, August 26, 2015 at 10:00 am	

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

AGM No.	AGM date	Special Resolutions Passed
29	August 29, 2017	- Approval of revision in remuneration to Mr. Vijay Biyani as Managing Director of the Company - Re-appointment and payment of Mr. Vijay Biyani as Managing Director of the Company
28	August 29, 2016	- Re-designation of and payment of remuneration to Mr. Vijay Biyani as Managing Director of the Company - Appointment of and payment of remuneration to Mr. Dinesh Maheshwari as Executive Director and Chief Financial Officer of the Company - Re-classification of Authorised Capital - Approval for entering into Related Party Transaction - Issue of Securities on Private Placement Basis
27	August 26, 2015	To Re-appointment Mr. Kishore Biyani as Managing Director

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 Companies Act, 2013 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 simultaneously. The approval of members obtained through Postal Ballot were pertaining to:

Voting Pattern and Procedure for Postal Ballot:

- The Committee of Directors / Board of Directors of the Company at its meetings held on August 21, 2017 and February 12, 2018, has appointed Mr. Virendra Bhatt, Practising Company Secretary, as the Scrutiniser for conducting the postal ballot voting process for both the Postal Ballots;
- 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;
- All postal forms received / receivable up to the closure of working hours on October 4, 2017 and March 19, 2018 the last date and time fixed by the Company for receipt of the forms in the postal ballot, had been considered by Scrutiniser in his scrutiny;
- Envelopes containing postal ballot forms received on / after October 4, 2017 and March 19, 2018 for the respective postal ballot had not been considered for his scrutiny;
- The result of the both Postal Ballots were announced on October 5, 2017 and March 20, 2018 at the Registered Office of the Company as per scrutinizer's Report are as under:

Postal Ballot - I Special Resolution - Issue of Corporate Guarantee

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

Issue of additional Corporate Guarantee in favour of Lenders / Bankers of FRL to secure obligations of FRL in respect of borrowings having aggregate principle / nominal value upto ₹ 1,600 Crore (Rupees One Thousand Six Hundred Crore only).

Mode of Voting: Postal ballot /E-voting

Promoter / Public	No. of Shares 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
	No. of Voting Rights held							
	1							
Promoter and Promoter Group	Shares	23,02,19,979	0	0.0000	0	0	0.00	0.00
	Voting Rights	22,31,10,834						
Public - Institutions	Shares	2,29,92,724	92,55,752	40.2551	72,17,283	20,38,469	77.9762	22.0238
	Voting Rights	2,29,47,351						
Public - Non-Institutions	Shares	21,96,21,812	10,53,33,533	47.9613	10,53,16,330	17,203	99.9837	0.0163
	Voting Rights	21,69,32,660						
Total	Shares	47,28,34,515	11,45,89,285	24.2345	11,25,33,613	20,55,672	98.2061	1.7939
	Voting Rights	46,29,90,845						

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 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:

Issue and allot, in one or more tranches Secured / Unsecured / Redeemable Non-convertible Debentures (NCDs) for an amount not exceeding ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore only).

Mode of Voting: Postal ballot /E-voting

Promoter / Public	No. of Shares held		No. of Votes Polled	% of Votes Polled on Outstanding Shares #(3) = [(2)/(1)]* 100	No. of Votes in Favour	No. of Votes Against	% of Votes in Favour on Votes Polled (6) =[(4)/(2)] *100	% of Votes Against on Votes Polled (7) = [(5) / (2)]* 100
	No. of Voting Rights held							
	1							
Promoter and Promoter Group	Shares	23,37,91,229	22,65,00,449	99.9169	22,65,00,449	0	100.0000	0.0000
	Voting Rights	22,66,88,836						
Public - Institutions	Shares	2,22,85,491	72,89,455	32.7967	72,89,455	0	100.0000	0.0000
	Voting Rights	2,22,26,151						
Public - Non-Institutions	Shares	23,72,95,027	11,41,87,891	48.6707	11,41,72,822	15,069	99.9868	0.0132
	Voting Rights	23,46,13,090						
Total	Shares	49,33,71,747	34,79,77,795	71.9664	34,79,62,726	15,069	99.9957	0.0043
	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.

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. 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, Intimation for dividend payment, 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 30th Annual General Meeting

Wednesday, August 29, 2018 of at 4:00 pm at Rangaswar, Fourth Floor, Y. B. Chavan Centre, Gen. Jagannath Bhosale Marg, Mumbai 400021

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)
1 st Quarter ending June, 30	Second week of August, 2018
2 nd Quarter/Half-year ending September, 30	Second week of November, 2018
3 rd Quarter ending December, 31	Second week of February, 2019
4 th Quarter/Year ending March, 31	Fourth week of May, 2019

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 year ended March 31, 2018.

Record Date

The Company has fixed August 22, 2018 as the Record Date for the purpose of Thirtieth Annual General Meeting and matters related thereto.

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) to (IX K), (X A), (X B), (XI A) to (XI G), (XIII A) & (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) and (XX A) to (XX C) 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) to (IX E), (XIII A) & (XIII B), (XV A) to (XV H), (XVII A) to (XVII E), (XVIII A) to (XVIII C) and (XX A) to (XX C)

Axis Trustee Services Limited

Axis House, 2nd Floor, Wadia International Centre,

Pandurang Budhkar Marg, Worli, Mumbai 400 025

Tel No.: +91 22 2425 5215, Fax No.: +91 22 2425 5216

Website: www.axistrustee.com

For Non-convertible Debentures Series (IXF) to (IXK), (XA) & (XB), (XIA) to (XIG), (XIVA) to (XIVG), (XVIA) to (XVIF) 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

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	-
10.25% Secured Non-Convertible Debentures (Series IX C)	INE623B07115	952010	-
10.10% Secured Non-Convertible Debentures (Series IX D)	INE623B07123	952045	-
10.10% Secured Non-Convertible Debentures (Series IX E)	INE623B07131	952046	-
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	-
10.10% Secured Non-Convertible Debentures (Series IX J)	INE623B07180	952089	-
10.10% Secured Non-Convertible Debentures (Series IX K)	INE623B07198	952090	-
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	-
10.25% Secured Non-Convertible Debentures (Series XI G)	INE623B07289	952879	-
10.10% Secured Non-Convertible Debentures (Series XIII A)	INE623B07297	952882	-
10.10% Secured Non-Convertible Debentures (Series XIII B)	INE623B07305	952883	-

Shares	ISIN No.	Stock Code	
		BSE	NSE
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	-
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	-	-

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:

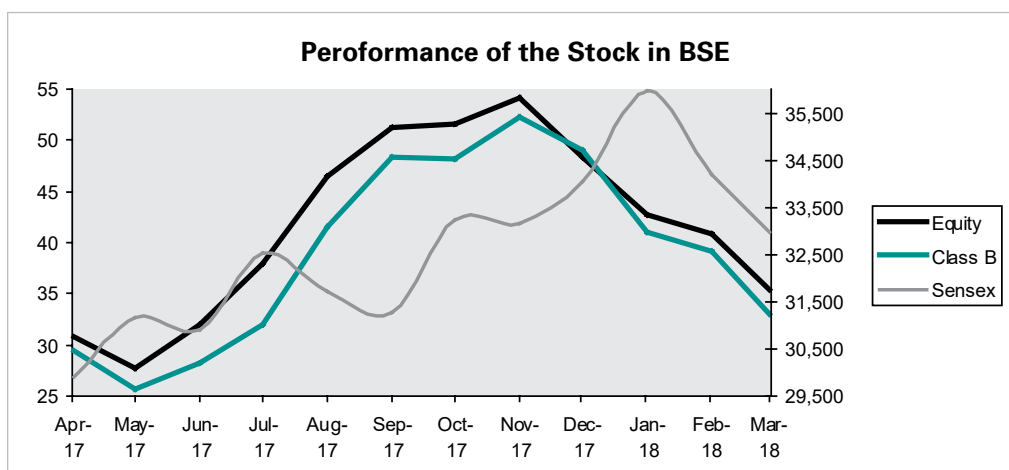
Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High	Low	Volume	High	Low	Volume
April – 2017	32.90	28.80	4927573	32.90	28.75	23799734
May – 2017	33.75	27.00	2432179	34.00	27.60	14158851
June – 2017	37.70	28.20	6080403	37.70	28.00	35105624
July – 2017	40.60	31.80	5213811	40.65	32.00	31998489
August – 2017	47.75	34.25	4325264	47.80	34.30	27804794
September – 2017	62.05	43.50	18530927	62.20	43.50	102548601
October – 2017	54.80	46.65	5565963	54.95	46.60	30195011
November – 2017	56.50	46.40	7442075	56.50	46.10	43614169
December – 2017	56.95	47.75	9085085	56.85	47.55	53834439
January – 2018	51.00	42.00	5548623	50.95	41.80	30782857
February – 2018	47.85	36.80	3377124	47.85	36.40	21930082
March – 2018	42.90	33.60	3152436	42.90	33.50	27378472

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

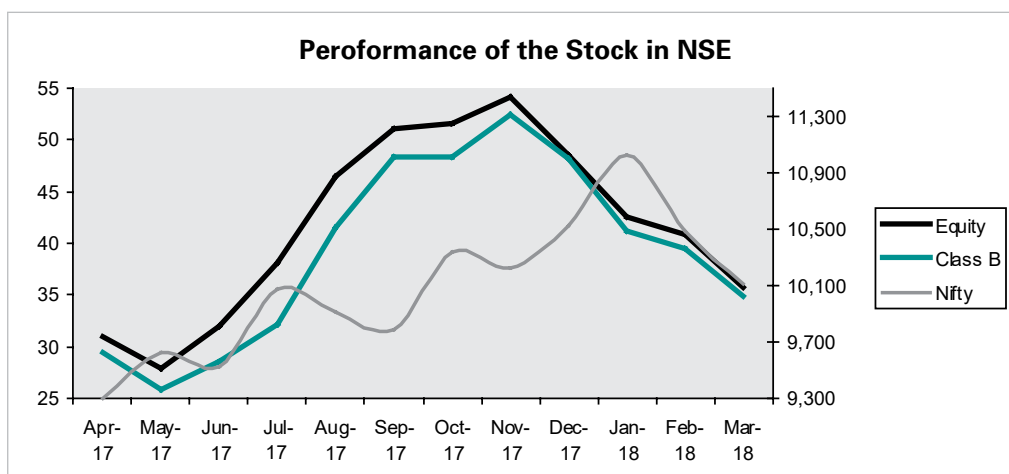
Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High	Low	Volume	High	Low	Volume
April - 2017	31.80	28.30	205457	33.50	27.25	1180075
May - 2017	31.45	25.00	116039	31.90	25.05	954055
June - 2017	34.70	25.10	166614	34.35	25.55	1201344
July - 2017	33.20	28.00	136806	33.50	27.65	1466267
August - 2017	45.00	29.00	247731	44.50	29.25	1138257
September - 2017	57.80	39.00	681337	58.05	38.75	3658573
October - 2017	51.40	42.30	101665	50.50	43.70	708395
November - 2017	53.95	42.05	145159	53.50	42.25	851201
December - 2017	55.00	47.25	194762	55.40	47.50	1211846
January - 2018	50.60	40.05	222438	53.40	40.75	917438
February - 2018	45.60	36.20	61872	46.00	36.60	589965
March - 2018	44.95	33.05	104825	41.90	33.50	739099

[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.



Share Transfer System

Trading in Equity Shares and Class B (Series 1) Shares of the Company through recognised Stock Exchanges is permitted only in dematerialized form. Shares sent for transfer in physical form 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 share transfers, necessary authority has been delegated to the Share Transfer Committee to approve the transfers of equity shares of the Company. The Share Transfer Committee and Stakeholders' Relationship Committee meet as and when required to consider the transfer proposals and attend to Investors' grievances.

Dematerialisation of shares

99.87% of the Equity Shares and 99.83% of Class B (Series 1) Shares of the Company have been dematerialised as on March 31, 2018. 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, 2018 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	31,33,80,396	69.03%	3,37,77,662	85.79%
Central Depository Services (India) Limited	14,00,39,657	30.84%	55,30,021	14.04%
Total Dematerialised	45,34,20,053	99.87%	3,93,07,683	99.83%
Physical	5,77,015	0.13%	66,996	0.17%
Total	45,39,97,068	100.00%	3,93,74,679	100.00%

Distribution of Shareholding of Equity and Class B (Series 1) Shares as on March 31, 2018

Equity Shares

No. of Shares	No. of Shareholders	%	No. of Shares	%
1-500	47,890	76.32	70,66,371	1.56
501-1000	6,759	10.77	55,82,488	1.23
1001-5000	5,970	9.51	1,43,53,288	3.16
5001-10000	996	1.59	77,00,271	1.70
10001-50000	853	1.36	1,87,57,051	4.13
50001-100000	124	0.20	90,60,199	1.99
100001-999999	124	0.20	3,58,76,557	7.90
1000000 & above	34	0.05	35,56,00,843	78.33
Total	62,750	100.00	45,39,97,068	100.00

Class B (Series 1) Shares

No. of Shares	No. of Shareholders	%	No. of Shares	%
1-500	14,114	91.81	9,04,904	2.30
501-1000	592	3.85	4,84,337	1.23
1001-5000	499	3.25	11,17,523	2.84
5001-10000	70	0.45	5,09,274	1.29
10001-50000	59	0.38	13,96,480	3.55
50001-100000	12	0.08	9,05,126	2.30
100001-999999	23	0.15	58,99,046	14.98
1000000 & above	4	0.03	2,81,57,989	71.51
Total	15,373	100.00	3,93,74,679	100.00

Categories of Shareholders as on March 31, 2018

Category	Equity Shares		Class B (Series 1) Shares	
	No. of Shares	% holding	No. of Shares	% holding
Promoters and Promoter Group	20,57,60,572	45.32	2,84,36,580	72.22
Mutual Funds	47,01,443	1.03	75,050	0.19
Banks, Financial Institutions	62,04,246	1.37	1,05,868	0.27
Venture Capital Funds	0	0.00	0	0.00
Insurance Companies	26,16,004	0.58	400	0.00
Foreign Portfolio Investor	83,25,703	1.83	0	0.00
Non-Resident Indians	26,25,229	0.58	80,492	0.21
Bodies Corporate	13,99,29,449	30.82	20,17,955	5.13
Indian Public (Individual)	7,87,02,427	17.34	83,05,519	21.09
Directors & their Relatives	10,000	0.00	1,000	0.00
Clearing Members	18,67,899	0.41	1,27,347	0.32
Trust	25,655	0.01	127	0.00
Hindu Undivided Family	27,34,520	0.60	1,74,981	0.44
Foreign Nationals	0	0.00	0	0.00
Investor Education And Protection Fund	4,93,921	0.11	49,360	0.13
Total	45,39,97,068	100.00	3,93,74,679	100.00

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, 247 Park,

L. B. S. Marg, Vikhroli (West),

Mumbai 400 083

Telephone No. : +91 22 4918 6000

Fax No. : +91 22 4918 6060

email : rnt.helpdesk@linkintime.co.in

Website: 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 Entreprises Limited

Knowledge House, Shyam Nagar,

Off. Jogeshwari - Vikhroli Link Road,

Jogeshwari (East), Mumbai 400060

Tel No: +91 22 6644 2200

Fax No: +91 22 6644 2201

Email : investorrelations@futuregroup.in

Website: www.felindia.in

Commodity Price Risk or Foreign Exchange Risk and Hedging activities

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.

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

Pursuant to Sections 124 and 125 of the Companies Act, 2013, 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. The provisions relating to transfer of shares were made effective by the ministry of Corporate Affairs, vide its Notification dated October 13, 2017 read with circular dated October 16, 2017, wherein it was provided that where the period of seven consecutive years, as above, was completed or being completed during the period from September 7, 2016 to October 31, 2017, the due date of transfer for such shares was October 31, 2017.

In the interest of the shareholders, 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 share are required to be transferred to the IEPF Authority, are uploaded on the Company's website <http://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 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 2017-18 are as follows:

Financial Year	Amount of unclaimed dividend transferred	Number of Equity Shares Transferred	Number of Class B (Series1) Shares Transferred
2009-10	₹6,66,588	4,93,921	49,360

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 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
30/06/2011	15/11/2011	19/11/2011	21/12/2018
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

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.

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, 2018. 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

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 the 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, 2018.

Subsidiary Companies

The Company does not have any material un-listed Indian subsidiary companies. 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_Subsiary.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 during the last three years.

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.

Internet Access: www.felindia.in

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 news papers 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 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.
- 5. Separate posts of Chairman and CEO:** The Company has different persons on post of the Chairman of the Board and Managing Director.

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, 2018 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

Durgesh Kumar Kabra
Partner
Membership No. 044075

Place : Mumbai
Date : May 25, 2018

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, 2018.

For Future Enterprises Limited

Place : Mumbai
Date : May 25, 2018

Vijay Biyani
Managing Director

5 YEARS FINANCIAL SUMMARY

Key Highlights of Financial Position

(₹ in Crore)

Particulars	Mar-18	Mar-17	Mar-16	Mar-15	Mar-14
Share Capital	98.67	94.57	85.57	82.84	46.32
Reserves & Surplus	3,811.96	3,715.23	3,223.52	5,091.90	3,205.33
Net Worth	3,910.63	3,809.80	3,317.79	5,197.92	3,251.65
Total Borrowings	5,730.87	5,199.41	4,849.58	4,822.75	6,267.94
Capital Employed	9,641.50	9,009.21	8,167.37	10,020.66	9,519.59
Net Block	6,439.29	5,847.93	5,279.41	4,831.66	4,340.25
Investments	1,120.56	1,404.45	1,294.68	1,295.16	1,349.52
Inventory	1,087.23	873.13	859.91	3,522.68	3,113.29

Key Highlights of Financial Results

(₹ in Crore)

Particulars	Mar-18	Mar-17	Mar-16	Mar-15	Mar-14
	12 Months	12 Months	12 Months	12 Months	15 Months
Sales & Operating Income	4,184.80	3,782.09	8,339.56	10,341.66	11,577.44
Total Income	4,368.68	4,013.14	8,376.47	10,368.39	11,605.18
COGS	2,938.96	2,675.41	6,007.94	7,408.18	8,497.65
EBITDA	1,248.17	1,184.36	1,048.75	1,243.28	1,098.16
Interest	568.41	507.61	488.86	669.04	692.54
Depreciation	698.40	633.19	546.74	512.88	404.34
Profit Before Tax	(18.64)	43.56	13.15	61.37	1.27
Profit After Tax	(12.19)	43.56	11.83	74.07	2.81

Key Financial Ratios

Particulars	Mar-18	Mar-17	Mar-16	Mar-15	Mar-14
COGS / Sales & Operating Income (%)	70.23%	70.74%	72.04%	71.63%	73.40%
Interest / Total Income (%)	13.01%	12.65%	5.84%	6.45%	5.97%
EBITDA/ Interest (Debt-Service Ratio)	2.20	2.33	2.15	1.86	1.59
EBITDA / Total Income (%)	28.57%	29.51%	12.52%	11.99%	9.46%
PBT / Total Income (%)	-0.43%	1.09%	0.16%	0.59%	0.01%
PAT / Total Income (%)	-0.28%	1.09%	0.14%	0.71%	0.02%
Basic EPS (₹)	(0.25)	0.92	0.26	2.75	0.12
Debt Equity Ratio	1.47	1.36	1.46	0.93	1.93

Note:

1. Financial number for the period ended March 31, 2014 are for the period of 15 months hence not comparable with other years.
2. 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.
3. 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.
4. 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
(Formerly Known as Future Retail Limited)

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **Future Enterprises Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

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 Companies Act, 2013 ("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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under Section 143(11) of the Act.

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, 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 accounts 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules thereunder;

- e) On the basis of the written representations received from the Directors as on March 31, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 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 B". 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 Standalone Financial Statements. Refer Note 40 to the Standalone Financial Statements;
 - ii. The Company did not have any long term contracts including derivative contract 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.

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

CA Durgesh Kumar Kabra
Partner
Membership No. 044075

Place : Mumbai
Date : May 25, 2018

ANNEXURE – ‘A’ to the Independent Auditors’ Report

Referred to in Paragraph 1 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. 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 and on the basis of our examination of the records of the Company, the title deeds of immovable properties 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 and on the basis of our examination of the books of account, 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. Consequently, the provisions of clauses 3(iii) 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 provision of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investment and guarantees, and securities, as applicable.
- v. The Company has not accepted any deposits from the public.
- 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 and on basis of our examination of the books of accounts, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax, cess and any other statutory dues 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, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax, cess and other material statutory dues were in arrears as at of March 31, 2018 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no dues in respect of, Income-tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax, cess that have not been deposited with appropriate authorities on account of dispute.
- 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 have 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 belief and according to the information and explanations given to us, no fraud by the Company was noticed or reported during the year, although there were some instances of fraud on the Company noticed by the Management, the amounts whereof were not material in the context of the size of the Company and the nature of its business and the amounts were adequately provided for.

- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid or provided 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, clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable, for all transactions with the related party and the details of related party transactions have been disclosed in the 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 by the management, the Company has not entered into any non-cash transactions with directors or person connected with him. Accordingly, the provision of clause 3 (xv) of the Order 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

CA Durgesh Kumar Kabra
Partner
Membership No. 044075

Place : Mumbai
Date : May 25, 2018

ANNEXURE – ‘B’ to the Independent Auditors’ Report

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** (Formerly Known as Future Retail Limited) (“the Company”) as of March 31, 2018 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 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”) 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 unauthorized 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, 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, 2018, 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

CA Durgesh Kumar Kabra
Partner
Membership No. 044075

Place : Mumbai
Date : May 25, 2018

BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Crore)

	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
1. Non-Current Assets			
Property, Plant and Equipment	2	6,439.29	5,847.93
Capital Work-in-Progress	2	582.65	386.34
Financial Assets			
Investments	3	1,120.56	1,404.45
Loans	4	173.47	120.04
Others	5	0.17	0.25
Other Non-Current Assets	6	218.71	206.50
Total Non-Current Assets		8,534.85	7,965.51
2. Current Assets			
Inventories	7	1,087.23	873.13
Financial Assets			
Trade Receivables	8	488.40	366.71
Cash and Cash Equivalents	9	19.56	34.25
Bank Balances Other Than Cash and Cash Equivalents	10	17.60	12.47
Loans	11	6.95	17.01
Others	12	10.65	2.37
Other Current Assets	13	737.48	961.57
Total Current Assets		2,367.87	2,267.51
Total Assets		10,902.72	10,233.02
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	98.67	94.57
Other Equity	15	3,811.96	3,715.23
Total Equity		3,910.63	3,809.80
Liabilities			
1. Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	5,315.76	4,833.64
Other Financial Liabilities	17	558.24	562.74
Provisions	18	7.60	4.78
Deferred Tax Liabilities (Net)	32	58.64	65.09
Total Non-Current Liabilities		5,940.24	5,466.25
2. Current Liabilities			
Financial Liabilities			
Borrowings	19	346.36	119.47
Trade Payables	20	485.46	478.69
Other Financial Liabilities	21	214.50	352.83
Other Current Liabilities	22	4.18	5.18
Provisions	23	1.35	0.79
Total Current Liabilities		1,051.85	956.96
Total Equity and Liabilities		10,902.72	10,233.02

The accompanying notes are an integral part of the financial statements.

1 - 48

As per our report of even date attached

For DMKH & CO.
Chartered Accountants
FRN 116886W

Durgesh Kumar Kabra
Partner
Membership No.: 044075

Mumbai
May 25, 2018

For and on behalf of Board of Directors

V. K. Chopra
Chairman & Director

Vijay Biyani
Managing Director

S. Doreswamy
Director

Bala Deshpande
Director

Anil Harish
Director

Dinesh Maheshwari
Executive Director &
Chief Financial Officer

Deepak Tanna
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Crore)

	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
INCOME			
Revenue From Operations	24	4,184.80	3,782.09
Other Income	25	183.88	231.05
Total Income		4,368.68	4,013.14
EXPENSES			
Cost of Materials Consumed		31.60	26.51
Purchase of Stock-In-Trade		3,121.95	2,662.80
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(214.59)	(13.90)
Employee Benefits Expense	27	86.78	59.96
Finance Costs	28	568.41	507.61
Depreciation and Amortization Expense	2	698.40	633.19
Other Expenses	29	94.77	93.41
Total Expenses		4,387.32	3,969.58
Profit / (Loss) Before Tax		(18.64)	43.56
Tax Expense	32	(6.45)	-
(1) Current Tax		-	-
(2) Deferred Tax		(6.45)	-
Profit / (Loss) For The Year		(12.19)	43.56
Other Comprehensive Income For The Year			
Re-measurement Gains/ (Losses) on Defined Benefit Plans	31	(0.80)	0.08
Fair Value Changes On Investments		21.40	296.23
Total Comprehensive Income For The Year		8.41	339.87
Earnings Per Equity Share of Face Value of ₹ 2/- each	36		
Basic - Equity Share		(0.25)	0.92
Basic - Class B (Series-1) Share		(0.25)	0.96
Diluted - Equity Share		(0.25)	0.92
Diluted - Class B (Series-1) Share		(0.25)	0.96

The accompanying notes are an integral part of the financial statements.

1-48

As per our report of even date attached

For DMKH & CO.
Chartered Accountants
FRN 116886W

Durgesh Kumar Kabra
Partner
Membership No.: 044075

Mumbai
May 25, 2018

For and on behalf of Board of Directors

V. K. Chopra
Chairman & Director

Vijay Biyani
Managing Director

S. Doreswamy
Director

Bala Deshpande
Director

Anil Harish
Director

Dinesh Maheshwari
Executive Director &
Chief Financial Officer

Deepak Tanna
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Crore)

	As at March 31, 2018	As at March 31, 2017
(A) EQUITY SHARE CAPITAL		
Opening Balance	94.57	85.57
Change During The Year		
Issue of Equity Shares Under Employee Stock Option Scheme	0.42	0.30
Issued Pursuant to the Scheme of Arrangement with Future Retail Limited (Formerly known as Bharti Retail Limited)	-	8.70
Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	3.69	-
Closing Balance	98.67	94.57
(B) OTHER EQUITY		
Share Capital Suspense		
Opening Balance	-	8.70
Change During The Year		
Issued Pursuant to the Scheme of Arrangement with Future Retail Limited (Formerly known as Bharti Retail Limited)	-	(8.70)
Closing Balance	-	-
Retained Earnings		
Opening Balance	583.56	244.19
Profit For The Year	(12.19)	43.56
Dividend and Tax on Dividend, on Equity Shares Issued After April 1 till the Record Date	-	(0.52)
Dividend on Equity Shares	(9.61)	-
Tax on Dividend	(1.96)	-
Other Comprehensive Income/(Loss) For The Year		
Fair Value Changes On Investments	21.40	296.23
Re-measurement Gains/ (Losses) on Defined Benefit Plans	(0.80)	0.08
Closing Balance	580.40	583.56
Securities Premium Reserve		
Opening Balance	2,735.00	2,732.71
Change During The Year		
Issue of Equity Shares	3.28	2.29
Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	92.11	-
Closing Balance	2,830.39	2,735.00
Debenture Redemption Reserve		
Opening Balance	268.13	268.13
Change During The Year	-	-
Closing Balance	268.13	268.13

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Crore)

	As at March 31, 2018	As at March 31, 2017
General Reserve		
Opening Balance	110.82	110.82
Change During The Year	-	-
Closing Balance	110.82	110.82
Share Options Outstanding Account		
Opening Balance	2.79	4.38
Change During The Year		
Expense on Employee Stock Option Scheme	2.49	0.72
Exercise of Stock Options	(3.28)	(2.31)
Closing Balance	2.01	2.79
Promotor Equity Contribution		
Opening Balance	13.68	8.16
Change During The Year		
Personal Guarantees By Promoters	6.53	5.52
Closing Balance	20.21	13.68
Equity Component of Optionally Convertible Debentures		
Opening Balance	1.27	-
Change During The Year		
Issue of Optionally Convertible Debentures (Equity Component)	-	1.27
Conversion of Optionally Convertible Debentures (Equity Component)	(1.27)	-
Closing Balance	-	1.27
TOTAL OTHER EQUITY	3,811.96	3,715.23

As per our report of even date attached

For DMKH & CO.

Chartered Accountants
FRN 116886W

Durgesh Kumar Kabra

Partner
Membership No.: 044075

Mumbai

May 25, 2018

For and on behalf of Board of Directors

V. K. Chopra

Chairman & Director

Vijay Biyani

Managing Director

S. Doreswamy

Director

Bala Deshpande

Director

Anil Harish

Director

Dinesh Maheshwari

Executive Director &
Chief Financial Officer

Deepak Tanna

Company Secretary

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Crore)

		Year Ended March 31, 2018	Year Ended March 31, 2017
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit/(Loss) Before Tax	(18.64)	43.56
	Adjusted for:		
	Depreciation and Amortization Expense	698.40	633.19
	Finance Costs	568.41	507.61
	Profit on Sale of Investments	(154.27)	(151.22)
	Expense on Employee Stock Option Scheme	2.49	0.72
	Loss on Disposal/Discard of Fixed Assets (Net)	33.19	33.37
	Dividend Income	(2.47)	(3.46)
	Interest Income	(23.46)	(73.84)
	Operating Profit Before Working Capital Changes	1,103.66	989.93
	Adjusted for:		
	Trade Receivables	(121.70)	(110.71)
	Other Financial Assets and Other Assets	142.14	(42.15)
	Inventories	(214.11)	(13.22)
	Trade Payables	6.77	(161.91)
	Other Financial Liabilities, Other Liabilities and Provisions	(67.51)	50.32
	Cash Generated From Operations	849.25	712.26
	Taxes Paid	13.09	69.48
	Net Cash Flows From Operating Activities	862.34	781.74
B	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment and Intangible Assets	(1,519.27)	(1,201.31)
	Sale/(Purchase) of Investments	459.56	460.34
	Dividend Income	2.47	3.46
	Interest Income	23.46	73.84
	Net Cash Used In Investing Activities	(1,033.78)	(663.67)
C	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from Issue of Shares	101.48	7.07
	Proceeds from Borrowings	635.25	365.95
	Dividends Paid (Including Dividend Distribution Tax)	(11.57)	(5.86)
	Interest Paid	(568.41)	(507.61)
	Net Cash Used In Financing Activities	156.75	(140.45)
	Net (Decrease)/Increase In Cash and Cash Equivalents	(14.69)	(22.38)
	Net (Decrease)/Increase In Cash and Cash Equivalents	(14.69)	(22.38)
	Cash and Cash Equivalents (Opening Balance)	34.25	56.63
	Cash and Cash Equivalents (Closing Balance)	19.56	34.25

As per our report of even date attached

For DMKH & CO.

Chartered Accountants
FRN 116886W

Durgesh Kumar Kabra

Partner
Membership No.: 044075

Mumbai

May 25, 2018

For and on behalf of Board of Directors

V. K. Chopra

Chairman & Director

Vijay Biyani

Managing Director

S. Doreswamy

Director

Bala Deshpande

Director

Anil Harish

Director

Dinesh Maheshwari

Executive Director &
Chief Financial Officer

Deepak Tanna

Company Secretary

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 25, 2018.

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 capitalized 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:

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.

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. Intangible assets are amortised on straight line basis over their estimated useful economic life not exceeding ten years. An

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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.

If such assets are considered to be impaired, the impairment to be recognized 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 recognized 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 recognized 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(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 recognized 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 recognized 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 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 categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized 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 realized within 12 months after the balance sheet date.

(ii) Derecognition of Financial Instruments

The company 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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
- 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 categorized 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 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 recognized 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 recognized in other comprehensive income. The effect of any plan amendments are recognized 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 recognized 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.

(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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 realized 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 capitalized 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

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 capitalized 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 leases. Operating lease payments are recognized 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 Taxes on Income

Income tax comprises current and deferred income tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized 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 recognized 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 recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized 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 utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized 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 capitalized 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.

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 & Equip-ments	Office Equip-ments	Furniture and Fixtures	Electrical Installa-tions	Vehicles	Total	Capital work in progress
Cost											
As At April 01, 2017	4.83	0.93	7.53	1,609.16	1,070.13	246.61	2,639.79	1,415.66	4.67	6,999.31	386.34
Additions	-	-	-	288.97	190.21	56.67	560.31	226.60	0.19	1,322.95	-
Deductions	-	-	-	33.38	-	2.95	0.58	0.64	-	37.55	-
As At March 31, 2018	4.83	0.93	7.53	1,864.75	1,260.34	300.33	3,199.52	1,641.62	4.86	8,284.71	582.65
Accumulated Depreciation											
As At April 01, 2017	-	0.04	0.29	150.62	127.70	101.63	489.51	279.73	1.86	1,151.38	-
Depreciation Charged for the Year	-	0.02	0.19	99.98	82.07	49.09	300.93	165.18	0.94	698.40	-
Disposals/Transfers	-	-	-	4.19	-	-	-	0.17	-	4.36	-
As At March 31, 2018	-	0.06	0.48	246.41	209.77	150.72	790.44	444.74	2.80	1,845.42	-
Net Book Value											
As At March 31, 2018	4.83	0.87	7.05	1,618.34	1,050.57	149.61	2,409.08	1,196.88	2.06	6,439.29	582.65
As At March 31, 2017	4.83	0.89	7.24	1,458.54	942.43	144.98	2,150.28	1,135.93	2.81	5,847.93	386.34

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Crore)

	As at March 31, 2018	As at March 31, 2017
3. Non-Current Financial Assets - Investments		
Trade Investments Fully paid up of ₹ 10/- each unless otherwise stated		
Investments in		
Equity Instruments		
Quoted		
Associate		
NIL (49,37,935) Equity Shares of Galaxy Entertainment Corporation Limited	-	19.25
Less : Provision		15.79
Subsidiary Company		3.46
2,05,15,917 (NIL) Equity Shares of Future Supply Chain Solutions Limited	48.18	-
Others		
49,37,935 (NIL) Equity Shares of Galaxy Entertainment Corporation Limited	8.39	-
100 (15,00,00,000) Equity Shares of Future Consumer Limited of ₹ 6/- each (Formerly Known as Future Consumer Enterprise Limited)	0.01	437.25
Unquoted		
Subsidiary Companies		
1,91,60,000 Equity Shares of Future Bazaar India Limited	19.16	19.16
NIL (2,24,72,831) Equity Shares of Future Supply Chain Solutions Limited	-	52.78
2,73,78,746 Equity Shares of Future Media (India) Limited	36.65	36.65
2,09,30,419 (1,69,98,000) Equity Shares of Future E-Commerce Infrastructure Limited	17.72	17.00
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 (NIL) Equity Shares of Future Merchandising and Sourcing Pte. Limited of \$ 1/- each	0.20	-
Joint Ventures		
22,03,500 Equity Shares of Apollo Design Apparel Parks Limited	73.76	73.73
20,65,50,000 Equity Shares of Future Generali India Insurance Company Limited	206.55	206.55
11,64,61,781 (5,77,15,020) Equity Shares of Future Generali India Life Insurance Company Limited	116.46	57.72
22,81,500 Equity Shares of Goldmohur Design and Apparel Park Limited	70.41	70.38
24,86,05,660 (19,22,47,809) Equity Shares of Sprint Advisory Services Private Limited	248.61	192.25
11,18,44,321 Equity Shares of Shendra Advisory Services Private Limited	111.84	111.84

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Crore)

	As at March 31, 2018	As at March 31, 2017
In Preference Shares		
Unquoted		
Subsidiary		
45,13,966 (35,64,096) 0.01% Non-Cumulative Compulsory Convertible Preference Shares (Series -2) of Future E-Commerce Infrastructure Limited	48.65	48.47
71,72,820 (NIL) Compulsory Convertible Preference Shares (Series -1) of Future E-Commerce Infrastructure Limited	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
Others		
NIL (11,92,759) 0.01% Non-Cumulative Redeemable Preference Shares of Pan India Food Solutions Private Limited	-	1.19
6,30,000 (NIL) 9% Redeemable Preference Shares of Praxis Home Retail Limited of ₹ 100/- each (Refer Note No. 46)	-	-
Non-Trade Investments paid up of ₹ 10/- each unless otherwise stated		
Unquoted		
Others		
48,281 Equity Shares of Foot-Mart Retail India Limited	0.08	0.08
Less : Provision	0.08	0.08
47,71,037 (35,78,278) Equity Shares of Pan India Food Solutions Private Limited	5.38	4.19
5,79,771 Equity Shares of Planet Retail Holdings Private Limited	3.13	3.13
In Government and Other Securities		
Quoted		
3,00,000 (2,00,000) 9% Corporate Bonds of Mahindra & Mahindra Financial Services Limited of ₹ 1000/- each	31.13	20.71
200 (NIL) 8.45% Corporate Bonds of Bajaj Finance Limited of ₹ 10,00,000/- each	20.13	-
60 (NIL) 8.75% Corporate Bonds of Bajaj Finance Limited of ₹ 10,00,000/- each	6.07	-
Unquoted		
50 (NIL) Equity Shares of Saraswat Co-Operating Bank Limited	0.00	-
National Saving Certificates (Deposited with Sales Tax Authorities)	0.05	0.05
LIC Mutual Fund Liquid Plan	0.43	0.40
	1,120.56	1,404.45
Note:		
Investment Carried At Fair Value Through Other Comprehensive Income		
1 Aggregate Amount of Quoted Investments	113.91	456.50
2 Market Value of Quoted Investments	1425.94	467.39
3 Aggregate Amount of Unquoted Investments	1006.73	963.83
4 Aggregate Amount of Diminution in Value of Investments	0.08	15.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Crore)

		As at Mar 31, 2018	As at March 31, 2017
4.	Non-Current Financial Assets - Loans		
	Others Unsecured, Considered Good	173.47	120.04
		173.47	120.04
5.	Non-Current Financial Assets - Others		
	Bank Balances Other Than Cash and Cash Equivalents		
	Deposit With Banks	0.17	0.25
		0.17	0.25
6.	Other Non-Current Assets		
	Capital Advances		
	Others Unsecured, Considered Good	25.59	22.55
	Others		
	Others Unsecured, Considered Good*	193.12	183.95
		218.71	206.50
	(* Includes Balances with Government Authorities)		
7.	Inventories		
	Raw Materials	1.47	1.96
	Work-in-Progress	5.96	4.24
	Stock-in-Trade	1,079.80	866.93
	Goods-in-Transit of ₹ 14.33 Crore (2017: ₹ 16.51 Crore)		
		1,087.23	873.13
8.	Trade Receivables		
	Unsecured, Considered Good	488.40	366.71
		488.40	366.71
9.	Cash and Cash Equivalents		
	Balances with Banks		
	On Current Accounts	19.51	34.19
	Cash on Hand	0.05	0.06
		19.56	34.25
10.	Bank Balances Other Than Cash and Cash Equivalents		
	Deposit With Banks*	17.26	12.09
	On Dividend Accounts	0.34	0.38
		17.60	12.47
	*Held as margin money or security against the borrowings, guarantees and other commitments		
11.	Current Financial Assets-Loans		
	Security Deposits		
	Unsecured, Considered Good	6.95	17.01
		6.95	17.01
12.	Current Financial Assets-Others		
	Others		
	Unsecured, Considered Good	10.65	2.37
		10.65	2.37
13.	Other Current Assets		
	Other Advances#		
	Unsecured, Considered Good	737.48	961.57
		737.48	961.57
	# Includes advance to suppliers, prepaid expenses etc.		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

14. Share Capital

	As at March 31, 2018		As at March 31, 2017	
	Number	(₹ in Crore)	Number	(₹ in Crore)
Authorised				
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
Issued *				
Equity Shares of ₹ 2/- each	45,40,92,946	90.82	43,35,55,714	86.71
Equity Shares of Class B (Series -1) of ₹ 2/- each	3,93,83,172	7.88	3,93,83,172	7.88
	49,34,76,118	98.70	47,29,38,886	94.59
Subscribed and Paid up *				
Equity Shares of ₹ 2/- each	45,39,97,068	90.80	43,34,59,836	86.69
Equity Shares of Class B (Series -1) of ₹ 2/- each	3,93,74,679	7.87	3,93,74,679	7.87
	49,33,71,747	98.67	47,28,34,515	94.57

*Refer Note No 14 (v)

(i) Reconciliation of Number of shares

Equity Share of ₹ 2/- each

Particulars	As at March 31, 2018	As at March 31, 2017
	Number of Shares	Number of Shares
Opening Balance	43,34,59,836	38,84,85,617
Add : Shares Issued*	20,96,424	4,49,74,219
Add : Shares issued on conversion of Optionally Convertible Debentures into Equity Shares	1,84,40,808	-
Closing Balance	45,39,97,068	43,34,59,836

* 20,96,424 (2017 : 14,95,958) equity shares of ₹ 2/- each issued pursuant to exercise of employees stock options scheme

4,34,78,261 Equity Shares of ₹ 2/- each, fully paid-up, pursuant to the Scheme of arrangement with Future Retail Limited (Formerly known as Bharti Retail Limited) on May 18, 2016

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

Particulars	As at March 31, 2018	As at March 31, 2017
	Number of Shares	Number of Shares
Opening Balance	3,93,74,679	3,93,74,679
Shares Issued	-	-
Closing Balance	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 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.

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, 2018		As at March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Central Departmental Stores Private Limited	17,78,61,430	39.18	17,38,84,257	40.12
Cedar Support Services Limited	6,19,19,069	13.64	4,34,78,261	10.03
Suhani Trading and Investment Consultants Private Limited	2,78,20,408	6.13		
Brand Equity Treaties Limited	2,49,99,999	5.51	2,49,99,999	5.77
Equity Shares of Class B (Series -1)				
Central Departmental Stores Private Limited	2,54,41,753	64.61	2,54,41,753	64.61
Suhani Trading and Investment Consultants Private Limited	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, 2018	As at March 31, 2017
15.	OTHER EQUITY		
	Share Capital Suspense		
	Opening Balance	-	8.70
	Change During The Year		
	Issued Pursuant to the Scheme of Arrangement with Future Retail Limited (Formerly known as Bharti Retail Limited)	-	(8.70)
	Closing Balance	-	-
	Retained Earnings		
	Opening Balance	583.56	244.19
	Profit For The Year	(12.19)	43.56
	Dividend and Tax on Dividend, on Equity Shares Issued After April 1 till the Record Date	-	(0.52)
	Dividend on Equity Shares	(9.61)	-
	Tax on Dividend	(1.96)	-
	Other Comprehensive Income/(Loss) For The Year		
	Fair Value Changes On Investments	21.40	296.23
	Re-measurement Gains/ (Losses) on Defined Benefit Plans	(0.80)	0.08
	Closing Balance	580.40	583.56
	Securities Premium Reserve		
	Opening Balance	2,735.00	2,732.71
	Change During The Year		
	Issue of Equity Shares	3.28	2.29
	Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	92.11	-
	Closing Balance	2,830.39	2,735.00
	Debenture Redemption Reserve		
	Opening Balance	268.13	268.13
	Change During The Year	-	-
	Closing Balance	268.13	268.13
	General Reserve		
	Opening Balance	110.82	110.82
	Change During The Year	-	-
	Closing Balance	110.82	110.82

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Crore)

	As at March 31, 2018	As at March 31, 2017
Share Options Outstanding Account		
Opening Balance	2.79	4.38
Change During The Year		
Expense on Employee Stock Option Scheme	2.49	0.72
Exercise of Stock Options	(3.28)	(2.31)
Closing Balance	2.01	2.79
Promotor Equity Contribution		
Opening Balance	13.68	8.16
Change During The Year		
Personal Guarantees By Promoters	6.53	5.52
Closing Balance	20.21	13.68
Equity Component of Optionally Convertible Debentures		
Opening Balance	1.27	-
Change During The Year		
Issue of Optionally Convertible Debentures (Equity Component)	-	1.27
Conversion of Optionally Convertible Debentures (Equity Component)	(1.27)	-
Closing Balance	-	1.27
TOTAL OTHER EQUITY	3,811.96	3,715.23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Crore)

		As at March 31, 2018	As at March 31, 2017
16. Non-Current Financial Liabilities - Borrowings			
Secured (Refer Note 45)			
Non-Convertible Debentures		4,324.89	3,954.49
Long-Term Loan from Banks /Other		990.87	879.15
		5,315.76	4,833.64
17. Other Financial Liabilities			
Deposit Received from Others		558.24	562.74
		558.24	562.74
18. Non-Current Liabilities - Provisions			
Long Term Provision for Employee Benefits		7.60	4.78
		7.60	4.78
19. Borrowings			
Secured			
Working Capital Loans from Banks (Refer Note No. 45)		96.36	119.47
		96.36	119.47
Unsecured			
Commercial Paper (Refer Note No. 45)		250.00	-
		250.00	-
		346.36	119.47
20. Trade Payables			
Trade Payables (Refer Note No. 39)		485.46	478.69
		485.46	478.69
21. Current-Other Financial Liabilities			
Optionally Convertible Debentures			
NIL (958) 10% Optionally Convertible Debentures having face value of ₹ 10,00,000 each		-	103.80
Current Maturities of Long-Term Borrowings		68.75	142.50
Interest Accrued But Not Due on Borrowings		141.58	105.11
Unclaimed Dividends *		0.34	0.38
Others		3.83	1.04
		214.50	352.83
*There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.			
22. Other Current Liabilities			
Other Payables		4.18	5.18
		4.18	5.18
23. Current Provisions			
Short Term Provision for Employee Benefits		1.35	0.79
		1.35	0.79

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Crore)

		Year Ended March 31, 2018	Year Ended March 31, 2017
24. Revenue From Operations			
	Sale of Products	3,578.28	3,107.08
	Less: Vat, Sales Tax, GST	152.87	2.05
	Other Operating Revenue	759.39	677.06
		4,184.80	3,782.09
25. Other Income			
	Interest Income	23.46	73.84
	Dividend on Non-Current Investments	2.47	3.46
	Excess Provisions/Liabilities Written Back	1.58	-
	Profit on sale of Investments	154.27	151.22
	Miscellaneous Income	2.10	2.53
		183.88	231.05
26. Changes in Inventories of Stock-in-Trade			
	Opening Inventories		
	Stock-in-Trade	866.93	854.15
	Work-in-Progress	4.24	3.12
	Closing Inventories		
	Stock-in-Trade	1,079.80	866.93
	Work-in-Progress	5.96	4.24
		(214.59)	(13.90)
27. Employee Benefits Expense			
	Salaries, Wages and Bonus	79.95	56.19
	Contribution to Provident and Other Funds	3.50	2.39
	Expense on Employee Stock Option Scheme	2.49	0.72
	Staff Welfare Expenses	0.84	0.66
		86.78	59.96
28. Finance Costs			
	Interest Expense	565.46	497.31
	Other Borrowing Costs	2.95	10.30
		568.41	507.61
29. Other Expenses			
	Power and Fuel	1.63	1.64
	Repairs and Maintenance	0.44	0.49
	Insurance	3.39	2.83
	Rates and Taxes	2.79	2.29
	Rent Including Lease Rentals	15.07	19.09
	Corporate Social Responsibility Expenses	1.82	0.61
	Loss on Disposal/Discard of Fixed Assets (Net)	33.19	33.37
	Exchange Fluctuation Gain/(Loss) (Net)	(1.90)	1.69
	Miscellaneous Expenses	38.34	31.40
		94.77	93.41

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)

	2017-18	2016-17
Trade Payables	113.98	38.94
Trade Receivables	3.57	4.47

(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 ₹ 488.40 Crore and ₹ 366.71 Crore as of March 31, 2018 and March 31, 2017 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)

	2017-18	2016-17
Borrowings	346.36	119.47
Trade Payables	485.46	478.69
Other Financial Liabilities	214.50	352.83

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(v) Financial Instruments Valuation

All financial instruments are initially recognized 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:

Particulars	As At March 31, 2018			As At March 31, 2017		
	Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amortised Cost						
Trade Receivables	488.40	-	-	366.71	-	-
Cash and Bank Balances	37.16	-	-	46.72	-	-
Loans	180.42	-	-	137.05	-	-
Other Financial Assets	10.82	-	-	2.62	-	-
At FVTOCI						
Investments	74.72	65.73	8.99	466.92	458.36	8.56
Financial Liabilities						
At Amortised Cost						
Borrowings	5,662.12	-	-	4,953.11	-	-
Trade Payables	485.46	-	-	478.69	-	-
Other Financial Liabilities	772.74	-	-	915.57	-	-

The financial instruments are categorized 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, 2018	March 31, 2017
Gross Debt	5,730.87	4,953.11
Trade Payables	485.46	478.69
Other Payables	708.17	920.76
Less: Cash and Cash Equivalents	19.56	46.72
Net Debt	6,904.94	6,305.84
Equity	98.67	94.57
Other Equity	3,811.96	3,715.23
Total Capital	3,910.63	3,809.80
Capital and Net Debt	10,815.57	10,115.64
Gearing Ratio	63.84%	62.34%

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, 2018 and March 31, 2017.

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)	
	2017-18	2016-17
Defined Benefit Obligation at the beginning	3.57	1.75
Service Cost	1.04	1.92
Interest Expense	0.24	0.13
Acquisition / Divestiture	0.24	-
Transfer of Obligation	-	-
Remeasurement-Actuarial (gains)/losses	0.80	(0.08)
Benefits Paid	(0.30)	(0.15)
Defined Benefit Obligation at the end	5.60	3.57

(ii) Change in Fair Value of Plan Assets

	(₹ in Crore)	
	2017-18	2016-17
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)

	2017-18	2016-17
Defined Benefit Obligation	5.60	3.57
Fair Value of Plan Assets	-	-
Surplus /(Deficit)	5.60	3.57
Effect of Assets Ceiling	-	-
Net Defined Benefit Liability/ (Assets)	5.60	3.57

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

(₹ in Crore)

	2017-18	2016-17
Current Service cost	1.04	1.92
Net interest on the net defined benefit liability/asset	0.24	0.13
Immediate recognition of (gains)/losses - other long term benefits	-	-
Total Expenses Recognised in Profit And Loss Account	1.29	2.05

(v) Remeasurement Effects Recognised in Other Comprehensive Income (OCI)

(₹ in Crore)

	2017-18	2016-17
Actuarial (gains)/losses	0.80	(0.08)
(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	0.80	(0.08)

(vi) Total Cost Recognised in Comprehensive Income

(₹ in Crore)

	2017-18	2016-17
Expenses Recognised in Profit And Loss Account	1.29	2.05
Remeasurement Effects Recognised in Other Comprehensive Income (OCI)	0.80	(0.08)
Total Cost Recognised in Comprehensive Income	2.08	1.97

(vii) Reconciliation of Amounts in Balance Sheet

(₹ in Crore)

	2017-18	2016-17
Defined Benefit Obligation at the beginning	3.57	1.75
Acquisitions	0.24	-
Total expenses recognised in Profit and Loss Account	1.29	2.05
Total Remeasurement included in OCI	0.80	(0.08)
Contribution Paid	-	-
Benefits Paid During the Year	(0.30)	(0.15)
Defined Benefit Obligation at the end	5.60	3.57

(viii) Reconciliation of Amounts in Statement of Other Comprehensive Income

(₹ in Crore)

	2017-18	2016-17
OCI (Income)/ Loss beginning of the Year	(1.26)	(1.18)
Total Remeasurement included in OCI	0.80	(0.08)
OCI (Income)/ Loss end of the Year	(0.47)	(1.26)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ix) Expected Maturity Profile of Defined benefit Obligation

(₹ in Crore)

	2017-18
Year 1	0.52
Year 2	0.30
Year 3	0.37
Year 4	0.43
Year 5	0.37
Year 6 - 10	2.78

(x) Financial Assumptions

	2017-18	2016-17
Discount Rate	7.70%	7.20%
Expected Rate of Salary Increase	5.00%	5.00%

(xi) Demographic Assumptions

	2017-18	2016-17
Mortality Rate	IALM (2006-08) ultimate	IALM (2006-08) ultimate
Withdrawal Rate	2 % to 10 %	2 % to 10 %
Retirement age	58 Years	58 Years

(xii) Sensitivity Analysis

(₹ in Crore)

	2017-18	2016-17
Discount Rate		
a. Discount Rate -100 basis point	6.13	3.92
b. Discount Rate +100 basis point	5.14	3.27
Salary increase Rate		
a. Rate -100 basis point	5.17	3.31
b. Rate +100 basis point	6.08	3.86

32. Income Tax Expense

(i) Reconciliation of Tax Expenses

(₹ in Crore)

	2017-18	2016-17
Profit Before Tax	(18.64)	43.56
Applicable tax rate	34.61%	34.61%
Computed expected tax expense	(6.45)	15.08
Effect of Non-deductible Expense	-	(41.24)
Effect of Additional deduction	-	8.26
Carried forward losses utilized	-	17.90
Tax Expense charged to the Statement of Profit & Loss	(6.45)	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ii) Deferred Tax

(₹ in Crore)

	2017-18	2016-17
Unused Tax Losses	234.93	253.81
Accelerated depreciation for tax purpose	(296.67)	(322.03)
Other items giving rise to temporary differences	3.10	3.13
Deferred tax asset / (liability)	(58.64)	(65.09)

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)

	2017-18	2016-2017
1. Segment Revenue		
Manufacturing and Trading	3425.41	3105.49
Leasing and Other	759.39	676.60
Revenue from Operations	4184.80	3782.09
2. Segment Results		
Manufacturing and Trading	399.00	358.35
Leasing and Other	65.53	44.17
Total Segment Profit Before Interest and Tax	464.53	402.52
Less :		
Finance Costs	568.41	507.61
Net Unallocated Income (Net)	(85.24)	(148.65)
Total Profit Before Tax	(18.64)	43.56
3. Segment Assets		
Manufacturing and Trading	1906.50	1491.32
Leasing and Other	6771.89	6147.97
Unallocated	2224.33	2593.73
Total Assets	10902.72	10233.02
4. Segment Liabilities		
Manufacturing and Trading	423.51	403.68
Leasing and Other	620.19	637.75
Unallocated	75.94	77.27
Total Liabilities	1119.64	1118.70

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

34. Related Party Disclosures

Disclosure as required by Ind AS 24 "Related Party Disclosures" are given below:

1. List of Related Parties

A Subsidiary Companies

- (i) Bluerock eServices Private Limited (w.e.f. April 15, 2016)
- (ii) Futurebazaar India Limited
- (iii) Future E-Commerce Infrastructure Limited
- (iv) Future Merchandising and Sourcing Pte. Ltd.
- (v) Future Media (India) Limited
- (vi) Future Supply Chain Solutions Limited (FSCSL)
- (vii) Work Store Limited (formerly known as Staples Future Office Products Limited)

B Fellow Subsidiary Companies

- (i) Office Shop Private Limited (100% Subsidiary of Work Store Limited)
- (ii) Vulcan Express Private Limited (100% Subsidiary of FSCSL) (w.e.f. February 2, 2018)

C Associate Company

- (i) Galaxy Entertainment Corporation Limited (upto January 2, 2018)
- (ii) Leanbox Logistics Solutions Private Limited(w.e.f. July 27, 2017)

D 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

E Enterprises over which Key Managerial Personnel are able to Exercises Significant Influence

- (i) Future Ideas Company Limited
- (ii) Future Retail Limited

F Entity able to Exercise Significant Influence

- (i) Future Corporate Resources Limited (upto March 30, 2017) (merged with Suhani Trading and Investment Consultants Private Limited w.e.f. November 14, 2017)

G Key Managerial Personnel

- (i) Mr. Kishore Biyani (upto May 1, 2016)
- (ii) Mr. Rakesh Biyani (upto May 2, 2016)
- (iii) Mr. Vijay Biyani
- (iv) Mr. Dinesh Maheshwari
- (v) Mr. Deepak Tanna

H Relatives of Key Managerial Personnel

- (i) Ms. Ashni Biyani
- (ii) Mrs. Godavaridevi Biyani
- (iii) Mrs. Sangita Biyani
- (iv) Mrs. Santosh Biyani

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 (0.08)	3,076.99 (878.67)	- -
Sale of Fixed Assets	- -	- -	- -	- -
Purchases of Goods and Services	17.52 (2.61)	235.11 (45.93)	3.05 (0.07)	- -
Purchases of Fixed Assets	- -	- (0.18)	1.38 (1.02)	- -
Managerial Remuneration	- -	- -	- -	5.44 (4.20)
Dividend Received	- -	2.46 (2.24)	- -	- -
Advances Given	- -	- -	- (113.65)	- -
Security Deposit Received	- -	- -	- (75.00)	- -
Investment	1.20 (8.70)	115.11 (77.56)	- -	- -
Inter Company Deposits Repayment	- (13.80)	- -	- -	- -
Outstanding Balances as on March 31, 2018				
Receivable	17.45 -	- (0.03)	373.93 (39.34)	- -
Payable	0.18 (3.35)	- (106.33)	- (410.22)	- -

Note: Previous year figures are given in parenthesis.

3. Significant Related Party Transactions

- A Sale of Goods and Services and Fixed Assets includes Future Generali India Life Insurance Company Limited ₹ Nil (2017: ₹ 0.05 Crore), Apollo Design Apparel Parks Limited ₹ 0.01 Crore (2017: ₹ 0.03 Crore), Future Retail Limited ₹ 3,076.99 Crore (2017: ₹ 878.67 Crore).
- B Purchases of Goods and Services and Fixed Assets includes Future Supply Chain Solutions Limited ₹ 17.52 Crore (2017: ₹ 1.52 Crore), Apollo Design Apparel Parks Limited ₹ 97.89 Crore (2017: ₹ 27.63 Crore), Goldmohur Design and Apparel Park Limited ₹ 136.60 Crore (2017: ₹ 18.15 Crore), Future Generali India Life Insurance Company Limited ₹ 0.35 Crore (2017: ₹ 0.15 Crore), Future Ideas Company Limited ₹ 0.11 Crore (2017: ₹ 0.07 Crore), Future Media (India) Limited ₹ 0.18 (2017: ₹ 1.27 Crore), Future Retail Limited ₹ 4.32 Crore (2017- Nil), Galaxy Entertainment Corporation Limited ₹ 0.18 Crore (2017- Nil).
- C Managerial Remuneration includes Mr. Kishore Biyani ₹ Nil (2017: ₹ 0.21 Crore), Mr. Rakesh Biyani ₹ Nil (2017: ₹ 0.21 Crore), Mr. Vijay Biyani ₹ 2.68 Crore (2017: ₹ 1.91 Crore), Mr. Dinesh Maheshwari ₹ 2.24 Crore (2017: ₹ 1.37 Crore). Key Managerial Remuneration Mr. Deepak Tanna ₹ 0.52 Crore (2017: ₹ 0.50 Crore).
- D Dividend Received includes Apollo Design Apparel Parks Limited ₹ 1.21 Crore (2017: ₹ 1.10 Crore), Goldmohur Design and Apparel Park Limited ₹ 1.25 Crore (2017: ₹ 1.14 Crore).
- E Security Deposit Received Future Retail Limited ₹ Nil (2017: ₹ 75.00 Crore).
- F Investment includes Work Store Limited (formerly known as Staples Future Office Products Limited) ₹ Nil (2017: ₹ 8.70 Crore), Sprint Advisory Services Private Limited ₹ 56.36 Crore (2017: ₹ 13.55 Crore), Shendra Advisory Services Private Limited ₹ Nil Crore (2017: ₹ 24.35 Crore), Future Generali India Life Insurance Company Limited ₹ 58.75 Crore (2017: ₹ 14.16 Crore), Future Generali India Insurance Company Limited ₹ Nil (2017: ₹ 25.50 Crore), Future E-Commerce Infrastructure Limited ₹ 1.00 Crore (2017 - Nil), Future Merchandising And Sourcing Pte. Limited ₹ 0.20 Crore (2017- Nil).

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, 2018	Percentage of Interest as on March 31, 2017
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	6.70%	3.83%
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

(₹ in Crore)

S.No.	Name of the Company	As on	Assets	Liabilities	Year ended on	Income	Expenditure
1	Apollo Design Apparel Parks Limited	March 31, 2018	47.31	3.52	March 31, 2018	119.48	114.46
2	Future Generali India Insurance Company Limited	March 31, 2018	1082.51	896.70	March 31, 2018	591.49	574.16
3	Future Generali India Life Insurance Company Limited	March 31, 2018	246.55	223.85	March 31, 2018	86.92	96.77
4	Goldmohur Design and Apparel Park Limited	March 31, 2018	50.91	8.46	March 31, 2018	125.09	120.21
5	Sprint Advisory Services Private Limited	March 31, 2018	424.28	0.01	March 31, 2018	0.06	0.04
6	Shendra Advisory Services Private Limited	March 31, 2018	197.69	0.01	March 31, 2018	0.08	0.03

36. Earnings Per Share

Statement of Calculation of Basic and Diluted EPS is as under:

	Units	2017-18	2016-17
Profit After Tax	₹ in Crore	(12.19)	43.56
The Weighted average number of Ordinary Shares for Basic EPS	No. in Crore	48.13	43.24
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	48.13	43.24
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 (Series-1) Shares)	₹	2.00	2.00
Share of Profit for Ordinary Shares for Basic EPS	₹ in Crore	(12.19)	39.78
Share of Profit for Class B (Series-1) Shares for Basic EPS	₹ in Crore	-	3.78
Share of Profit for Ordinary Shares for Diluted EPS	₹ in Crore	(12.19)	39.78
Share of Profit for Class B (Series-1) Shares for Diluted EPS	₹ in Crore	-	3.78
Earnings Per Ordinary Share (Basic)		(0.25)	0.92
Earnings Per Class B (Series-1) Share (Basic)		(0.25)	0.96
Earnings Per Ordinary Share (Diluted)		(0.25)	0.92
Earnings Per Class B (Series-1) Share (Diluted)		(0.25)	0.96

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 Nil (2017-4,925,298) options at a price of ₹ 10 per option plus all applicable taxes, as may be levied in this regard on the Company. Out of the options granted Nil (2017 -746,748) cancelled. 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:

(₹ in Crore)

	2017-18		2016-17	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	3,409,757	2	1,008,116	10
Number of options revised	-	2	(280,951.00)	2
Granted during the year	-	2	4,925,298	2
Forfeited / cancelled during the year	-	2	746,748	2
Exercised during the year	2,096,424	2	1,495,958	2
Expired during the year	-	-	-	-
Outstanding at the end of the year	1,313,333	2	3,409,757	2
Exercisable at the end of the year	1,313,333	2	3,409,757	2
Weighted average remaining contractual life of outstanding options (in years)	2.75		2.75	
Weighted average fair value of options granted ₹				
- On August 31, 2015 : ₹ 105.29				
- On November 7, 2016 : ₹ 15.66				
- On November 7, 2016 : ₹ 15.30				
- On December 12, 2016 : ₹ 14.31				

Method and Assumptions used to estimate the fair value of options granted during the year:

1. Date of Grant	November 07, 2016	November 07, 2016	August 31, 2015	August 31, 2015
2. Risk Free Interest Rate	6.57%	6.41%	7.68%	7.70%
3. Expected Life	2.75	Immediate Vesting	2.75	3.00
4. Expected Volatility	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 (₹)	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 ₹ 13.60 Crore (2017: ₹ 13.06 Crore), payable later than one year but not later than five year is ₹ 8.40 Crore (2017: ₹ 6.84 Crore) and payable later than five years is ₹ Nil (2017: ₹ Nil).

39. Details of dues to Micro, Small and Medium 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

40. Contingent Liabilities

Claims Against the Company Not Acknowledged as Debts, In respect of Income Tax ₹ 0.54 Crore (2017: ₹ 104.29 Crore), Value Added Tax ₹ 1.75 Crore (2017 : ₹ Nil), Letter of Credit ₹ 123.17 Crore (2017: ₹ 135.62 Crore) and Other money for which the Company is Contingently Liable, Corporate Guarantees Given ₹ 5753.26 Crore (2017: ₹ 4159.78 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. Capital and Other Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 95.89 Crore (2017: ₹ 78.40 Crore).

42. The borrowing cost capitalized during the year ended March 31, 2018 was ₹ 46.53 Crore (2017: ₹ 43.29 Crore).

43. Payment to the Auditor

	(₹ in Crore)	
	2017-18	2016-17
Statutory Audit Fees	0.28	0.65
Other Expenses	0.02	0.03
Total	0.30	0.78

44. 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 ₹ 1.82 Crore till FY 2017-18 on Corporate Social Responsibility (CSR) activities. Against it, the Company has during the year under review spent an amount of ₹ 1.82 Crore towards CSR activities. In respect of CSR spending for the year under review, there are no amounts outstanding to be paid.

45. Security clause in respect to Secured Borrowings

(i) Non-Convertible Debentures

- ₹ Nil (2017: ₹ 112.50 Crore) are secured by Pledge of certain Investments held by company, carries coupon rate of 12.10% per annum and are redeemable as per terms of issuance in FY 2017-18.
- ₹ 200.00 Crore (2017: ₹ 600.00 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.
- ₹ 500.00 Crore (2017: ₹ 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 and are redeemable fully as per terms of issuance in FY 2020-21.
- ₹ 365.00 Crore (2017: ₹ 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 and are redeemable as per terms of issuance in two installments as ₹ 146.00 Crore in FY 2020-21 and ₹ 219.00 Crore in FY 2021-22.
- ₹ 35.00 Crore (2017: ₹ 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 installments as ₹ 14.00 Crore in FY 2020-21 and ₹ 21.00 Crore in FY 2021-22.
- ₹ 400.00 Crore (2017: ₹ 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 ₹ 220.00 Crore in FY 2020-21 and ₹ 180.00 Crore in FY 2021-22.
- ₹ 750.00 Crore (2017: ₹ 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 as per terms of issuance in two installments as ₹ 300.00 Crore in FY 2020-21 and ₹ 450.00 Crore in FY 2021-22.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- h) ₹ 197.50 Crore (2017: ₹ 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.
- i) ₹ 51.00 Crore (2017: ₹ 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.
- j) ₹ 84.00 Crore (2017: ₹ 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.
- k) ₹ 27.00 Crore (2017: ₹ 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.
- l) ₹ 18.00 Crore (2017: ₹ 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.
- m) ₹ 949.00 Crore (2017: ₹ 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.
- n) ₹ 94 Crore (2017: ₹ Nil) 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.
- o) ₹ 26 Crore (2017: ₹ Nil) 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.
- p) ₹ 88 Crore (2017: ₹ Nil) 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.
- q) ₹ 162 Crore (2017: ₹ Nil) 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.
- r) ₹ 150 Crore (2017: ₹ Nil) 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 Crore in FY 2022-23 and ₹ 90 Crore in FY 2023-24.
- s) ₹ 20 Crore (2017: ₹ Nil) 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.
- t) ₹ 84 Crore (2017: ₹ Nil) 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.
- u) ₹ 150 Crore (2017: ₹ Nil) 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 Crore in FY 2021-22, ₹ 45 Crore in FY 2022-23 and ₹ 60 Crore in FY 2023-24.
- v) NCD from Banks and Financial Institution of ₹ 2,575.00 Crore are secured by Corporate Guarantee of Future Retail Limited.

(ii) Term Loan from Banks

- a) ₹ Nil (2017: ₹ 30.00 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).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- b) ₹ 266.67 Crore (2017: ₹ 286.26 Crore) are secured by First Pari-Passu charge on entire Fixed Assets of the company (present & future) except assets exclusively charged to other lenders.
- c) ₹ Nil (2017: ₹ 108.67 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).
- d) ₹ 347.47 Crore (2017: ₹ 350.96 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).
- e) ₹ 451.34 Crore (2017: ₹ 61.24 Crore) are secured by First Pari-Passu charge on entire Fixed Assets of the company (present & future) excluding specific immovable properties.

(iii) Term Loan from Other

₹ Nil (2017: ₹ 80.00 Crore) are secured by Pledge of certain Investments held by Company and further undertaking to create charge on other investments within a period of two years and undertaking for non-disposal of specific investments.

(iv) Working Capital Loans from Banks

₹ 96.36 Crore (2017: ₹ 119.47 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.

- (v) Term Loans from Banks and other of ₹ 718.01 Crore are secured by personal guarantee of promoter directors.
- (vi) Term Loans from Banks and Other of ₹ 1065.48 Crore are secured by Corporate Guarantee of Future Retail Limited.
- (vii) Term Loans from Banks are repayable as follows: ₹ 68.75 Crore in FY 2018-19, ₹ 153.75 Crore in FY 2019-20, ₹ 233.75 Crore in FY 2020-21, ₹ 269.80 Crore in FY 2021-22, ₹ 253.72 Crore in FY 2022-23 and ₹ 85.71 Crore in FY 2023-24.
- (viii) Installments falling due in respect of all the above Loans (Term Loan & NCDs) upto 31.03.2019 aggregating ₹ 68.75 Crore have been grouped under Current Maturities of Long-Term Borrowings.
- (ix) ₹ 250 Crore (2017: ₹ Nil) Commercial Paper carries Interest Rate 8.85%.
- (x) Weighted average rate of interest on the Term Loans is 10.61%.

46. Composite Scheme of Arrangement

The Composite Scheme of Arrangement between the Future Retail limited and Bluerock eServices Private Limited ("BSPL" or "Second Demerged Company") and Praxis Home Retail Limited ("PHRL" or "Resulting Company") and their respective Shareholders under sections 230 to 232 and section 66 of the Companies Act, 2013 ("the Scheme"), for demerger of e-Commerce Home Retail Business Undertaking of BSPL into PHRL, with effect from Appointed Date April 15, 2016 (as defined in the Scheme) has been given effect during current financial year.

Pursuant the Scheme, all the assets and liabilities pertaining to e-Commerce Home Retail Business Undertaking of the BSPL has been transferred to and vested in PHRL. As a consideration for the said Demerger PHRL issued 6,30,000 9 % Redeemable Preference Shares of the face Value of ₹100 /- each full paid -up to the shareholders of BSPL.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

47. Particulars of Loans, Guarantee and Investment under Section 186(4) of the Companies Act, 2013

(₹ in Crore)

S. No.	Name	Relation	Amount as at March 31, 2018 (Including Interest Accrued)	Maximum outstanding during the year	Amount as at March 31, 2017 (Including Interest Accrued)	Maximum outstanding during the Previous year
A	Loans					
I	Top Class Capital Markets Private Limited		-	-	-	121.65
B	Corporate Guarantee Given					
I	Galaxy Entertainment Corporation Limited- For Axis Bank Limited		3.26	Not Applicable	7.28	Not Applicable
II	Future Retail Limited for various borrowing facilities.		5,750.00	Not Applicable	4,152.50	Not Applicable
C	Investments					
Refer Note 3 to Notes forming part of the Financial Statements						

48. Details of Miscellaneous Expenses

(₹ in Crore)

	2017-18	2016-17
Common Area Maintenance Charges	-	0.19
House Keeping Charges	0.25	0.26
Legal and Professional Charges	11.22	9.03
Security Service Charges	0.31	0.28
Travelling and Conveyance Expenses	7.13	5.19
Other Expenses	19.43	16.45
Total	38.34	31.40

As per our report of even date attached

For DMKH & CO.

Chartered Accountants
FRN 116886W

Durgesh Kumar Kabra

Partner
Membership No.: 044075

Mumbai

May 25, 2018

For and on behalf of Board of Directors

V. K. Chopra

Chairman & Director

Vijay Biyani

Managing Director

S. Doreswamy

Director

Bala Deshpande

Director

Anil Harish

Director

Dinesh Maheshwari

Executive Director &
Chief Financial Officer

Deepak Tanna

Company Secretary

Independent Auditors' Report

To,
The Members of
Future Enterprises Limited
(Formerly Known as Future Retail Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **Future Enterprises Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), Jointly Controlled Entities and an Associate Company, comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement and the Consolidated statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows and Consolidated Changes in Equity of the Group including its Jointly Controlled Entities and an Associate Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the Consolidated state of affairs of the Group, its Jointly Controlled Entities and an Associate Company as at March 31, 2018, and its Consolidated financial performance including comprehensive income, its Consolidated cash flow and Consolidated Changes in Equity for the year ended on that date.

Other Matters

We did not audit the Financial Statements of the nine subsidiaries whose Financial Statements reflect total assets of ₹ 265.21 Crore as at March 31, 2018, total revenues of ₹ 978.20 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 ₹ 5.95 Crore for the year ended March 31, 2018, 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, 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 ₹ 5.95 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 Joint Ventures 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, and the Consolidated Cash Flow Statement and Consolidated statement of Changes in Equity 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 Accounting Standards 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 Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its Subsidiary Companies and Jointly Controlled Entities and associates Companies incorporated in India. Written representations received from the Directors of two Jointly Controlled Entities which have been consolidated on the basis of management certified Financial Statements.

None of the Directors of these entities is disqualified as on March 31, 2018 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 of the Group 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.
- (g) 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

Membership No. 044075

Place : Mumbai

Date : May 25, 2018

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 the Holding Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Future Enterprises Limited (“the Holding Company”) and its Subsidiary Companies, its jointly control entities and associates incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding 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 unauthorized 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 Holding Company and its Subsidiary Companies, which are Companies incorporated in India, 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, 2018, 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 the financial statements of 9 Subsidiary Companies, 6 Joint Ventures entities and 2 Associates are based on the corresponding reports of the auditors of such Companies.

For DMKH & CO.

Chartered Accountants
FRN: 116886W

Durgesh Kumar Kabra

Partner

Membership No. 044075

Place : Mumbai

Date : May 25, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Crore)

	Note No.	As At March 31, 2018	As At March 31, 2017
ASSETS			
1. Non-Current Assets			
Property, Plant and Equipment	2	6,756.15	5,978.84
Capital Work-in-Progress	2	585.20	456.16
Other Intangible Assets	2	2.72	2.84
Intangible Assets Under Development	2	-	0.01
Financial Assets			
Investments	3	855.90	1,125.06
Loans	4	205.97	143.47
Others	5	0.39	0.34
Other Non-Current Assets	6	231.32	213.90
Total Non-Current Assets		8,637.65	7,920.62
2. Current Assets			
Inventories	7	1,097.30	882.86
Financial Assets			
Investments	8	9.55	10.01
Trade Receivables	9	777.21	603.37
Cash and Cash Equivalents	10	102.29	83.64
Bank Balances Other than Cash and Cash Equivalents	11	30.16	27.21
Loans	12	19.45	12.50
Others	13	23.27	26.36
Other Current Assets	14	759.72	982.70
Total Current Assets		2,818.95	2,628.65
Total Assets		11,456.60	10,549.27
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	98.67	94.57
Instruments Entirely Equity In Nature	16	15.40	23.53
Other Equity	17	3,936.57	3,702.91
Total Equity		4,050.64	3,821.01
Liabilities			
1. Non-Current Liabilities			
Financial Liabilities			
Borrowings	18	5,340.87	4,907.18
Other Financial Liabilities	19	559.94	564.70
Provisions	20	12.56	8.25
Deferred Tax Liabilities (Net)	36	74.17	74.35
Total Non-Current Liabilities		5,987.54	5,554.48
2. Current Liabilities			
Financial Liabilities			
Borrowings	21	354.56	125.43
Trade Payables	22	755.64	641.77
Other Financial Liabilities	23	276.48	374.68
Other Current Liabilities	24	27.41	29.45
Provisions	25	1.65	2.45
Current Tax Liabilities (Net)		2.68	-
Total Current Liabilities		1,418.42	1,173.78
Total Equity and Liabilities		11,456.60	10,549.27

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 25, 2018

For and on behalf of Board of Directors

V. K. Chopra

Chairman & Director

Vijay Biyani

Managing Director

S. Doreswamy

Director

Bala Deshpande

Director

Anil Harish

Director

Dinesh Maheshwari

Executive Director &
Chief Financial Officer

Deepak Tanna

Company Secretary

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Crore)

	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
INCOME			
Revenue From Operations	26	5,103.09	4,485.45
Other Income	27	183.23	237.14
Total Income		5,286.32	4,722.59
EXPENSES			
Cost of Materials and Services Consumed	28	556.95	418.42
Purchase of Stock-In-Trade	29	3,226.95	2,754.35
Change in Inventories of Work-in-Progress and Stock-in-Trade	30	(215.73)	(8.98)
Employee Benefits Expense	31	179.58	138.28
Finance Costs	32	577.79	521.80
Depreciation and Amortization Expense	2	725.21	654.31
Other Expenses	33	180.30	189.88
Total Expenses		5,231.05	4,668.06
Profit Before Share of Profit From Associate and Joint Ventures		55.27	54.53
Share of Profit From Associate and Joint Ventures		9.36	11.73
Profit Before Tax		64.63	66.26
Tax Expense			
(1) Current Tax	36	25.91	13.43
(2) Deferred Tax	36	(1.02)	(2.00)
Profit For The Year		39.74	54.83
Attributable To :			
Equity Holders of The Parent		6.90	35.00
Non-Controlling Interest		32.84	19.83
Other Comprehensive Income For The Year			
Other Comprehensive Income	34	21.20	296.15
Share of OCI from Associate and Joint Ventures		(6.78)	5.91
Total Other Comprehensive Income For The Year		14.42	302.06
Attributable To :			
Equity Holders of The Parent		14.40	301.30
Non-Controlling Interest		0.02	0.76
Total Comprehensive Income For The Year		54.16	356.89
Earnings Per Equity Share of Face Value of ₹ 2/- each	40		
Basic - Equity Share		0.13	0.74
Basic - Class B (Series-1) Share		0.17	0.78
Diluted - Equity Share		0.13	0.74
Diluted - Class B (Series-1) Share		0.17	0.78

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

V. K. Chopra

Chairman & Director

Vijay Biyani

Managing Director

S. Doreswamy

Director

Durgesh Kumar Kabra

Partner
Membership No.: 044075

Bala Deshpande

Director

Anil Harish

Director

Dinesh Maheshwari

Executive Director &
Chief Financial Officer

Mumbai

May 25, 2018

Deepak Tanna

Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Crore)

		As At March 31, 2018	As At March 31, 2017
(A)	EQUITY SHARE CAPITAL		
	Opening Balance	94.57	85.57
	Change During The Year		
	Issue of Equity Shares Under Employee Stock Option Scheme	0.42	0.30
	Issued Pursuant to the Scheme of Arrangement with Future Retail Limited (Formerly known as Bharti Retail Limited)	-	8.70
	Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	3.69	-
	Closing Balance	98.67	94.57
(B)	INSTRUMENTS ENTIRELY EQUITY IN NATURE		
	Preference Share Capital		
	Opening Balance	23.53	72.09
	Change During The Year		
	Purchase (Redemption) of Preference Shares	(8.13)	(48.56)
	Closing Balance	15.40	23.53
(C)	OTHER EQUITY		
	Share Capital Suspense		
	Opening Balance	-	8.70
	Change During The Year		
	Issued Pursuant to the Scheme of Arrangement with Future Retail Limited (Formerly known as Bharti Retail Limited)	-	(8.70)
	Closing Balance	-	-
	Retained Earnings		
	Opening Balance	286.13	(60.09)
	Profit For The Year	6.90	35.00
	Adjustment on Account of Subsidiary	38.92	10.44
	Adjustment on Account of Associate/Joint Venture	1.22	
	Dividend and Tax on Dividend, on Equity Shares Issued After April 1 till the Record Date	-	(0.52)
	Proposed Dividend on Equity Shares	(9.61)	-
	Tax on Dividend	(1.96)	-
	Other Comprehensive Income/(Loss) For The Year	14.40	301.30
	Closing Balance	336.00	286.13
	Securities Premium Reserve		
	Opening Balance	2,891.63	2,889.34
	Change During The Year		
	Issue of Equity Shares	3.28	2.29
	Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	92.11	-
	Closing Balance	2,987.02	2,891.63

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Crore)

	As At March 31, 2018	As At March 31, 2017
Share Options Outstanding Account		
Opening Balance	2.79	4.38
Change During The Year		
Expense on Employee Stock Option Scheme	4.28	0.72
Exercise of Stock Options	(3.27)	(2.31)
Closing Balance	3.79	2.79
Equity Component of Optionally Convertible Debentures		
Opening Balance	1.27	-
Change During The Year		
Issue of Optionally Convertible Debentures (Equity Component)	-	1.27
Conversion of Optionally Convertible Debentures (Equity Component)	(1.27)	-
Closing Balance	-	1.27
Capital Reserve on Consolidation	8.06	4.12
Non - Controlling Interest		
Opening Balance	124.36	64.96
Change During The Year	78.17	59.40
Closing Balance	202.53	124.36
Debenture Redemption Reserve		
Opening Balance	268.13	268.13
Add : Transfer From Profit & Loss Account	-	-
Add: Pursuant to The Composite Scheme of Arrangement	-	-
Closing Balance	268.13	268.13
Promoter Equity Contribution		
Opening Balance	13.68	8.16
Change During The Year		
Personal Guarantees By Promoters	6.53	5.52
Closing Balance	20.21	13.68
General Reserve		
Opening Balance	110.82	110.82
Transfer During The Year	-	-
Closing Balance	110.82	110.82
TOTAL OTHER EQUITY	3,936.57	3,702.91

As per our report of even date attached

For DMKH & CO.

Chartered Accountants
FRN 116886W

Durgesh Kumar Kabra

Partner
Membership No.: 044075

Mumbai

May 25, 2018

For and on behalf of Board of Directors

V. K. Chopra

Chairman & Director

Vijay Biyani

Managing Director

S. Doreswamy

Director

Bala Deshpande

Director

Anil Harish

Director

Dinesh Maheshwari

Executive Director &
Chief Financial Officer

Deepak Tanna

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Crore)

	Year Ended March 31, 2018	Year Ended March 31, 2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	55.27	66.26
Adjusted for :		
Depreciation and Amortization Expense	725.21	654.31
Expense on Employee Stock Option Scheme	4.28	0.72
Finance Costs	577.79	521.80
Dividend Income	(0.00)	(3.46)
(Profit)/Loss on Sale of Investments	(145.36)	(132.74)
(Profit) / Loss on Disposal/Discard of Fixed Assets (Net)	29.80	33.40
Interest Income	(29.67)	(94.02)
Allowances For Bad and Doubtful Debts	2.25	0.98
Provision For Impairment of Goodwill	-	4.91
	1,164.30	985.90
	1,219.57	1,052.16
Operating Profit Before Working Capital Changes		
Adjusted for :		
Trade and Other Receivables	(176.09)	(99.60)
Inventories	(214.45)	(13.63)
Other Financial Assets and Other Assets	146.40	62.34
Trade and Other Payables	113.86	(160.98)
Other Financial Liabilities, Other Liabilities and Provisions	(51.01)	41.55
	(181.30)	(170.32)
Cash Generated From Operations	1,038.28	881.84
Share in Profit/(Loss) of Joint Ventures and Associate Company	(32.84)	(11.73)
Share in Minority Interest	78.17	38.81
Adjustment on Account of Associate/Joint Venture Include in Consolidation	1.22	-
Adjustment on Account of Subsidiary Include in Consolidation	38.92	10.44
Taxes Paid	(10.17)	56.05
Net Cash From Operating Activities	1,113.58	975.41
B CASH FLOW FROM INVESTING ACTIVITIES		
Sale / (Purchase) of Property, Plant and Equipment	(1,661.23)	(1,286.85)
Sale / (Purchase) of Investments	442.88	427.66
Dividend Received	0.00	3.46
Interest Received	29.67	94.02
Net Cash Used In Investing Activities	(1,188.68)	(761.72)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Crore)

		Year Ended March 31, 2018	Year Ended March 31, 2017
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds From Borrowings	589.74	371.67
	Proceeds From Issue of Share Capital	101.49	7.07
	Redemption of Preference Shares	(8.12)	(48.56)
	Dividend Paid (Including Dividend Distribution Tax)	(11.57)	(5.86)
	Interest Paid	(577.79)	(521.80)
	Net Cash (Used In) / From Financing Activities	93.75	(197.48)
	Net (Decrease)/Increase In Cash And Cash Equivalents (A+B+C)	18.65	16.22
	Net (Decrease)/Increase In Cash And Cash Equivalents	18.65	16.22
	Cash and Cash Equivalents At Beginning of The Year	83.64	67.42
	Cash and Cash Equivalents At End of The Year	102.29	83.64

As per our report of even date attached

For DMKH & CO.
Chartered Accountants
FRN 116886W

Durgesh Kumar Kabra
Partner
Membership No.: 044075

Mumbai
May 25, 2018

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

S. Doreswamy
Director

Dinesh Maheshwari
Executive Director &
Chief Financial Officer

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Company Overview And Significant Accounting Policies

1.1 Overview

Future Enterprises Limited (Formerly Known as Future Retail 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 25, 2018.

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 unrealized 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 recognized 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. Investments in Joint Ventures are accounted for using the equity method of accounting, after initially being recognised at cost in the consolidated balance sheet.

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 capitalized 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:

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.

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. Intangible assets are amortised on straight line basis over their estimated useful economic life not exceeding ten years. 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 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 recognized 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 recognized 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 recognized 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 recognized 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.

(v) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(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 categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized 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 realized 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 realized 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.

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 categorized 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 recognized 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 recognized in other comprehensive income. The effect of any plan amendments are recognized 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 recognized 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 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(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.

1.18 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 realized 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).

1.19 Leases

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

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 capitalized 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 recognized 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.

1.20 Taxes on Income

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized 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 utilized. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.21 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.

1.22 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 capitalized 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.

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	Furniture and Fitting	Electrical Installation	Vehicle	Total	Capital Work-in-Progress
Cost :											
As At April 1, 2017	10.71	13.33	1,609.16	7.53	1,172.76	10.48	2,654.58	1,434.18	9.87	7,173.37	456.15
Additions	-	0.02	300.32	-	333.01	16.41	586.80	243.02	0.19	1,541.76	-
Disposals / Transfers	5.88	1.11	33.38	-	0.07	2.42	2.25	0.64	-	49.93	-
As At March 31, 2018	4.83	12.23	1,876.09	7.53	1,505.71	24.48	3,239.12	1,676.56	10.06	8,665.74	585.20
Accumulated Depreciation :											
As At April 1, 2017	-	5.23	150.62	0.29	146.02	6.47	493.99	284.90	2.72	1,194.53	-
Depreciation Charged For The Year	-	2.07	100.40	0.19	94.47	3.65	303.57	168.07	1.77	724.16	-
Disposals / Transfers	-	0.74	4.19	-	0.02	2.30	0.67	0.17	-	9.09	-
As At March 31, 2018	-	6.56	246.83	0.48	240.48	7.82	796.90	452.80	4.49	1,909.59	-
Net Book Value											
As At March 31, 2018	4.83	5.67	1,629.26	7.06	1,265.23	16.66	2,442.23	1,223.76	5.57	6,756.15	585.20
As At March 31, 2017	10.71	8.10	1,458.54	7.24	1,026.74	4.01	2,160.59	1,149.28	7.15	5,978.84	456.15

Other Intangible Assets

(₹ in Crore)

	Computer Software	Brands / Trademarks	Total	Intangible Assets under Development
Cost :				
As At April 1, 2017	8.52	1.08	9.59	0.01
Additions	1.73	-	1.73	-
Disposals / Transfers	1.08	0.78	1.86	0.01
As At March 31, 2018	9.16	0.29	9.46	-
Accumulated Amortisation :				
As At April 1, 2017	6.31	0.45	6.76	-
Amortisation Charged For The Year	1.01	0.04	1.05	-
Disposals / Transfers	0.82	0.25	1.07	-
As At March 31, 2018	6.49	0.24	6.74	-
Net Book Value				
As At March 31, 2018	2.67	0.05	2.72	-
As At March 31, 2017	2.21	0.63	2.84	0.01

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3. Non-Current Financial Assets-Investments

(₹ in Crore)

	As At March 31, 2018	As At March 31, 2017
Quoted Investments		
Investment in Equity Instruments		
Others		
49,37,935 (NIL) Equity Shares of Galaxy Entertainment Corporation Limited	8.39	-
100 (15,00,00,000) Equity Shares of Future Consumer Limited of ₹ 6/- each (Formerly Known as Future Consumer Enterprise Limited)	0.01	437.25
Associate		
Investment in Equity Instruments		
Quoted		
NIL (49,37,935) Equity Shares of Galaxy Entertainment Corporation Limited	-	15.79
Less: Provision	-	(15.79)
Unquoted Investments		
1,78,500 (NIL) Equity Share of ₹ 10/- Each of Leanbox Logistics Solutions Pvt Ltd.	8.71	-
Unquoted Investments		
Joint Ventures		
22,03,500 Equity Shares of Apollo Design Apparel Parks Limited	88.09	87.32
20,65,50,000 Equity Shares of Future Generali India Insurance Company Limited	173.56	166.28
11,64,61,781 (5,77,15,020) Equity Shares of Future Generali India Life Insurance Company Limited	67.61	19.31
22,81,500 Equity Shares of Goldmohur Design and Apparel Park Limited	84.32	83.75
24,86,05,660 (19,22,47,809) Equity Shares of Sprint Advisory Services Private Limited	247.01	190.64
11,18,44,321 Equity Shares of Shendra Advisory Services Private Limited	110.86	110.82
In Preference Shares		
Unquoted Investments		
Others		
NIL (11,92,759) 0.01% Non-Cumulative Redeemable Preference Shares of Pan India Food Solutions Private Limited	-	1.19
6,30,000 (NIL) 9% Redeemable Preference Shares of Praxis Home Retail Limited of ₹ 100/- each (Refer Note No.46)	-	-
19,833 Convertible Debentures of ₹ 10/- Each of Leanbox Logistics Solutions Pvt Ltd.	1.00	-
Non - Trade Investments Paid Up of ₹ 10/- each Unless Otherwise Stated		
Equity Instruments		
Unquoted		
Others		
48,281 Equity Shares of Foot-Mart Retail India Limited	0.08	0.08
Less: Provision	(0.08)	(0.08)
47,71,037 (35,78,278) Equity Shares of Pan India Food Solutions Limited	5.38	4.19
5,79,771 Equity Shares of Planet Retail Holdings Private Limited	3.13	3.13
Investment in Government or Other Securities		
Quoted		
3,00,000 (2,00,000) 9% Bonds of Mahindra & Mahindra Financial Services Limited of ₹ 1000 each/-	31.13	20.71
200 8.45% Bonds of Bajaj Finance Ltd of ₹ 10,00,000 each/-	20.13	-
60 8.75% Bonds of Bajaj Finance Ltd of ₹ 10,00,000 each/-	6.07	-
Unquoted		
National Saving Certificates (Deposited with Sales Tax Authorities)	0.07	0.07
LIC Mutual Fund Liquid Plan	0.43	0.40
50 (NIL) Equity Shares of Saraswat Co-Operating Bank Limited	0.00	-
	855.90	1,125.06
Note:		
Investment Carried At Fair Value Through Other Comprehensive Income		
Aggregate Amount of Quoted Investments	65.74	453.04
Market Value of Quoted Investments	8.40	467.39
Aggregate Amount of Unquoted Investments	790.16	687.89
Aggregate Amount of Diminution in Value of Investments	0.08	15.87

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore)

		As At March 31, 2018	As At March 31, 2017
4.	Non-Current Financial Asset - Loans		
	Others Unsecured, Considered Good	205.97	143.47
		205.97	143.47
5.	Non-Current Financial Assets - Others		
	Bank Balances Other Than Cash and Cash Equivalents		
	Deposit with Banks	0.39	0.34
		0.39	0.34
6.	Other - Non Current Assets		
	Capital Advances		
	Others Unsecured, Considered Good	26.13	22.55
	Others		
	Others Unsecured, Considered Good*	205.19	191.35
	Doubtful	0.23	0.23
	Less: Provisions	(0.23)	(0.23)
	(* Includes Balances with Government Authorities.)		
		231.32	213.90
7.	Inventories		
	Raw Material	1.48	1.96
	Work-in-Progress	5.96	4.24
	Stock-in-Trade	1,089.61	875.49
	Goods-in-Transit	0.22	1.14
	Packing Materials , Branding Material and Stores and Spares	0.03	0.02
		1,097.30	882.86
8.	Current Financial Asset - Investments		
	Quoted Investments		
	Investment in Mutual Fund	9.55	10.01
		9.55	10.01
9.	Trade Receivables (Refer Note No. 35)		
	Unsecured, Considered Good	287.66	410.04
	Unsecured, Considered Doubtful	0.95	0.85
	Less: Provision For Doubtful Debts	(0.95)	(0.85)
	Less: Allowance For Credit Losses	(7.45)	(5.89)
		280.21	404.14
	Other Receivables*		
	Unsecured, Considered Good	497.00	199.23
	Unsecured, Considered Doubtful	-	21.68
	Less: Provision For Doubtful Debts	-	(21.68)
		497.00	199.23
	*Includes Receivables From Related Parties		
		777.21	603.37

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore)

		As At March 31, 2018	As At March 31, 2017
10. Cash And Cash Equivalents			
	Cash and Cash Equivalents :		
	Balances with Banks :		
	On Current Accounts	101.07	83.40
	On Deposit Accounts	0.04	0.07
	Cash on Hand	1.18	0.17
		102.29	83.64
11. Bank Balance Other Than Cash And Cash Equivalents			
	Deposits with Banks*		
	Earmarked Balances with Banks For :		
	Dividend Account	0.34	0.38
	Short Term Bank Deposits	29.82	26.83
		30.16	27.21
	*Held as margin money or security against the Borrowings, Guarantees and other Commitments.		
12. Current Financial Assets - Loans			
	Unsecured, Considered Good, Unless Otherwise Stated		
	Loans to Related Parties		
	Inter-Corporate Deposits	12.50	12.50
		12.50	12.50
	Security Deposits :		
	Unsecured, Considered Good	6.95	-
	Unsecured, Considered Doubtful	0.05	0.05
	Less: Allowance For Bad and Doubtful Advances	(0.05)	(0.05)
		6.95	-
		19.45	12.50
13. Current Financial Assets - Others			
	Balances with Government Authorities	1.36	0.00
	Other Advances	0.03	0.71
	Deposits	11.22	23.28
	Others		
	Unsecured, Considered Good	0.01	2.37
	Doubtful	11.68	0.07
	Less: Provisions	(1.03)	(0.07)
		23.27	26.36
14. Other Current Assets			
	Insurance Claim Receivables	0.73	0.38
	Income Accrued / Interest Accrued But Not Received	2.63	0.06
	Other Advances #	756.36	982.17
	Asset Held For Sale	-	0.10
		759.72	982.70
	#Includes Advance to Suppliers, Prepaid Expenses etc.		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

15. Share Capital

	As at March 31, 2018		As at March 31, 2017	
	Number	(₹ in Crore)	Number	(₹ in Crore)
Authorised				
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
Issued *				
Equity Shares of ₹ 2/- each	45,40,92,946	90.82	43,35,55,714	86.71
Equity Shares of Class B (Series -1) of ₹ 2/- each	3,93,83,172	7.88	3,93,83,172	7.88
	49,34,76,118	98.70	47,29,38,886	94.59
Subscribed and Paid up *				
Equity Shares of ₹ 2/- each	45,39,97,068	90.80	43,34,59,836	86.69
Equity Shares of Class B (Series -1) of ₹ 2/- each	3,93,74,679	7.87	3,93,74,679	7.87
	49,33,71,747	98.67	47,28,34,515	94.57

*Refer Note No 15 (v)

(i) Reconciliation of Number of shares

Equity Share of ₹ 2/- each

Particulars	As at March 31, 2018	As at March 31, 2017
	Number of Shares	Number of Shares
Opening Balance	43,34,59,836	38,84,85,617
Add : Shares Issued*	20,96,424	4,49,74,219
Add : Shares issued on conversion of Optionally Convertible Debentures into Equity Shares	1,84,40,808	-
Closing Balance	45,39,97,068	43,34,59,836

* 20,96,424 (2017 : 14,95,958) equity shares of ₹ 2/- each issued pursuant to exercise of employees stock options scheme.

4,34,78,261 Equity Shares of ₹ 2/- each, fully paid-up, pursuant to the Scheme of arrangement with Future Retail Limited (Formerly known as Bharti Retail Limited) on May 18, 2016.

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

Particulars	As at March 31, 2018	As at March 31, 2017
	Number of Shares	Number of Shares
Opening Balance	3,93,74,679	3,93,74,679
Shares Issued	-	-
Closing Balance	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 dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholder 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, 2018		As at March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Central Departmental Stores Private Limited	17,78,61,430	39.18	17,38,84,257	40.12
Cedar Support Services Limited	6,19,19,069	13.64	4,34,78,261	10.03
Suhani Trading and Investment Consultants Private Limited	2,78,20,408	6.13	-	-
Brand Equity Treaties Limited	2,49,99,999	5.51	2,49,99,999	5.77
Equity Shares of Class B (Series -1)				
Central Departmental Stores Private Limited	2,54,41,753	64.61	2,54,41,753	64.61
Suhani Trading and Investment Consultants Private Limited	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, 2018	As At March 31, 2017
16.	Instruments Entirely Equity In Nature		
	Preference Share Capital		
	Opening Balance	23.53	72.09
	Change During The Year		
	Purchase (Redemption) of Preference Shares	(8.13)	(48.56)
	Closing Balance	15.40	23.53
17.	Other Equity		
	Share Capital Suspense		
	Opening Balance	-	8.70
	Change During The Year		
	Issued Pursuant to the Scheme of Arrangement with Future Retail Limited (Formerly known as Bharti Retail Limited)	-	(8.70)
	Closing Balance	-	-
	Retained Earnings		
	Opening Balance	286.13	(60.09)
	Profit For The Year	6.90	35.00
	Adjustment on Account of Subsidiary	38.92	10.44
	Adjustment on Account of Associate/Joint Venture	1.22	-
	Dividend and Tax on Dividend, on Equity Shares Issued After April 1 till the Record Date	-	(0.52)
	Proposed Dividend on Equity Shares	(9.61)	-
	Tax on Dividend	(1.96)	-
	Other Comprehensive Income/(Loss) For The Year	14.40	301.30
	Closing Balance	336.00	286.13
	Securities Premium Reserve		
	Opening Balance	2,891.63	2,889.34
	Change During The Year		
	Issue of Equity Shares	3.28	2.29
	Issued Pursuant to Conversion of Optionally Convertible Debentures to Cedar Support Services Limited	92.11	-
	Closing Balance	2,987.02	2,891.63
	Share Options Outstanding Account		
	Opening Balance	2.79	4.38
	Change During The Year		
	Expense on Employee Stock Option Scheme	4.28	0.72
	Exercise of Stock Options	(3.27)	(2.31)
	Closing Balance	3.80	2.79

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore)

	As At March 31, 2018	As At March 31, 2017
Equity Component of Optionally Convertible Debentures		
Opening Balance	1.27	-
Change During The Year		
Issue of Optionally Convertible Debentures (Equity Component)	-	1.27
Conversion of Optionally Convertible Debentures (Equity Component)	(1.27)	-
Closing Balance	-	1.27
Capital Reserve on Consolidation	8.06	4.12
Non - Controlling Interest		
Opening Balance	124.36	64.96
Change During the Year	78.17	59.40
Closing Balance	202.53	124.36
Debenture Redemption Reserve		
Opening Balance	268.13	268.13
Add : Transfer from Profit & Loss Account	-	-
Add: Pursuant to the Composite Scheme of Arrangement	-	-
Closing Balance	268.13	268.13
Promoter Equity Contribution		
Opening Balance	13.68	8.16
Change During The Year		
Personal Guarantees By Promoters	6.53	5.52
Closing Balance	20.21	13.68
General Reserve		
Opening Balance	110.82	110.82
Transfer During The Year	-	-
Closing Balance	110.82	110.82
TOTAL OTHER EQUITY	3,936.57	3,702.92

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore)

		As At March 31, 2018	As At March 31, 2017
18.	Non-Current Financial Liabilities - Borrowings		
	Secured Loans		
	Zero Coupon Fully Convertible Debentures (Refer Note No. 45)	-	49.14
	Non Convertible Debentures	4,324.89	3,954.49
	Term Loans From Banks	1,015.98	903.49
	Term loans From Others	-	0.06
		5,340.87	4,907.18
19.	Non-Current - Other Financial Liabilities		
	Deposits Received From Others	559.94	564.70
		559.94	564.70
20.	Non-Current Provisions		
	Provision For Employee Benefits	12.56	8.25
		12.56	8.25
21.	Current Financial Liabilities - Borrowings		
	Short - Term Borrowings (Refer Note No.35)		
	Secured		
	Working Capital Loans From Banks	104.52	119.47
	Other (Hire Purchase, Cash Credit, Bank Overdraft)	0.04	5.96
	Unsecured		
	Commercial Paper	250.00	-
		354.56	125.43
22.	Current Financial Liabilities - Trade Payables		
	Trade Payables (Refer Note No. 35)	755.64	641.77
		755.64	641.77
23.	Current - Other Financial Liabilities (Refer Note No.35)		
	Optionally Convertible Debentures	-	103.80
	(958 Optionally Convertible Debentures having face value of ₹10,00,000 each)		
	Current Maturities of Long-Term Borrowings	76.60	149.67
	Interest Accrued But Not Due on Borrowings	141.58	105.11
	Unclaimed Dividend*	0.34	0.38
	Finance Lease Obligation	0.00	0.02
	Other Payables #	57.96	15.70
		276.48	374.68
	* 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.		
24.	Other Current Liabilities		
	Advance From Customers	1.94	6.68
	Other Payables *	25.47	22.78
		27.41	29.45
	*Other Payables includes Statutory Dues, Deferred Interest etc.		
25.	Short - Term Provisions		
	Provision For Employee Benefits	1.65	2.45
		1.65	2.45

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore)

		Year Ended March 31, 2018	Year Ended March 31, 2017
26. Revenue From Operations			
	Sale of Products	3,696.09	3,202.94
	Sale of Services	799.03	605.56
	Less : VAT, Sales Tax, GST	(152.87)	(2.05)
	Other Operating Revenues	760.84	679.00
		5,103.09	4,485.45
27. Other Income			
	Interest Income	29.67	94.02
	Dividend Income	0.00	3.46
	Profit on Sale of Investment	145.36	132.74
	Excess Provisions/Liabilities Written Back	2.36	-
	Miscellaneous Income	5.84	6.91
		183.23	237.14
28. Cost of Materials Consumed			
	Cost of Materials and Services Consumed	556.95	418.42
		556.95	418.42
29. Purchases of Stock-In-Trade			
	Purchases of Stock-In-Trade	3,226.95	2,754.35
		3,226.95	2,754.35
30. Changes In Inventories of Work-In-Progress And Stock- In-Trade			
	Changes in Inventories of and Work-In-Progress :		
	Closing Stock :		
	Work-in-Progress	5.96	4.24
	Stock-In-Trade	1,089.65	875.64
		1,095.61	879.88
	Opening Stock :		
	Work-in-Progress	4.24	3.12
	Stock-In-Trade	875.64	867.78
		879.88	870.90
		(215.73)	(8.98)
31. Employee Benefits Expense			
	Salaries, Wages and Bonus	165.13	128.37
	Contribution to Provident and Other Funds	6.12	5.06
	Expense on Employee Stock Option Scheme	4.28	0.72
	Staff Welfare Expenses	4.05	4.13
		179.58	138.28

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore)

		Year Ended March 31, 2018	Year Ended March 31, 2017
32. Finance Costs			
	Interest Expense	574.85	511.49
	Other Borrowing Costs	2.94	10.31
		577.79	521.80
33. Other Expenses			
	Consumption of Stores and Spares	0.07	0.34
	Power and Fuel	13.59	11.54
	Rent including Lease Rentals	22.89	27.85
	Repairs and Maintenance	11.85	11.71
	Insurance	4.82	4.11
	Rates and Taxes	3.40	3.38
	Labour Charges	0.44	0.42
	Advertisement and Marketing	1.44	7.52
	Loss on Disposal / Discard of Fixed Assets (Net)	29.80	33.54
	Provision For Doubtful Debts / Advances	0.10	-
	Allowance For Credit Loss	2.14	0.98
	Sundry Balances Written Off	0.10	0.19
	Corporate Social Responsibility Expenses	1.82	0.77
	Impairment of Goodwill	-	4.91
	Exchange Fluctuation Loss (Net)	(1.90)	1.70
	Miscellaneous Expenses	89.74	80.91
		180.30	189.88
34. Other Comprehensive Income			
	Re-measurement Gains/ (Losses) on Defined Benefit Plans	(0.20)	(0.09)
	Fair Value Changes on Investment	21.40	296.23
		21.20	296.15

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)	
	2017-18	2016-17
Trade Payables	114.02	38.99
Trade Receivables	3.57	4.47

(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 ₹ 777.21 Crore and ₹ 603.37 Crore as of March 31, 2018 and March 31, 2017 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)	
	2017-18	2016-17
Short-Term Borrowings	354.56	125.43
Trade Payables	755.64	641.77
Other Financial Liabilities	276.48	373.19

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(v) Financial Instruments Valuation

All financial instruments are initially recognized 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, 2018			As At March 31, 2017		
	Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amortised Cost						
Trade Receivables	777.21	-	-	603.37	-	-
Cash and Bank Balances	132.46	-	-	110.85	-	-
Loans	225.42	-	-	132.54	-	-
Other Financial Assets	23.66	-	-	50.13	-	-
At FVTOCI						
Investments	84.31	75.28	9.03	466.94	458.36	8.58
Financial Liabilities						
At Amortised Cost						
Borrowings	5,695.43	-	-	5,032.61	-	-
Trade Payables	755.64	-	-	641.77	-	-
Other Financial Liabilities	836.42	-	-	937.89	-	-

The financial instruments are categorized 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, 2018	March 31, 2017
Borrowings	5,695.43	5,032.61
Trade Payables	755.64	641.77
Other Payables	863.83	968.83
Less: Cash and Cash Equivalents	132.46	110.85
Net Debt	7,182.44	6,532.36
Equity	98.67	94.57
Other Equity	3,936.57	3,702.91
Total Capital	4,035.24	3,797.48
Capital and Net Debt	11,217.68	10,329.85
Gearing Ratio	64%	63%

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, 2018 and March 31, 2017.

36. Income Tax Expense

- (i) Income Tax Expense charged to Profit and Loss:

	(₹ in Crore)	
	2017-18	2016-17
Profit Before Tax	64.63	66.26
Tax Expense		
Current Tax	25.91	13.43
Deferred Tax	(1.02)	(2.00)
Tax Expense charged to Profit and Loss Account	24.89	11.43
Profit After Tax	39.74	54.83

- (ii) Deferred Tax

	(₹ in Crore)	
	2017-18	2016-17
Unused Tax Losses	234.93	253.81
Accelerated Depreciation for Tax Purpose	(312.23)	(333.50)
Other Items giving rise to Temporary Differences	3.13	5.34
Deferred Tax Asset / (Liability)	(74.17)	(74.35)

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Crore)

	Particulars	2017-18	2016-17
1.	Segment Revenue		
	Manufacturing and Trading	3,544.67	3,247.66
	Leasing and Others	759.39	676.60
	Logistics	799.03	561.18
	Revenue from Operations	5,103.09	4,485.45
2.	Segment Results		
	Manufacturing and Trading	402.27	335.60
	Leasing and Others	65.53	44.17
	Logistics	93.02	70.67
	Less :		
	Finance Costs	577.79	521.79
	Net Unallocated Income (Net)	(81.61)	(137.62)
	Total Profit Before Tax	64.63	66.26
3.	Segment Assets		
	Manufacturing and Trading	1,723.97	1,300.26
	Leasing and Others	6,771.89	6,147.97
	Logistics	736.42	507.80
	Unallocated	2,224.33	2,593.24
	Total Assets	11,456.60	10,549.27
4.	Segment Liabilities		
	Manufacturing and Trading	495.42	418.68
	Leasing and Others	620.19	637.75
	Logistics	285.69	215.86
	Unallocated	91.05	77.27
	Total Liabilities	1,492.35	1,349.56

38. Related Party Disclosures

Disclosure as required by Ind AS 24 "Related Party Disclosures" are given below:

1. List of Related Parties

A Subsidiary Companies

- (i) Bluerock eServices Private Limited (w.e.f. April 15, 2016)
- (ii) Futurebazaar India Limited
- (iii) Future E-Commerce Infrastructure Limited
- (iv) Future Merchandising and Sourcing Pte. Ltd.
- (v) Future Media (India) Limited
- (vi) Future Supply Chain Solutions Limited
- (vii) Work Store Limited (formerly known as Staples Future Office Products Limited)

B Fellow Subsidiary Companies

- (i) Office Shop Private Limited (100% Subsidiary of Work Store Limited)
- (ii) Vulcan Express Private Limited (100% Subsidiary of Future Supply Chain Solutions Limited) (w.e.f. February 2, 2018)

C Associate Company

- (i) Galaxy Entertainment Corporation Limited (upto January 2, 2018)
- (ii) Leanbox Logistics Solutions Private Limited(w.e.f. July 27, 2017)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

D Joint Venture Companies

- (i) Apollo Design Apparel Parks Limited
- (ii) Goldmohur Design and Apparel Park Limited
- (iii) Future Generali India Insurance Company Limited
- (iv) Future Generali India Life Insurance Company Limited
- (v) Sprint Advisory Services Private Limited
- (vi) Shendra Advisory Services Private Limited

E Enterprises over which Key Managerial Personnel are able to Exercises Significant Influence

- (i) Future Ideas Company Limited
- (ii) Future Retail Limited

F Entity able to Exercise Significant Influence

- (i) Future Corporate Resources Limited (upto March 30, 2017) (merged with Suhani Trading and Investment Consultants Private Limited w.e.f. November 14, 2017)

G Key Managerial Personnel

- (i) Mr. Kishore Biyani (upto May 1, 2016)
- (ii) Mr. Rakesh Biyani (upto May 1, 2016)
- (iii) Mr. Vijay Biyani
- (iv) Mr. Dinesh Maheshwari
- (v) Mr. Deepak Tanna

H Relatives of Key Managerial Personnel

- (i) Ms. Ashni Biyani
- (ii) Mrs. Godavaridevi Biyani
- (iii) Mrs. Sangita Biyani
- (iv) Mrs. Santosh Biyani

2. Transaction with Related Parties

(₹ in Crore)

Nature of Transaction	Associates/Joint Ventures	Key Managerial Personnel Exercise Significant Influence	Key Managerial Personnel/Relatives
Sale of Goods and Services	1.05 (0.08)	3,076.99 (878.67)	- -
Sale of Fixed Assets	- -	- -	- -
Purchases of Goods and Services	235.11 (45.93)	3.05 (0.07)	- -
Purchases of Fixed Assets	- (0.18)	1.38 (1.02)	- -
Managerial Remuneration	- -	- -	5.44 (4.20)
Dividend Received	- -	- (1.22)	- -
Advances Given	- -	- (113.65)	- -
Security Deposits Received	- -	- -	- -
Investment	115.11 (77.56)	- -	- -
Outstanding Balances as on March 31, 2018			
Receivable	- (0.03)	373.93 (39.34)	- -
Payable	- (106.33)	- (410.22)	- -

Note: Previous year figures are given in parenthesis.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3. Significant Related Party Transactions

- A Sale of Goods and Services and Fixed Assets includes Future Generali India Life Insurance Company Limited NIL (2017: ₹ 0.05 Crore), Apollo Design Apparel Parks Limited ₹ 0.01 Crore (2017: ₹ 0.03), Future Retail Limited ₹ 3,076.99 Crore (2017: ₹ 878.67).
- B Purchases of Goods and Services and Fixed Assets includes Apollo Design Apparel Parks Limited ₹ 97.89 Crore (2017: ₹ 27.63 Crore), Goldmohur Design and Apparel Park Limited ₹ 136.60 Crore (2017: ₹ 18.15 Crore), Future Generali India Life Insurance Company Limited ₹ 0.35 Crore (2017: ₹ 0.15), Future Ideas Company Limited ₹ 0.11 Crore (2017: ₹ 0.07), Galaxy Entertainment Corporation Limited ₹ 0.18 Crore (2017: Nil), Future Retail Limited ₹ 4.32 Crore (2017: NIL)
- C Managerial Remuneration includes Mr. Kishore Biyani NIL (2016: ₹ 0.21 Crore), Mr. Rakesh Biyani NIL (2017: ₹ 0.21 Crore), Mr. Vijay Biyani ₹ 2.68 Crore (2017: ₹ 1.91 Crore), Mr. Dinesh Maheshwari ₹ 2.24 Crore (2017: ₹ 1.37 Crore), Key Managerial Personnel includes Mr. Deepak Tanna ₹ 0.52 Crore (2017: ₹ 0.50 Crore).
- D Security Deposit Received Future Retail Limited NIL (2017: ₹ 75.00 Crore).
- E Investment includes Sprint Advisory Services Private Limited ₹ 56.36 Crore (2017: ₹ 13.55 Crore), Shendra Advisory Services Private Limited NIL (2017: ₹ 24.35 Crore), Future Generali India Life Insurance Company Limited ₹ 58.75 Crore (2017: ₹ 14.16 Crore), Future Generali India Insurance Company Limited NIL (2017: ₹ 25.50).

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, 2018	Percentage of Interest as on March 31, 2017
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%	57.42%
4	Future E-Commerce Infrastructure Limited	Equity	India	86.71%	70.42%
5	Office Shop Private Limited	Equity	India	61.67%	61.67%
6	Work Store Limited (Formerly Known as Staples Future Office Products 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%	0.00%
9	Vulcan Express Private Limited	Equity	India	51.22%	0.00%

Joint Venture Companies Information :

Sr. No	Name of the Company	Description of Interest	Country of Incorporation	Percentage of Interest as on March 31, 2018	Percentage of Interest as on March 31, 2017
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	6.70%	3.83%
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, 2018	As At March 31, 2017
Assets	2,049.27	1,757.45
Liabilities	1132.56	920.33
Income	923.11	928.09
Expenditure	905.67	909.04

Associate Company Information :

Sr. No.	Name of the Company	Description of Interest	Country of Incorporation	Percentage of Interest as on March 31, 2018	Percentage of Interest as on March 31, 2017
1	Galaxy Entertainment Corporation Limited	Equity	India	19.57%	31.55%
2	Leanbox Logistics Private Limited	Equity	India	25.61%	0.00%

40. Earnings Per Share

Statement of Calculation of Basic and Diluted EPS is as under:

(₹ in Crore)

	Units	2017-18	2016-17
Profit for the Year attributable to Equity Holders	₹ in Crore	6.90	35.00
Weighted average number of Ordinary Shares for Basic EPS	No. in Crore	48.32	43.24
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	48.32	43.24
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 (Series-1) Shares)	₹	2	2
Share of Profit for Ordinary Shares for Basic EPS	₹ in Crore	6.23	31.93
Share of Profit for Class B (Series-1) Shares for Basic EPS	₹ in Crore	0.67	3.07
Share of Profit for Ordinary Shares for Diluted EPS	₹ in Crore	6.23	31.93
Share of Profit for Class B (Series-1) Shares for Diluted EPS	₹ in Crore	0.67	3.07
Earnings Per Ordinary Share (Basic)	₹	0.13	0.74
Earnings Per Class B (Series-1) Share (Basic)	₹	0.17	0.78
Earnings Per Ordinary Share (Diluted)	₹	0.13	0.74
Earnings Per Class B (Series-1) Share (Diluted)	₹	0.17	0.78

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

41. For Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:

Name of the Entities in the Group	2017-18					
	Net Assets (Total Assets minus Total Liabilities)	Share in Profit / (Loss)	Amount (₹ in Crore)	Share in Other Comprehensive Income	Amount (₹ in Crore)	Share in Total Comprehensive Income
	As a % of Consolidated Net Assets	As a % of Consolidated Profit	(₹ in Crore)	As a % of Consolidated Profit	(₹ in Crore)	As a % of Consolidated Profit
Future Enterprises Limited	100.15%	-40.11%	3,910.63	97.20%	20.60	16.32%
Subsidiaries						
Future E-Commerce Infrastructure Limited	-1.01%	1.39%	(39.39)	0.00%	-	0.82%
Futurebazaar India Limited	-0.05%	0.26%	(2.12)	0.00%	-	0.15%
Future Media (India) Limited	0.04%	-0.18%	1.70	0.00%	-	-0.11%
Future Supply Chain Solutions Limited	5.49%	221.63%	214.46	0.23%	0.05	130.65%
Vulcan Express Private Limited	1.59%	-27.77%	62.00	0.85%	0.18	-16.01%
Work Store Limited (Formerly Known as a Staples Future Office Products Limited)	1.78%	-7.38%	69.66	0.42%	0.09	-4.18%
Office Shop Private Limited	-0.51%	-4.76%	(20.03)	0.00%	-	-2.80%
Bluerock eServices Private Limited	-0.54%	-5.40%	(21.13)	1.30%	0.28	-2.65%
Future Merchandising and Sourcing Pte. Ltd	0.00%	-0.13%	0.15	0.00%	-	-0.08%
Subtotal			4,175.93		21.20	62.99
Intercompany Elimination and Consolidation Adjustments	-6.95%	-37.55%	(271.34)		-	-22.12%
Total			3,904.58		21.20	51.58
Non - Controlling Interest			202.53		(0.02)	(32.88)
Associates (Investment as per Equity Method)						
Leanbox Logistics Solutions Pvt Ltd.			(0.29)		-	(0.29)
Joint Ventures (Investment as per Equity Method)						
Apollo Design Apparel Parks Limited			14.33		0.01	3.05
Goldmohur Design and Apparel Park Limited			13.92		0.03	2.94
Future Generali India Insurance Company Limited			(32.99)		(6.23)	7.28
Future Generali India Life Insurance Company Limited			(48.85)		(0.59)	(10.44)
Sprint Advisory Services Private Limited			(1.60)		-	0.01
Shendra Advisory Services Private Limited.			(0.99)		-	0.04
Grand Total			4,050.64		14.40	21.29

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

42. 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 ₹ 43.63 Crore (2017: ₹ 34.94 Crore), payable later than one year but not later than five year is ₹ 81.19 Crore (2017: ₹ 73.83 Crore) and payable later than five years is ₹ 15.18 Crore (2017: ₹ 27.34 Crore).

43. Contingent Liabilities

Claims Against the Group Not Acknowledged as Debts, In respect of Income Tax ₹ 0.54 Crore (2017: ₹ 104.24 Crore), Value Added Tax ₹ 5.56 Crore (2017: ₹ 2.27 Crore), Service Tax ₹ 3.92 Crore (2017 : ₹ NIL), Others ₹ 0.06 Crore (2017: ₹ 0.06 Crore), Letter of Credit ₹ 123.17 Crore (2017: ₹ 135.62 Crore) and Other money for which the Company is Contingently Liable, Corporate Guarantees Given ₹ 5753.26 Crore (2017: ₹ 4159.99 Crore).

Share in the Contingent Liabilities of Associate Company and Joint Ventures ₹ 40.96 Crore (2017: ₹ 38.00 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) ₹ 115.17 Crore (2017: ₹ 81.96 Crore).

45. Payment to the Auditor (Inclusive of Service Tax)

	(₹ in Crore)	
	2017-18	2016-17
Statutory Audit Fees	0.28	1.32
Other Expenses	0.02	0.03
Total	0.30	1.35

46. Zero Coupon Fully and Compulsory Convertible Debentures

During the year, the Group has converted 55,000 Zero Coupon Fully and Compulsory Convertible Debenture into 917,955 equity share of ₹ 10 at a premium of ₹ 589.16 per equity share.

47. Composite Scheme of Arrangement

The Composite Scheme of Arrangement between the Future Retail limited and Bluerock eServices Private Limited ("BSPL" or "Second Demerged Company") and Praxis Home Retail Limited ("PHRL" or "Resulting Company") and their respective Shareholders under sections 230 to 232 and section 66 of the Companies Act, 2013 ("the Scheme"), for demerger of e-Commerce Home Retail Business Undertaking of BSPL into PHRL, with effect from Appointed Date April 15, 2016 (as defined in the Scheme) has been given effect during current financial year.

Pursuant the Scheme, all the assets and liabilities pertaining to e-Commerce Home Retail Business Undertaking of the BSPL has been transferred to and vested in PHRL. As a considration for the said Demerger PHRL issued 6,30,000 9 % Redeemable Preference Shares of the face Value of ₹ 100 /- each full paid -up to the shareholders of BSPL.

As per our report of even date attached

For DMKH & CO.

Chartered Accountants
FRN 116886W

Durgesh Kumar Kabra

Partner
Membership No.: 044075

Mumbai

May 25, 2018

For and on behalf of Board of Directors

V. K. Chopra

Chairman & Director

Vijay Biyani

Managing Director

S. Doreswamy

Director

Bala Deshpande

Director

Anil Harish

Director

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, 2018

Sl. No., Employee Name, Designation, Age, Date of Joining, Experience (in Yrs), Qualification, Remuneration received (in ₹), Last Employment;

1. Anuraag Agarwal, Head-Strategy, Mergers & Acquisitions, 43, June 01, 2012, 18, Master of Management Engineering, 1,77,48,287, Berenson & Company; 2. *Craig Wimsatt, Group President-Format Development, 56, October 01, 2015, 22, Alumnus, 1,72,43,514, Bharti Retail Ltd.; 3. Dinesh Maheshwari, Chief Financial Officer & Executive Director, 49, December 03, 2004, 22, CA, 2,24,43,029, Mukwand Group of Company; 4. Manoj Agarwal, Chief Transformation Officer, 46, October 05, 2011, 25, Others, 2,03,39,945, P&G; 5. Rajesh Kalyani, CFO-Property Division, 48, June 09, 1997, 26, CA and ICWA, 1,42,44,880, Paschim Chemical; 6. Sanjay Rathi, Head-Legal & Corporate Governance, 52, February 01, 2007, 27, B.Com Accounts & Economics/FCS, 1,69,64,587, Sanjay Rathi and Associates; 7. Suyash Saraogi, COO-Projects, 51, April 02, 2015, 28, BSC Economics, 1,76,48,407, Reliance Industries; 8. Vijay Biyani, Managing Director, 58, September 26, 2009, 34, B.Com Accounts & Economics, 2,68,00,428 Business; 9. Vinay Bhatia, CEO – Group Loyalty & Analytics, 48, October 01, 2015, 18, MMS, 1,66,92,203, Shopper Stop; 10. Vishal Kapoor, Chief Design Officer, 44, June 15, 2002, 23, BA Fashion Design, 1,10,99,200, Shopper Stop 11. *Hemant Kumar Taware, Strategic Planning & Business Development Head, 50, January 2, 2018, 25, MBA, 26,91,826, Hyper City Retail Limited

“*” 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.
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 excluding ESOP perquisites.

For and on behalf of the Board of Directors

Place: Mumbai
Date : May 25, 2018

V. K. Chopra
Chairman

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

NOTES

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal grey lines across its entire width, providing a template for handwriting practice or general note-taking. The margins are consistent on all sides.



Knowledge House, Shyam Nagar,
Off. Jogeshwari-Vikhroli Link Road, Jogeshwari (East),
Mumbai 400 060. Maharashtra, India
Tel. No. : +91 22 6644 2200
www.felindia.in

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.