



REF: SEC/BSE/NSE/FLFL/13-14

19th May, 2014

Dept. of Corporate Services (CRD)
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Fax Nos.: 22723121 / 22722037 /
22722039 22722041 / 22722061 /

Re: Scrip Code : 536507

Re: Scrip Code of Debt : 950223 /
946822 / 947433

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

Fax Nos. 26598237 / 26598238

Re: Scrip Code : FLFL

Dear Sirs,

Sub.: Board Meeting Decisions

A Meeting of the Board of Directors was held today i.e. 19th May, 2014 and the Board, inter-alia, took following decisions:

- 1) The Board took on record the Audited Financial Statements for the financial year 2013-14 commencing from 1st April, 2013 to 31st March, 2014;
- 2) The Board approved the Audited Financial Results for the fourth quarter and financial year ended 31st March, 2014 which are enclosed herewith together with the auditors' report thereon;
- 3) A dividend of Rs.0.40 (20%) per equity share of Rs.2/- each has been recommended by the Board;
- 4) The 2nd Annual General meeting of the Company is scheduled to be held on Friday the 8th August, 2014;
- 5) The Register of Members and Share Transfer Books shall remain closed from Thursday the 7th August, 2014 to Friday the 8th August 2014 (both days inclusive) for the purpose of determining the dividend on fully paid up equity shares;
- 6) Appointment of Mr. Rahul Mehta as Additional Director in his capacity as Independent Director on the Board of the Company was approved.

Kindly take the above information on your records

Thanking You,

truly,

For Future Lifestyle Fashions Limited


Kuldeep Sharma
Head-Legal & Company Secretary

Sr. No.	Particulars	3 months ended 31-03-2014	Preceding 3 months ended 31-12-2013	Corresponding 3 months ended 31-03-2013	Year Ended 31-03-2014	Financial Period Ended 31-03-2013
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Income From Operations					
	a) Net sales/income from operations	700.80	658.62	-	2,660.81	-
	b) Other Operating Income	18.72	20.30	-	83.17	-
	Total income from operations	719.52	678.92	-	2,743.98	-
2	Expenses					
	a) Cost of materials consumed	12.27	18.56	-	65.71	-
	b) Purchases of stock in trade	315.24	406.85	-	1,678.49	-
	c) Changes in inventories of finished goods, work in progress, and stock in trade - (Increase) / Decrease	119.80	(16.35)	-	(47.16)	-
	d) Employee benefits expenses	38.22	34.15	-	129.09	-
	e) Depreciation and amortization expense	302.24	28.96	-	385.19	-
	f) Rent	78.13	75.35	-	291.89	-
	g) Other Expenditure	88.09	88.90	0.01	369.62	0.48
	Total Expenses	953.99	636.42	0.01	2,872.83	0.48
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(234.47)	42.50	(0.01)	(128.85)	(0.48)
4	Other Income	0.36	139.77	0.15	331.72	0.15
5	Profit / (Loss) from operations before finance costs and exceptional items (3+4)	(234.11)	182.27	0.14	202.87	(0.33)
6	Finance costs	39.04	41.73	-	162.95	-
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(273.15)	140.54	0.14	39.92	(0.33)
8	Exceptional Item	(5.68)	-	-	(5.68)	-
9	Profit / (Loss) from ordinary activities before tax (7+8)	(278.83)	140.54	0.14	34.24	(0.33)
10	Tax Expenses	(92.17)	47.15	0.01	10.96	0.01
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(186.66)	93.39	0.13	23.28	(0.34)
12	Paid up equity share capital (Face Value ₹ 2 per share)	30.89	30.89	5.15	30.89	5.15
13	Reserves excluding Revaluation Reserves	-	-	-	1,260.43	(0.34)
14	Basic & Diluted EPS : Equity Shares (in ₹)	(12.08)	6.05	0.05	1.51	(0.30)

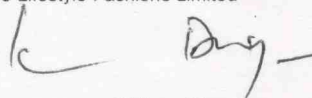
Sr. No.	Particulars	3 months ended 31-03-2014	Preceding 3 months ended 31-12-2013	Corresponding 3 months ended 31-03-2013	Financial Year Ended 31-03-2014	Financial Period Ended 31-03-2013
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholdings:					
	Equity shares:					
	-Number of shares	66894168	69,590,625	NIL	66894168	NIL
	-Percentage of shareholdings	43.3	45.05		43.3	
2	Promoters and Promoter group shareholding:					
	a) Pledged/Encumbered			NIL		NIL
	- Number of Equity Shares	41955947	41,330,232		41955947	
	-Percentage of Equity Shares(as a % of total equity shareholding of Promoters and promoter group)	47.91	48.69		47.91	
	-Percentage of Equity Shares (as a % of total equity share capital of company)	27.16	26.76		27.16	
	b) Non-Encumbered					
	- Number of Equity Shares	45623116	43,552,374	25,731,399	45623116	25,731,399
	-Percentage of Equity Shares(as a % of total equity shareholding of Promoters and promoter group)	52.09	51.31	100.00	52.09	100.00
	-Percentage of Equity Shares (as a % of total equity share capital of company)	29.53	28.19	100.00	29.53	100.00
B	INVESTOR COMPLAINTS					
	Particulars	3 months ended 31-03-2014		Particulars		3 months ended 31-03-2014
	Pending at the beginning of the quarter	NIL		Received during the quarter		7
	Remaining unresolved at the end of the quarter	NIL		Disposed of during quarter		7

Notes:

- 1 The above results have been reviewed by Audit Committee and the same were taken on record by the Board of Directors of the Company at its meeting held on May 19, 2014.
- 2 During the quarter company has provided the depreciation (straight line method) on the basis of estimate useful life of the fixed assets in line with the provisions of Companies Act, 2013, instead of rates prescribed in schedule XIV of Companies Act, 1956. Accordingly extra depreciation of ₹ 269.79 crores provided in the current quarter.
- 3 Exceptional Item represent the Loss of certain inventory from fire in one of its distribution centre for which company has lodged the claim with insurance company, and the assessment by the insurance company is under process.
- 4 Figures of the previous period / year have been regrouped / reclassified wherever necessary.
- 5 The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
- 6 The business of the Company has been vested pursuant to Scheme of Arrangement under section 391-394 of the Companies Act, 1956, by way of demerger from Pantaloon Retail (India) Ltd. (now know as Future Retail Limited) and Future Venture India Limited (now known as Future Consumer Enterprises Limited). Accordingly the financial result and accounts of the current quarter/year will not be comparable with that of corresponding quarter of the previous year.
- 7 During the quarter under review, the Company has opened 1 Central, 3 Planet Sports, 4 aLL and 3 EBOs stores and closed 3 Planet Sports stores.
- 8 The Company has only one business segment i.e. "Branded Lifestyle Fashions". All other activities of the Company are incidental to the main business and accordingly there are no separate reportable segments in terms of Accounting Standard 17 - "Segment Reporting".
- 9 Audited Statements of Assets & Liabilities.

		(₹ in Crores)	
PARTICULARS		As at 31 March 2014	As at 31 March 2013
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share Capital	30.89	5.15
	(b) Reserves and Surplus	1,260.43	(0.34)
2	Non-Current Liabilities		
	(a) Long-Term Borrowings	1,264.03	-
	(b) Deferred Tax Liability (Net)	64.49	-
	(c) Other Long Term Liability	251.78	-
	(d) Long-Term Provisions	5.48	-
3	Current Liabilities		
	(a) Short-Term Borrowings	77.89	-
	(b) Trade Payables	834.81	-
	(c) Other Current Liabilities	142.27	0.01
	(d) Short-Term Provisions	8.26	-
	TOTAL EQUITY AND LIABILITIES	3,940.33	4.82
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets	1,339.40	
	(b) Long-Term Loans and Advances	328.92	0.01
2	Current Assets		
	(a) Current Investment	378.53	-
	(b) Inventories	1,023.97	-
	(c) Trade Receivables	263.20	-
	(d) Cash and Bank Balances	271.08	0.17
	(e) Short-Term Loans and Advances	266.93	4.50
	(f) Other Current Assets	68.30	0.14
	TOTAL- ASSETS	3,940.33	4.82

For Future Lifestyle Fashions Limited


Kishore Biyani
Managing Director

Place : Mumbai
Date : 19 May 2014

Independent Auditors Report

To the Members of
Future Lifestyle Fashions Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **FUTURE LIFESTYLE FASHIONS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014.
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

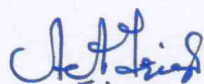
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) On the basis of written representations received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section(1) of Section 274 of the Companies Act, 1956.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No. 119850W



Ashok A Trivedi

Partner

Membership No. 042472

Mumbai

May 19, 2014



Annexure to the Independent Auditors' Report

(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements section in our report of even date')

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets 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. The Company has not granted/taken any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore, the provisions of clause 4(iii) of the Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v. (a) In our opinion, the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Act have been so entered .
- (b) None of the transactions made in pursuance of such contracts or arrangements exceeds Rupees five lacs in respect of any one party in the financial year.
- vi. The Company has not accepted any deposits from the public.
- vii. In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.



viii. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

ix. (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases.

(b) No undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income-Tax, Sales-Tax, Service Tax, Wealth Tax, Customs Duty, Excise Duty, cess and other material statutory dues applicable to the Company were in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.

(c) Details of dues of Stamp duty which have not been deposited as at March 31, 2014 on account of dispute are given below.

Name of the Statute	Nature of the dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
The Indian Stamp Act, 1899	Stamp Duty	1.55	FY : 2008-09	Chief Controlling Revenue Authority, Ghaziabad, U.P

x. The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty percent or more of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year.

xi. Based on our audit procedures and as per the information and explanations given by management, we are of the opinion that the Company has not defaulted in repayment of dues to bank, financial institutions and debenture holders.

xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii. In our opinion, and according to the information and explanations given to us, the Company is not a Chit fund or Nidhi or Mutual Benefit Fund or Society.

xiv. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

xv. In our opinion and according to the information and explanations given to us, the Company has given guarantee for loans taken by others from bank, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.



- xvi. In our opinion and according to the explanations given to us, term loans obtained have been applied for the purpose for which they were obtained. In case of term loans taken over under the scheme of arrangement described under Note 37 to the financial statements and outstanding during the year, as explained to us, the demerged Company had utilised the said loans in the earlier years.
- xvii. In our opinion and according to the information and explanations given to us and on overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long term investment.
- xviii. The Company has not made any preferential allotments of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. The Company has not issued any secured debentures during the year. In case of debentures taken over under the scheme of arrangement described under Note 37 to the financial statements, security was created in the earlier years.
- xx. The Company has not raised any money from public issues during the year.
- xxi. 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.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No. 119850W



Ashok A Trivedi

Partner

Membership No. 042472

Mumbai

May 19, 2014

