

FUTURE RETAIL

04th September, 2021

To,
Dept. of Corporate Services (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

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

Scrip Code: 540064

Symbol: FRETAIL

Scrip Code of Debt : 958809, 958810 & 959518

Dear Sir / Madam

Sub: Annual Report for the financial year ended 31st March, 2021 along with Notice of Fourteenth (14th) Annual General Meeting.

With reference to the above, please note that the Fourteenth (14th) Annual General Meeting ("AGM") of the Company is scheduled on Tuesday, 28th September, 2021, at 11:00 AM (IST) through Video Conferencing / Other Audio Visual Means.

Details of Cut-off date and e-voting is as under:

Cut-off date for e-voting on resolutions proposed at AGM	:	Tuesday, 21st September, 2021
e-voting period	:	e-voting shall start at 9:00 AM on 24th September, 2021 and shall end at 5:00 PM on 27th September, 2021.

Pursuant to Regulation 30, 34 and all other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith Annual Report for the financial year ended 31st March, 2021 and the Notice of the AGM which are being sent to the Members through electronic mode.

The aforesaid documents are also made available on the website of the Company at www.futureretail.co.in.

You are kindly requested to take the same on you record.

Thanking you,

Yours faithfully,
For **Future Retail Limited**



For **Virendra Samani**
Company Secretary

Encl.: as above.

CC:
Singapore Exchange Securities Trading Limited
2, Shenton Way, #02-02, SGX Centre 1.
Singapore - 068 804

Future Retail Limited (Formerly known as Bharti Retail Limited)
Registered Office: Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060
P +91 22 4055 2200, F +91 22 4055 2201, www.futureretail.co.in
CIN: L51909MH2007PLC268269



FUTURE RETAIL LIMITED

Regd. Off.: Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060
Tel. No.: +91 22 4055 2200; Fax No.: +91 22 4055 2201; CIN: L51909MH2007PLC268269
Website: www.futureretail.co.in; E-mail ID: investorrelations@futureretail.in

NOTICE

NOTICE is hereby given that the Fourteenth (14th) Annual General Meeting of the Members of **Future Retail Limited** will be held on Tuesday, September 28, 2021 at 11:00 AM Indian Standard Time ("**IST**"), through Video Conferencing / Other Audio Visual Means Facility ("**VC/OAVM**") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt

- a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021, together with the Report of the Board of Directors and the Statutory Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021, together with the Report of the Statutory Auditors thereon.

2. To appoint a Director in place of Mr. Rakesh Biyani (DIN: 00005806), who retires by rotation and being eligible, offers himself for re-appointment.

3. To consider and approve re-appointment of Statutory Auditors and fix their remuneration

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") and the rules made thereunder, M/s. NGS & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 119850W), be and is hereby re-appointed as Statutory Auditors of the Company for the second term of One (1) year to hold office from the conclusion of the Fourteenth Annual General Meeting ("**AGM**") till the conclusion of Fifteenth AGM of the Company and that the Board of Directors be and is hereby authorised to fix the remuneration in addition to the out of pocket expenses as may be incurred by them during the course of the Audit."

SPECIAL BUSINESS:

4. Re-appointment of Ms. Gagan Singh as an Independent Director

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions as amended from time to time, Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force) and any other applicable law(s), regulation(s), guideline(s), the Articles of Association of the Company and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Ms. Gagan Singh (DIN: 01097014), who was holding office for a period of Five (5) years as an Independent Director till April 29, 2021 and being eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying intention to propose her candidature for the office of an Independent Director, be and is hereby re-appointed as an Independent Director for a second term of One (1) consecutive year commencing from April 30, 2021 till April 29, 2022 on the Board of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and

things as may be considered necessary, desirable or expedient (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) to give effect to this resolution.”

5. Re-appointment of Mr. Ravindra Dhariwal as an Independent Director

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”), the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions as amended from time to time, Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force) and any other applicable law(s), regulation(s), guideline(s), the Articles of Association of the Company and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Ravindra Dhariwal (DIN: 00003922), who was holding office for a period of Five (5) years as an Independent Director till April 29, 2021 and being eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying intention to propose his candidature for the office of an Independent Director, be and is hereby re-appointed as an Independent Director for a second term of Five (5) consecutive years commencing from April 30, 2021 till April 29, 2026 on the Board of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) to give effect to this resolution.”

6. Appointment of Mr. Jacob Mathew as an Independent Director

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”), the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions as amended from time to time, Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force) and any other applicable law(s), regulation(s), guideline(s), the Articles of Association of the Company, and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Jacob Mathew (DIN: 00080144) who was appointed as an Additional Independent Director of the Company with effect from July 27, 2021 and who holds office upto the date of the ensuing Annual General Meeting, in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying intention to propose his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of Five (5) consecutive years with effect from July 27, 2021 till July 26, 2026 on the Board of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) to give effect to this resolution.”

7. Approval for entering into Related Party Transaction

To consider and, if thought fit, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in partial modification of the earlier resolution(s) passed by the Members of the Company and pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015 including any modification(s) thereof or supplements thereto ("**SEBI Listing Regulations**"), the provisions of the Memorandum and Articles of Association of the Company and the applicable rules, guidelines and circulars issued by the concerned statutory or regulatory authorities, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "**the Board**" which term shall include the Audit Committee or any other Committee constituted or to be constituted to exercise the powers including the powers conferred under this resolution), for entering into the Related Party Transaction as entered / to be entered into by the Company during the financial year 2021-22, as set out in the statement annexed to this Notice, in excess of threshold limit permitted to Audit Committee to approve any such transaction(s).

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to settle and finalise all issues that may arise in this regard, including without limitation, negotiation, finalising and executing necessary agreements, undertakings, memorandum, deeds, documents and such other papers or writings as may be deemed necessary or expedient in its own discretion and in the best interest of the Company without further referring to the Members of the Company and further authorised to delegate all or any of its powers herein conferred to the Committee and/ or any Director(s)/Officer(s) of the Company, to give effect to this resolution."

NOTES:

1. The Members of the Company is hereby informed that, due to the massive outbreak of COVID-19 pandemic, social distancing norms is being followed and the continuing restriction on movement of persons at several places in the country. Pursuant to the provisions of circular No. 14/2020 dated April 08, 2020, circular No.17/2020 dated April 13, 2020 followed by circular No. 20/2020 dated May 05, 2020 and clarification circular No. 02/2021 dated January 13, 2021 (hereinafter collectively referred to as "**MCA Circular(s)**") issued by the Ministry of Corporate Affairs ("**MCA**") and the circular(s) issued by Securities and Exchange Board of India ("**SEBI**") from time to time and in compliance with the provisions of the Companies Act, 2013 ("**the Act**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), physical attendance of the Members at the Fourteenth (14th) Annual General Meeting ("**AGM**") is not required and thus the AGM is scheduled to be held through VC/OAVM. Members can attend and participate at the ensuing AGM only through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, AGM is held pursuant to the said MCA Circular(s), the facility to appoint the proxy by Members under Section 105 of the Act to attend and cast vote for the Members is not available for this AGM as the physical attendance of Members has been dispensed with. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, pursuant to Section 113 of the Act, the corporate Members are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.
3. The Statement pursuant to Section 102 of the Act relating to the Special Business to be transacted at the AGM is annexed hereto. Additional information with respect to Item No. 2 and 3 are also annexed hereto.
4. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to the Members on "first come first served" basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more of the total number of shares of the Company as on September 21, 2021 ("**Cut-off Date**"), Promoters, Institutional Investors, Directors, Key Managerial Personnels, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee of the Company, Auditors etc. who are allowed to attend the AGM without restriction on account of "first come first served" basis.
5. Pursuant to the MCA Circular(s), the Company has enabled a process for the limited purpose of receiving the Company's annual report and AGM Notice (including remote e-voting instructions) electronically and the Members may temporarily update their e-mail address by accessing the link https://linkintime.co.in/emailreg/email_register.html.
6. The requisite Statutory Registers maintained under Sections 170 and 189 the Act and certificate(s) will be available electronically for inspection by the Members during the AGM.

7. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 28, 2021. Members seeking to inspect such documents can send an e-mail to investorrelations@futureretail.in.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In line with the MCA Circular(s), the Notice calling the AGM has been uploaded on the website of the Company at www.futureretail.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also on the website of National Securities Depository Limited (“NSDL”) (agency for providing the remote e-voting facility) i.e. www.evoting.nsd.com.
10. Pursuant to the MCA Circular(s) and circulars issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the Annual Report for financial year 2020-21 and the Notice of the AGM of the Company inter-alia indicating the process and manner of remote e-voting, are being sent only by e-mail to the Members. Therefore, those Members, whose e-mail address are not registered with the Company or with their respective Depository Participant(s) and who wish to receive the aforesaid documents and all other communication sent by the Company, from time to time, can get their e-mail address registered by following the steps as given below:
 - a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning the folio number, complete address, e-mail address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by e-mail to the Company’s Registrar & Transfer Agents (“R&T Agents”) or at the Company’s e-mail address investorrelations@futureretail.in.
 - b. For Members holding shares in demat form, please update your e-mail address through your respective Depository Participant/s.
11. SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories for any payment (including dividend) through Electronic Clearing Service (“ECS”) to investors. In the absence of ECS facility, companies shall mandatorily print the bank account details of the investors on such payment instruments. Members are encouraged to avail ECS facility and requested to update bank account details in the prescribed form to their respective Depository Participant(s) and/or the Company’s R&T Agents.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective Depository Participant(s) in case the shares are held in electronic form and to the Company’s R&T Agents in case the shares are held in physical form.
13. Members are requested to send their queries with regard to the Accounts at least Seven (7) days in advance to the Company through e-mail at investorrelations@futureretail.in.
14. The instructions for Members for remote e-voting are as under:
 - I. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations (as amended), Secretarial Standard on General Meetings (“SS-2”) issued by The Institute of Company Secretaries of India (“ICSI”) as amended and the MCA Circular(s), the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as voting at the AGM will be provided by NSDL.
 - II. Members will be provided with the facility for voting through electronic voting system during the VC / OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote at the end of discussion on the resolution(s) on which voting is to be held, upon announcement by the Chairperson. Members who have cast their vote on resolution(s) by remote e-voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote again on such resolution(s).

III. The remote e-voting period commences on Friday, September 24, 2021 (9:00 AM) and ends on Monday, September 27, 2021 (5:00 PM). During this period, Members of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date of September 21, 2021, may cast their vote through remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

IV. The details of the process and manner for remote e-voting is explained herein below:


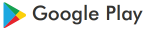


The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-voting system:

A. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under value added services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on    

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the e-voting menu. The menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 or 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B. Login Method for e-voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

How to Log-in to NSDL e-voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Shareholders other than Individual Shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose e-mail IDs are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.

9. After you click on the “Login” button, Home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

How to cast your vote electronically and join General Meeting on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

- Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant board resolution / authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to kbindushah@gmail.com with a copy marked to evoting@nsdl.co.in.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon Five (5) unsuccessful attempts to key in the correct password. In such an event, you will need to go through the ‘Forgot User Details/Password?’ or ‘Physical User Reset Password?’ option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the frequently asked questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on 022-24994890. Alternatively, Members can Ms. Sarita Mote on e-mail ID saritam@nsdl.co.in, of National Securities Depository Limited, Trade World, ‘A’ Wing, Fourth Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. The Members may note that the designated e-mail address for the grievances connected with the remote e-voting is evoting@nsdl.co.in. Members may also write to the Company Secretary at the e-mail address: investorrelations@futuresretail.in.

Process for those Shareholders whose e-mail IDs are not registered with the depositories for procuring user id and password and registration of e-mail IDs for e-voting for the resolutions set out in this Notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to rnt.helpdesk@linkintime.co.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to rnt.helpdesk@linkintime.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual Shareholders holding securities in demat mode.
3. Alternatively Shareholder/Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-voting facility.
 - V. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. September 21, 2021.
 - VI. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting.
 - VII. Ms. Bindu Darshan Shah (Membership No. A-20066 / CP No. 7378), Proprietor M/s. K Bindu & Associates, Practicing Company Secretaries has been appointed as the Scrutiniser to scrutinise the remote e-voting process and voting conducted during the AGM through e-voting in a fair and transparent manner.
 - VIII. The Scrutiniser shall after the conclusion of voting at the AGM, will first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make, within Two (2) working days from the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by him/her in writing, who shall countersign the same and declare the result of the voting within permitted time.
 - IX. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company and on the website of NSDL after the declaration of result by the Chairperson or a person authorised by him/her in writing. The Results shall also be forwarded to Stock Exchanges.
15. **Instructions for the Members for e-voting on the day of the AGM are as under:**
- A. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 - B. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
 - C. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
 - D. For any grievances connected with the facility for e-voting on the day of the AGM, the contact details shall be same as mentioned for remote e-voting.
16. **Instructions for the Members for attending the AGM through VC/OAVM are as under:**
- A. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
 - B. Members are encouraged to join the Meeting through Laptop/Desktop for better experience.
 - C. Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the AGM.

- D. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- E. Members who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, e-mail address, mobile number at investorrelations@futureretail.in. The same will be replied by the Company suitably.

17. Speaker Registration for the AGM

- Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request atleast Seven (7) days prior to AGM mentioning their name, demat account number/folio number, e-mail address, mobile number at investorrelations@futureretail.in.
- Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.
- Members will get confirmation on first cum first served basis.
- Members who are registered as speakers for the event are requested to download and install necessary software as required for attending AGM.
- Members are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.
- Please note that the Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

The Members who do not wish to speak during the AGM but have queries may send their queries Seven (7) days prior to the AGM mentioning their name, demat account number/folio number, e-mail address, mobile number at investorrelations@futureretail.in. These queries will be replied to by the Company suitably by e-mail.

18. Members are requested to send all communications to our R&T Agents at the following address:

Link Intime India Private Limited

C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083

Tel. No.: +91 22 4918 6270; Fax No.: +91 22 4918 6060.

E-mail ID: rnt.helpdesk@linkintime.co.in

19. In compliance with applicable provisions of the Act read with above mentioned MCA Circular(s), SEBI Listing Regulations and SEBI Circulars, the AGM is being conducted through VC/OAVM. In accordance with the Secretarial Standard-2 on General Meetings issued by ICSI read with clarification/guidance on applicability of Secretarial Standards issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since AGM will be held through VC/OAVM, the Route Map for the venue of the AGM, is not annexed to the Notice.

By order of the Board of Directors
For Future Retail Limited

Place : Mumbai
Date : September 03, 2021

Virendra Samani
Company Secretary

Registered Office:

Future Retail Limited

(CIN: L51909MH2007PLC268269)

Knowledge House, Shyam Nagar,

Off. Jogeshwari - Vikhroli Link Road,

Jogeshwari (East), Mumbai - 400 060

ADDITIONAL INFORMATION RELATING TO THE ORDINARY BUSINESSES

Item No. 2:

Mr. Rakesh Biyani is liable to retire by rotation and being eligible, offers himself for re-appointment.

Mr. Rakesh Biyani aged 49 years is a Commerce Graduate and has attended Advanced Management Program from Harvard Business School. Mr. Rakesh Biyani is associated with Future Group for over two decades and managed the expansion of the Group's flagship formats like fbb, Big Bazaar and Central along with supply chain management. He is actively involved in the areas of fashion business, category management, retail stores operations & information technology of the Group.

Mr. Rakesh Biyani is also instrumental in forming various technology driven processes of retail operation and formation of various joint ventures at group level for ensuring a better product mix and increasing foothold on overall consumption space of Indian retail sector.

A brief profile and additional information as required to be provided pursuant to the requirements of Regulation 36 and other applicable provisions of SEBI Listing Regulations and Secretarial Standards on General Meetings ("SS-2"), in respect of the Appointee, is provided in the Annexure – I to this Notice and forms part of the Statement.

Except Mr. Rakesh Biyani himself and his relatives to the extent of their shareholdings in the Company, if any, none of the Directors, Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution.

The Board of Directors recommends the Resolution at Item No. 2 as an Ordinary Resolution for the approval by the Members.

Item No. 3:

M/s. NGS & Co. LLP, Chartered Accountants, (ICAI Firm Registration No. 119850W), has been appointed as Auditors of the Company at 9th (Ninth) AGM held on August 29, 2016 for a term of five years till the conclusion of the 14th (Fourteenth)AGM of the Company.

In terms of the provisions of Section 139 of the Act, the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, the listed company could appoint or re-appoint an audit firm as Auditors for not more than Two (2) terms of Five (5) consecutive years.

Based on the recommendations of the Audit Committee, the Board of Directors approved the re-appointment of M/s. NGS & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company to hold office for the second term of One (1) consecutive year from conclusion of this AGM till conclusion of Fifteenth AGM and to fix the remuneration as set out at Item No. 3 of the Notice.

Accordingly, it is proposed to appoint M/s. NGS & Co. LLP as Auditors of the Company for the second term of One (1) consecutive year till the conclusion of the Fifteenth AGM of the Company in terms of the aforesaid provisions.

None of the Directors and Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in passing of the proposed Resolution.

The Board of Directors recommends the Resolution at Item No. 3 as an Ordinary Resolution for the approval by the Members.

Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4

Ms. Gagan Singh (DIN: 01097014) was appointed as an Independent Director on the Board of the Company for a period of Five (5) years with effect from April 30, 2016 in terms of the provisions of Sections 149, 152 and other applicable provisions of the Act and SEBI Listing Regulations.

In terms of Section 149 read with Schedule IV to the Act and relevant provisions of the SEBI Listing Regulations, an Independent Director shall be eligible to be re-appointed for second term of Five (5) consecutive years, on the basis of report of performance evaluation done by the Board and approval of Members.

Ms. Gagan Singh has provided a confirmation that she was not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given consent to act as a Director of the Company for a term of One (1) year. She has also given a declaration that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16(1)(b) of SEBI Listing Regulations. The Board is also of the opinion that Ms. Gagan Singh is independent of the Management of the Company.

Ms. Gagan Singh aged 67 years is a Chartered Accountant & Cost Accountant. She was previously CEO - Business (India) and Chairperson Sri Lanka Operations of Jones Lang LaSalle ("JLL"). She joined in May 2007 and achieved various milestones during her stint with JLL. She was nominated to the World Economic Forum Global Agenda Council on Gender Diversity for two years. She has approximately 30 years of experience across apparel, exports and hospitality sectors. Prior to JLL, she was with Benetton India for over Six (6) years as Executive Director and later as CEO and ensured to make Benetton a powerhouse in the Indian Lifestyle & Apparel industry. Prior to Benetton, she was COO at DCM International and was responsible for all export initiatives and also ensured audit compliance of DCM Financial Services.

She has also worked with the Soaltee Group, Nepal as VP-Finance & Planning. She began her career with Ranbaxy Laboratories Limited. She is a trustee of the Salaam Baalak Trust, an NGO and is the founding VP of Youth reach, an NGO.

A brief profile and additional information as required to be provided pursuant to the requirements of Regulation 36 and other applicable provisions of SEBI Listing Regulations and SS-2, in respect of the Appointee, is provided in the Annexure – I to this Notice and forms part of the Statement.

The Board considers that re-appointment of Ms. Gagan Singh would be of immense benefit to the Company and it is desirable to avail her services as an Independent Director. Accordingly and as requested by Ms. Gagan Singh, the Board had recommended the appointment for the term of One (1) year for approval of Shareholders. In terms of the provisions of Section 149 (13) of the Act, Ms. Gagan Singh shall not be liable to retire by rotation.

Except Ms. Gagan Singh herself and her relatives to the extent of their shareholdings in the Company, if any, none of the Directors, Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution.

The Board of Directors recommends the Resolution at Item No. 4 as Special Resolution for the approval by the Members.

Item No. 5

Mr. Ravindra Dhariwal (DIN: 00003922) was appointed as an Independent Director on the Board of the Company for a period of Five (5) years with effect from April 30, 2016 in terms of the provisions of Sections 149, 152 and other applicable provisions of the Act and SEBI Listing Regulations.

In terms of Section 149 read with Schedule IV to the Act and relevant provisions of the SEBI Listing Regulations, an Independent Directors shall be eligible to be re-appointed for second term of Five (5) consecutive years, on the basis of report of performance evaluation done by the Board and approval of Members.

Mr. Ravindra Dhariwal has provided a confirmation that he was not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given consent to act as a Director of the Company for a term of Five (5) years. He has also given a declaration that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16(1)(b) of SEBI Listing Regulations. The Board is also of the opinion that Mr. Ravindra Dhariwal is independent of the Management of the Company.

Mr. Ravindra Dhariwal aged 69 years is an MBA from IIM-Calcutta and also a B.E. from IIT Kanpur. Mr. Dhariwal is a Senior Advisor to TPG India and brings with him the experience of over four decades of building consumer business all over the World. Prior to joining TPG India, Mr. Dhariwal was the Chief Executive Officer of Bennett & Coleman Co. Ltd., India's largest media company, with diversified media platforms including Radio Mirchi, Times Television Network, The Times of India, the World's largest selling English newspaper, Times Internet and Times OOH. Mr. Dhariwal was also the global President of International News Media Association from 2011-2013.

Prior to joining Bennett & Coleman & Co. Ltd, Mr. Dhariwal worked with Pepsico for 12 years. He also led the beverage business in India, Africa and South East Asia. Mr. Dhariwal started his career with Unilever in India in 1977 and worked for them in India and Australia for over 12 years mostly in the Sales and Marketing management.

A brief profile and additional information as required to be provided pursuant to the requirements of Regulation 36 and other applicable provisions of SEBI Listing Regulations and SS-2, in respect of the Appointee, is provided in the Annexure – I to this Notice and forms part of the Statement.

The Board considers that re-appointment of Mr. Ravindra Dhariwal would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director. Accordingly and as requested by Mr. Ravindra Dhariwal, the Board had recommended the appointment for the term of Five (5) years for approval of Shareholders. In terms of the provisions of Section 149 (13) of the Act, Mr. Ravindra Dhariwal shall not be liable to retire by rotation.

Except Mr. Ravindra Dhariwal, himself and his relatives to the extent of their shareholdings in the Company, if any, none of the Directors, Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution.

The Board of Directors recommends the Resolution at Item No. 5 as Special Resolution for the approval by the Members.

Item No. 6

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed Mr. Jacob Mathew (DIN: 00080144) as an Additional Director and also as an Independent Director of the Company for a term of Five (5) consecutive years with effect from July 27, 2021, subject to approval of the Members.

In terms of Section 161 of the Act, Mr. Jacob Mathew, holds office up to the date of the AGM of the Company. The Company has received a notice from a Member signifying intention to propose Mr. Jacob Mathew as candidate for the office of Director of the Company at the AGM.

Mr. Jacob Mathew has provided a confirmation that he was not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given consent to act as a Director of the Company for a term of Five (5) years. He has also given a declaration that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16(1)(b) of SEBI Listing Regulations. The Board is also of the opinion that Mr. Jacob Mathew is independent of the Management of the Company.

Mr. Jacob Mathew aged 60 years is a product designer trained at India's National Institute of Design. Mr. Jacob co-founded Tesseract Design, now Idiom Design, Dovetail Furniture, Spring Health Water and is also a Design Principal at Srishti where he leads the Impact Edge Lab. His day job is CEO Industree Foundation. Mr. Jacob spent the first 25 years of his professional life transforming Business by Design, now well into his next 25, he is bent on transforming Society through business and design.

A brief profile and additional information as required to be provided pursuant to the requirements of Regulation 36 and other applicable provisions of SEBI Listing Regulations and SS-2, in respect of the Appointee, is provided in the Annexure – I to this Notice and forms part of the Statement.

The Board considers that appointment of Mr. Jacob Mathew would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director. Accordingly and as requested by Mr. Jacob Mathew, the Board had recommended the appointment for the term of Five (5) years for approval of Shareholders. In terms of the provisions of Section 149 (13) of the Act, Mr. Jacob Mathew shall not be liable to retire by rotation.

Except Mr. Jacob Mathew, himself and his relatives to the extent of their shareholdings in the Company, if any, none of the Directors, Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution.

The Board of Directors recommends the Resolution at Item No. 6 as Special Resolution for the approval by the Members.

Item No. 7

The Company enters into related party transaction with Future Enterprises Limited ("FEL") for Purchase/Sale of Goods and Services. All the related party transaction were entered or to be entered into are at arm's length basis and in the ordinary course of business, in line with the Company's Policy on Related Party Transaction post approval of the Audit Committee and the Board of Directors of the Company.

It is envisaged that the maximum value of the above related party transaction to be entered into individually or taken together with previous transactions during the financial year 2021-22 would exceed ten percent of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

Further, the approval of Members is required if as per the provisions of Section 188 (1) of the Act read with relevant rules framed thereunder, the amount of related party transaction exceed the threshold limit provided therein and / or if as per Regulation 23 of SEBI Listing Regulations, the transaction is material. Accordingly, the approval of Members of the Company is required. In terms of provisions of Companies (Meetings of the Board and its Powers) Rules, 2014 as amended, the details in relation to related party transaction are as under:

Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Related Party	Name of Director or Key Managerial Personnel who is related, if any	Nature of Relationship	Nature, Material Terms and particulars of the contract or arrangement	Monetary Value of Transactions (₹ in crore)	Any other information relevant or important for the Members to take decision on the proposed resolution
Purchase & Sale of Goods & Services	Future Enterprises Limited ("FEL")	Mr. Kishore Biyani.	Related Party	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis.	800	The transaction have been reviewed and approved by the Audit Committee and Board and an arms' length price has been established. In case of resale by FEL the same is being sold at cost of procurement plus minimum margin for handling as per applicable Regulations.

Pursuant to Regulation 23 of SEBI Listing Regulations, all entities falling under the definition of "Related Party" shall abstain from voting in respect of the proposed resolution given in the Notice, irrespective of whether the entity is a party to the particular transaction or not.

The Board of Directors recommends the resolution at Item No. 7 as an Ordinary Resolution for the approval by the Members.

Mr. Kishore Biyani and his relatives, if any, shall be deemed to be concerned or interested in the Resolution to the extent of their shareholdings in the Company. None of the other Directors, Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution.

By order of the Board of Directors
For Future Retail Limited

Place : Mumbai
Date : September 03, 2021

Virendra Samani
Company Secretary

Registered Office:
Future Retail Limited
(CIN: L51909MH2007PLC268269)
Knowledge House, Shyam Nagar,
Off. Jogeshwari - Vikhroli Link Road,
Jogeshwari (East), Mumbai - 400 060

ANNEXURE - I

Information as required pursuant to Regulation 36 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), in respect of Directors seeking appointment/re-appointment at the Annual General Meeting:

Name of Director	Rakesh Biyani	Ms. Gagan Singh	Mr. Ravindra Dhariwal	Mr. Jacob Mathew
DIN	00005806	01097014	00003922	00080144
Date of Birth	April 05, 1972	September 24, 1954	September 11, 1952	March 26, 1961
Age	49 Years	67 years	69 years	60 years
Date of first Appointment on the Board	April 30, 2016	April 30, 2016	April 30, 2016	July 27, 2021
Qualifications	Commerce Graduate and Advanced Management Program from Harvard Business School	CA, CWA	B.E., MBA	Product Designer
Experience and Expertise in Specific Functional Area	<p>Mr. Rakesh Biyani is associated with Future Group for over two decades and managed the expansion of the Group’s flagship formats like fbb, Big Bazaar and Central along with supply chain management. He is actively involved in the areas of fashion business, category management, retail stores operations & information technology of the Group.</p> <p>Mr. Rakesh Biyani is also instrumental in forming various technology driven processes of retail operation and formation of various joint ventures at group level for ensuring a better product mix and increasing foothold on overall consumption space of Indian retail sector.</p>	<p>Ms. Gagan Singh has over 33 years of experience across the apparel, exports and hospitality sectors. Ms. Singh is currently consulting with Anarock Property Consultants Private Limited as Chief Evangelist – Culture. She is a Trustee of Salaam Baalak Trust and Founder Member and Vice President of Youthreach.</p>	<p>Mr. Dhariwal is senior advisor to TPG and brings with him experience over 40 years of building consumer business all over the World.</p>	<p>Mr. Jacob Mathew is a product designer trained at India’s National Institute of Design with over 25 years of rich experience into it.</p>
Terms and conditions of appointment	As approved by the Board of Directors of the Company, liable to retire by rotation.	As per resolution No. 4.	As per resolution No. 5.	As per resolution No. 6.
Remuneration last drawn	During the year 2020-21, Mr. Rakesh Biyani was paid a remuneration of ₹ 3.76 crore.	During the year 2020-21 the Company has paid the sitting fees of ₹ 0.25 crore.	During the year 2020-21 the Company has paid the sitting fees of ₹ 0.25 crore.	Not applicable

Name of Director	Rakesh Biyani	Ms. Gagan Singh	Mr. Ravindra Dhariwal	Mr. Jacob Mathew
Number of Board Meetings attended during the year 2020-21	10 (Ten) out of 10 (Ten)	10 (Ten) out of 10 (Ten)	10 (Ten) out of 10 (Ten)	Not applicable
Directorship held in other Listed companies (As on March 31, 2021)	<ul style="list-style-type: none"> ➤ Future Supply Chain Solutions Limited; and ➤ Future Lifestyle Fashions Limited. 	Timex Group India Limited	<ul style="list-style-type: none"> ➤ Bata India Limited; and ➤ Sheela Foam Limited. 	Praxis Home Retail Limited*
Directorship in other Companies (excluding foreign companies & Section 8 companies) (As on March 31, 2021)	<ul style="list-style-type: none"> ➤ Turtle Limited; ➤ Futurebazaar India Limited; ➤ Shree Balaji Umber Properties Private Limited; ➤ Shree Balaji Parvat View Properties Private Limited; ➤ Ryka Commercial Ventures Private Limited; and ➤ Celio Future Fashion Private Limited. 	None	<ul style="list-style-type: none"> ➤ Mahindra Electric Mobility Limited; ➤ Sterling Holiday Resorts Limited; ➤ Mahindra Greenyard Private Limited; ➤ Ecco Electronics Private Limited; and ➤ Sagacito Technologies Private Limited. 	<ul style="list-style-type: none"> ➤ Spring Health Water (India) Private Limited*; and ➤ Deedbee Social Ventures Private Limited*.
Chairmanship / Membership of Committees of the Board of Directors of other Companies (As on March 31, 2021)	<p>Future Lifestyle Fashions Limited</p> <ul style="list-style-type: none"> ➤ Nomination and Remuneration Committee - Member; ➤ Share Transfer Committee - Member; ➤ Stakeholders' Relationship Committee - Member; ➤ Risk Management Committee - Member; and ➤ Committee of Directors - Member. <p>Future Supply Chain Solutions Limited</p> <ul style="list-style-type: none"> ➤ Corporate Social Responsibility Committee - Member; and ➤ Nomination and Remuneration Committee - Member. 	<p>Timex Group India Limited</p> <ul style="list-style-type: none"> ➤ Audit Committee - Chairperson; ➤ Stakeholders' Relationship Committee - Member; ➤ Nomination and Remuneration Committee - Member; and ➤ Corporate Social Responsibility Committee - Member. 	<p>Bata India Limited</p> <ul style="list-style-type: none"> ➤ Audit Committee – Member; ➤ Stakeholders' Relationship Committee – Member; and ➤ Nomination and Remuneration Committee – Chairman. <p>Sheela Foam Limited</p> <ul style="list-style-type: none"> ➤ Audit Committee – Member; ➤ Nomination and Remuneration Committee – Member; ➤ Corporate Social Responsibility Committee – Member; and ➤ Sales and Marketing Committee – Chairman. 	<p>Praxis Home Retail Limited*</p> <ul style="list-style-type: none"> ➤ Audit Committee – Member; ➤ Stakeholders' Relationship Committee – Member; and ➤ Corporate Social Responsibility Committee – Member.

Name of Director	Rakesh Biyani	Ms. Gagan Singh	Mr. Ravindra Dhariwal	Mr. Jacob Mathew
	Futurebazaar India Limited ➤ Audit Committee - Member.		Mahindra Electric Mobility Limited ➤ Audit Committee – Member; and ➤ Nomination and Remuneration Committee – Member. Sterling Holiday Resorts Limited ➤ Audit Committee – Member; and ➤ Nomination and Remuneration Committee – Member. Mahindra Greenyard Private Limited ➤ Audit Committee - Member; and ➤ Nomination and Remuneration Committee – Member.	
Shareholding as on March 31, 2021	2,121 Equity Shares	Nil	Nil	1,116 Equity Shares*
Relationship with other Directors / Key Managerial Personnel(s)	Not related to any Director / Key Managerial Personnel(s).	Not related to any Director / Key Managerial Personnel(s).	Not related to any Director / Key Managerial Personnel(s).	Not related to any Director / Key Managerial Personnel(s).

(*) The details are as on July 27, 2021 i.e. date of Mr. Jacob Mathew's appointment in the Company.

Note: For further details related to remuneration drawn and proposed, directorship / committee membership, please refer to Directors' Report, Corporate Governance Report forming part of the Annual Report.

FUTURE RETAIL LIMITED

**ANNUAL REPORT
2020-21**

Corporate Information

BOARD OF DIRECTORS

Kishore Biyani

Executive Chairman
DIN: 00005740

Rakesh Biyani

Managing Director
DIN: 00005806

Gagan Singh

Independent Director
DIN: 01097014

Ravindra Dhariwal

Independent Director
DIN: 00003922

Shailendra Bhandari

Independent Director
DIN: 000317334
(Ceased w.e.f. April 30, 2021)

Sridevi Badiga

Independent Director
DIN: 02362997
(Resigned w.e.f. June 01, 2021)

Mr. Jacob Mathew

Independent Director
DIN: 00080144
(Appointed w.e.f. July 27, 2021)

Rahul Garg

Non-Executive Director
DIN: 06939695

STATUTORY AUDITORS

NGS & CO. LLP.

CHIEF FINANCIAL OFFICER

C. P. Toshniwal

COMPANY SECRETARY

Virendra Samani

SHARE TRANSFER AGENT

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

BANKERS

Axis Bank
Bank of Baroda
Bank of India
Central Bank of India
Cooperative Rabobank U.A
IDBI Bank
IDFC First Bank
Indian Bank
IndusInd Bank
Punjab National Bank
State Bank of India
UCO Bank
Union Bank of India
Yes Bank

REGISTERED OFFICE

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

L51909MH2007PLC268269

DEBENTURE TRUSTEES

Vistra ITCL (India) Limited

IL&FS Financial Centre, Plot No. C-22,
G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051

Centbank Financial Services Limited

Central Bank - MMO Bldg,
3rd Floor (East Wing),
55, MG Road,
Fort, Mumbai 400 001

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Management Discussion and Analysis

ECONOMIC SURVEY & INDIAN RETAIL

Saving Lives and Livelihoods amidst a Once-in-a-Century Crisis

India focused on saving lives and livelihoods by its willingness to take short-term pain for long-term gain, at the onset of the COVID-19 pandemic. An early, intense lockdown provided a strategy to save lives and preserve livelihoods via economic recovery in the medium to long-term. A public investment programme centered around the National Infrastructure Pipeline to accelerate the demand push and further the recovery was rolled out.

As per the Reserve Bank of India's (RBI) estimates, India's real GDP growth is projected at 9.5% in FY22, which includes growth of 18.5% in the first quarter of FY22; 7.9% growth in the second quarter of FY22; 7.2% growth in the third quarter of FY22 and 6.6% growth in the fourth quarter of FY22. A V-shaped recovery is expected, and there has been a resurgence in high frequency indicators such as power demand, e-way bills, GST collection, steel consumption, etc.

Indian retail industry had emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. India is the fifth-largest and preferred retail destination globally. India's retail sector is expected to drive growth with retail development taking place not just in major cities and metros, but also in tier II and III cities. Healthy economic growth, changing demographic profile, increasing disposable income, urbanisation, changing consumer tastes and preferences are some of the factors driving growth in the organised retail market in India.

The pandemic, coupled with the lockdown impacted the operations of shopping malls and retail stores across all states. Restrictions on movements of employees, customers and goods - during the early stage of the lockdown-impacted the retail trade severely. As the lockdown eased, the retail business has recovered and multi-category retailers expect some more time before a full recovery is registered in the retail sector. The pandemic also gave a tremendous push towards digitization, with retailers adopting omni-channels capabilities at a rapid pace.

According to India Ratings and Research (Ind-Ra), domestic organised food and grocery retailers are expected to increase by 10% YoY in FY22, with organised retailers and e-commerce likely to benefit

from the ongoing demand for essentials. By 2024, India's e-commerce industry is expected to increase by 84% to US\$ 111 billion, driven by mobile shopping, which is projected to grow at 21% annually over the next Three years.

India is expected to become the world's third-largest consumer economy, reaching ₹ 27.95 lakh crore (US\$ 400 billion) in consumption by 2025 by increasing participation from foreign and private players has given a boost to Indian retail industry.

Future Retail Limited's retail formats such as Big Bazaar, Foodhall, fbb, easyday and Heritage make for some of the most loved brands in Indian retail. Between these brands, the Company covers most income segments and communities living in hundreds of cities and towns across the country.

LARGE FORMAT STORES

We added 8 new large stores during the year and closed 21 stores as a part of our strategy of efficient store operations and expansion. Our focus on efficient store expansion has led to the furtherance of a distribution network that is now present in almost every state in the country.

During the financial year, Big Bazaar had launched an online shopping portal to cater to customers who couldn't visit the stores due to lockdown and various restrictions. The Company invested in learning and perfecting its online and omni-channel capabilities during the first phase of its launch.

In March 2021, Big Bazaar expanded the proposition promising a 2-hour home delivery for all orders placed on shop.bigbazaar.com and mobile apps available on Android and iOS. This instant delivery service was a first of its kind proposition in the retail market in India, offering the widest range of products - from food and grocery, to fashion, homeware, electronics and much more. While some competitors offered same-day or next-day home delivery, they are almost always restricted to food and grocery and available in a few select cities. Big Bazaar was among the first retailers to offer this in over 120 cities and towns across India.

The omni-channel shopping initiative met with a very encouraging response from customers and the Company expects that it drive frequency of purchase from loyal

customers, with online business contributing above 10% share through the year, even after lockdown is eased.

SMALL FORMAT STORES

The Company's small format chains- easyday in Northern India and Heritage Fresh in Southern India are established brands offering high-frequency items in food and grocery products within urban neighborhoods. These brands focus on building a membership base for every store, ensuring high engagement with customers and higher frequency of purchase. Being focused purely on food and grocery items, these stores were somewhat less impacted by the lockdown and pandemic restrictions.

Through the year, the Company focused on optimizing the network with a focus on efficiency and profitability of the stores, customizing the merchandise mix for the members in each of the neighborhood it caters to and increasing the membership base of customers. The Company also strengthened its online ordering system through easyday members' app, thus contributing to increase in frequency of customers.

The membership initiative remains one of our key pillars of growth and we continue to focus on understanding our member - customers' needs based on the data collected and customizing our assortment and merchandise mix based on analyzing the purchase data of our frequent shoppers.

OVERVIEW : OPERATIONAL, CUSTOMER AND MARKETING

The Company continues to focus on the three large categories of food, fashion and homeware and leveraging its pan-India scale and reach to develop, as well as popular retail brands to build a long-term, strategic edge for the business. Over the years, the Company has also sharpened its focus on leveraging technology to process and use the large amount of consumer data that it generates as well as develop omni-channel capabilities. Many of the capabilities thus developed proved to be useful during the pandemic conditions to retain customers and attract business during the lockdown.

While the Company continues to invest in building its brands, during the year, the Company built new capabilities for brand building and customer engagement on digital platforms and social media. A substantial portion of brand development activities now focus on the digital space, earning new and existing customers to engage with our brands on the Company's online portals and mobile apps.

HUMAN RESOURCE INITIATIVES

Human Resource is one of the key interfaces the Company has with its customers and hence it is very critical to ensure continuous learning and development of its people resources. FRL employs 21,839 employees located at Head Office, Zonal Offices, Retail Stores, Design houses and Data-Centers across the Country. The Company has attracted best talents from the industry as well as successful in retaining its core team, which has rich experience of last 20 years leading the Company's core retail business.

BUSINESS OUTLOOK

The key business outlook for the current year, FY2021-22 seems will be a challenging year with the second wave of COVID-19 impacting almost every aspect of human lives. This pandemic has led to huge uncertainties including in the consumption space. Retail has been severely impacted with stores remaining largely shut in the 1st quarter of FY2020-22 and consumers weren't being able to come to the store. Incomes have been affected, leading to deferral of discretionary consumption.

There is going to be significant challenges in the short to medium term as the country is slowly recovering from the second wave of COVID-19 and the government taking measures to bring back life to normalcy in a phased manner.

FutureRetail has an unparalleled network of stores under core two formats, spread across pan India covering most of the income segments and communities. We believe that the network is strategically well placed to capture the consumer spend at an accelerated pace as the country recovers from the pandemic.

The long-term growth factors of the economy remain intact and are projected to drive the India growth story in the long term.

RISKS AND THREATS

External environment factors like second wave of COVID-19, impending threat of resurgence of the third wave, spread of the delta variant of Covid-19 and economic factors such as interest rates, inflation, liquidity, rationalisation of tax structure, job creation continue to be the biggest threats as well as opportunities for the Company. Continued slowdown in the economic activity in the country, no respite from the job losses or challenged income-levels & hence consumption can severely impact Indian retail and therefore growth of the Company.

INTERNAL CONTROLS AND THEIR ADEQUACY

The Company continues the process of Enterprise Risk Management, in order to identify various new risks and also to define and create the control process



to mitigate the identified risks. Further, the Internal Control Framework for organization structure, financial reporting, documented authorities and 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 Audit Committee, comprising of 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 applicable accounting standards.

REVIEW OF FINANCIAL PERFORMANCE OF THE COMPANY FOR THE YEAR UNDER REVIEW

Key Ratios

Debtors Turnover	15
Inventory Turnover	2
Interest Coverage Ratio	(0.27)
Current Ratio	0.81
Debt Equity Ratio	9.34
Gross Margin	20.11%
Net Margin	(50.79%)
Return on Net Worth	(116.10%)

Details of significant changes in the key financial ratios:

- Debtors Turnover and Inventory Turnover: It has been adversely affected due to decline in revenue on account of COVID-19.
- Interest coverage ratio: It has been adversely affected due to decline in profitability on account of COVID-19.
- Debt*-Equity ratio and Return on Net Worth: Ratios have been adversely impacted due to decline in profitability on account of COVID-19 and increase in borrowings.
- Net Profit Margin: It has been adversely affected due to decline in profitability on account of COVID-19.

* Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116)

Sales: The Company's Sales and Operating Income has reduced from ₹ 20,118.32 crore in previous financial year to ₹ 6,261.04 crore with Y-o-Y degrowth of 68.88% for the financial year ended March 31, 2021. The Covid-19 pandemic has had a significant impact on business. Operational challenges mounted due to restricted movement and disrupted supply lines.

Loss Before Tax: Loss Before Tax of the Company for financial year ended March 31, 2021 stood at ₹ 3,159.93 crore as compared to profit of ₹ 33.84 crore during the previous financial year.

Interest: Interest & Financial charges outflow has increased from ₹ 440.30 crore incurred in previous

financial year to ₹ 1,218.36 crore (without Impact of INDAS116) for financial year ended March 31, 2021 due to increase in debt.

Net Loss: Net Loss of the Company for financial year ended March 31, 2021 stood at ₹ 3,180.04 crore as compared to profit of ₹ 33.84 crore in the previous financial year due to due to Covid 19 pandemic which had significant impact on business of the Company.

Dividend: While considering the Company's dividend distribution policy, the uncertainties created by COVID-19 and in view of Loss during the year under review, the Board has not recommended any dividend for the financial year ended March 31, 2021.

Capital employed: The capital employed of the Company was ₹ 12,394.65 crore as at March 31, 2021.

Surplus management: The Company have cash loss of ₹ 2,567.41 crore (without Impact of IND AS116) for financial year ended March 31, 2021 as compared to cash profit of ₹ 160.20 crore in the previous financial year.

Equity Share Capital: The equity share capital of the Company has increased from ₹ 105.48 crore to ₹ 108.46 crore due to ₹ 2.96 crore worth of shares issued against conversion of warrants and ₹ 0.02 crore worth of shares issued under employee stock option scheme during the financial year under review.

Debt-Equity: Debt-Equity ratio of the Company has increased to 9.34 as at March 31, 2021 as compared to 2.08 in the previous financial year. This ratio has increased due to increase in debt and decrease in Net Worth.

Net Worth (excluding Capital Reserve): The Net worth of the Company has decreased from ₹ 4,403.06 crore to ₹ 1,323.35 crore due to loss for the current year and shares issued during the financial year.

Cash Earnings Per Share (CEPS): The Company's CEPS (before exceptional items) has decreased to ₹ (47.52) (without Impact of IND AS116) in current financial year in comparison to ₹ 3.15 in the previous financial year. The Company CEPS has decreased due to decline in revenue and profitability on account of Covid-19 pandemic.

Earnings Per share (EPS): The Company's EPS (before exceptional items) has decreased from ₹ 0.67 in previous financial year to ₹ (58.86) per share for the financial year ended March 31, 2021. The Company EPS has decreased due to decline in revenue and profitability on account of Covid-19 pandemic.

Directors' Report

To,
The Members,

Your Directors are pleased to present the Fourteenth Annual Report of the Company together with the Audited Financial Statements for the financial year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The financial performance of the Company is as follows:

Particulars	(₹ in crore)			
	Standalone		Consolidated	
	Financial Year 2020-21	Financial Year 2019-20	Financial Year 2020-21	Financial Year 2019-20
Revenue from Operations	6,261.04	20,118.32	6,303.94	20,331.72
Other Income	176.36	83.60	256.93	86.68
Total Revenue	6,437.40	20,201.92	6,560.87	20,418.40
Profit / (Loss) before Depreciation and Amortization Expense & Tax expense	(1,831.75)	1,074.73	(1,785.69)	1,112.79
Less: Depreciation and Amortization expense	1,328.17	1,040.89	1,382.81	1,098.72
Profit / (Loss) before Exceptional Item	(3,159.92)	33.84	(3,168.49)	14.08
Less: Exceptional Item	-	-	-	-
Profit / (Loss) before Tax	(3,159.92)	33.84	(3,168.49)	14.08
Less: Tax expense	20.11	-	21.03	2.79
Profit / (Loss) after Tax	(3,180.03)	33.84	(3,189.52)	11.29
Other Comprehensive Income for the year	98.99	(224.45)	98.99	(224.67)
Total Comprehensive Income for the year	(3,081.04)	(190.61)	(3,090.53)	(213.38)
Earnings Per Equity Share of Face Value of ₹ 2/- each				
- Basic (in ₹)	(58.86)	0.67	(59.03)	0.23
- Diluted (in ₹)	(58.86)	0.65	(59.03)	0.22

REVIEW OF PERFORMANCE

During the year under review, your Company recorded a decrease of 69% in the Standalone Revenue from Operations at ₹ 6,261.04 crore as compared to ₹ 20,118.32 crore in the previous financial year. Consolidated Revenue from Operations was reported at ₹ 6,303.94 crore during the year under review. Your Company also reported Net Loss of ₹ 3,180.03 crore as compared to Net Profit of ₹ 33.84 crore for the previous financial year on standalone basis.

We have a pan India presence with 1,308 stores in 397 cities as of March 31, 2021 and total retail space of approximately 15.69 million sq. ft. for various formats of your Company. As on March 31, 2021, we have 285 Big Bazaar / Hypercity stores, 88 fbb stores, 8 Foodhall stores and 927 small format stores (including 89 WHSmith stores). Our retail format business is supported by various other businesses operated by Group companies and through

investee companies of the Group operating in various ventures including branded fashion, food & FMCG, insurance, warehousing & logistics, media and textiles.

IMPACT OF COVID - 19

In the wake of the novel coronavirus (COVID-19) outbreak, most of the stores of the Company, in most of the States, were closed except selling only essential commodities and grocery items as directed by Local and State Government offices. The business of the Company is adversely affected by temporarily shut down of stores, degrowth of revenue, sizable drops in footfalls and selective spending on essentials only by the Customers.

Further, the Company's maximum staff except connected with essential services, were working from their respective residence under "work from home policy" implemented by the Company.



The countrywide lockdown began towards the latter half of March, 2020 and continued through the end of May, 2020. During this period, more than half of our stores remained closed for operations due to regulatory instructions and stores that were open, operated for restricted hours. Customer footfalls were significantly lower and as per directives of the authorities.

The Company is also leaving no stone unturned in redefining workplace hygiene. The Company has implemented new standards of safe working with guidelines for social distancing. Face masks were mandatory for all employees and customers visiting our premises. We also ensured regular sanitisation of all our premises and adequate availability of sanitising material. Similar protocols have been created for safe customer engagements. We also commenced servicing our customers through several new channels of delivery to provide them all essential goods through on-line apps.

COVID-19 pandemic and consequent lockdown imposed throughout the country, has had a significant adverse impact on the business operations and the financial results of the Company. The outbreak of Covid-19 pandemic has created economic disruption throughout the world including India. Consequently the revenue and profitability for the year end of March 2021 have been adversely impacted. The second wave across India has raised concern over economic growth and business conditions, while the restrictions are currently more localized and for shorter duration as compared to the previous year. Moreover, increasing pace of Inoculation and efforts by the government are likely to help mitigate some of the adverse impact.

In assessing the recoverability of the Receivables, Inventories and other financial and non-financial assets, the Company was closely monitoring the development and possible effect on the financial condition, liquidity, operations, and is actively working to minimize the impact of this unprecedented situations. The impact of the pandemic may differ from that estimated as on the date. The Company will continue to closely monitor any material changes to future economic conditions. As the situation is continuously evolving, the eventual impact may differ from the estimates made in financial statements.

SCHEME OF ARRANGEMENT AND MATTERS CONNECTED THEREWITH

On August 29, 2020, the Board of Directors of the Company has considered and approved the amalgamation of the Company along with other transferor companies with Future Enterprises Limited which would be carried out vide a Composite Scheme of Arrangement between the

Company along with other transferor companies with Future Enterprises Limited ("Transferee Company" or "FEL") and their respective Shareholders and Creditors ("the Scheme"), in terms of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ("the Act").

The proposed Scheme inter-alia provides the following:

- Amalgamation of the Company along with other transferor companies with FEL;
- Transfer and vesting of the Logistics & Warehousing Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail Ventures Limited ("RRVL");
- Transfer and vesting of the Retail & Wholesale Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail and Fashion Lifestyle Limited, a wholly owned subsidiary of RRVL ("RRVL WOS"); and
- Preferential allotment of equity shares and warrants of FEL to RRVL WOS.

As a consideration for the said amalgamation, FEL will issue 101 (One Hundred One) fully paid up equity shares of ₹ 2/- each to the equity shareholders of the Company as on the Record Date (as may be determined in terms of the Scheme) for every 10 (Ten) fully paid up equity share of ₹ 2/- each of the Company. The said equity shares to be allotted by FEL to the Shareholders of the Company will be listed on BSE Limited and National Stock Exchange of India Limited and shall rank pari passu in all respects with the existing equity shares of FEL.

The combination contemplated under the Scheme has been approved by Competition Commission of India on November 20, 2020. Further, the Stock Exchanges have issued observation letter without any adverse observation on January 20, 2021. Subsequently, the Scheme application has been filed with National Company Law Tribunal Mumbai (NCLT) on January 26, 2021 for seeking directions from NCLT for convening the meeting of the Shareholders and Creditors of the Transferor Companies and Transferee Company. NCLT has heard the said application and the intervention application filed by Amazon.com Investment Holdings LLC. ("Amazon") and has reserved the order on the said application.

Amazon has initiated arbitration against the Company and its promoters on October 05, 2020 before Singapore International Arbitration Centre (SIAC). After completion of Emergency Arbitration hearing held pursuant to application of Amazon, Emergency Arbitrator has passed an interim order on October 25, 2020 (EA Order) inter-alia

restraining the Company and promoters to take any steps in furtherance of the resolution passed on August 29, 2020. However, based on the legal advice received by the Company, it has contended that the EA Order would not be enforceable against the Company, in view of the fact that the Company is not a signatory to the arbitration agreement under which arbitration has been initiated.

The Company has filed a suit before Hon'ble Delhi High Court making a prayer to injunct Amazon from tortuously interfering with the Scheme. The Hon'ble Single Judge of the Delhi High Court has passed a Judgment in the Interim Application, wherein it has prima facie held that there is no arbitration agreement between Amazon and the Company; Company's Resolution dated August 29, 2020 approving the Scheme is neither void nor contrary to any statutory provision nor the Articles of Association of the Company. The said Judgement further prima facie held that Amazon's representations to various regulatory authorities amounted to unlawful interference with the Scheme and a civil wrong actionable by both the Company and Reliance. However, no injunction was granted in favour of the Company and all the Statutory Authorities were directed to take the decision on the applications and objections raised in accordance with the law. The Hon'ble Court also prima facie held that conflation of the two shareholders agreements will be in violation of FEMA FDI Rules. An Appeal was preferred by Amazon against certain observations contained in this Judgment.

In another application of Amazon under Section 17(2) of Arbitration & Conciliation Act, 1996 to enforce EA Order, Hon'ble Delhi High Court vide its interim order dated February 2, 2021 directed the parties to maintain status quo (Status Quo Order). The Company challenged this Order before the Hon'ble Division Bench of Delhi High Court in an appeal. The Learned Division Bench has stayed the aforesaid Status Quo Order on February 8, 2021. Amazon has preferred a Special Leave Petition before Hon'ble Supreme Court against the order of the Hon'ble Division Bench on February 13, 2021. The Hon'ble Supreme Court ruled that the proceedings before NCLT will be allowed to go on but will not culminate in any final order of sanction of the Scheme.

On March 18, 2021 a detailed interim order was passed by the Single Judge of the Delhi High Court ("Detailed Order") inter-alia confirming the directions in the Status Quo Order passed by Hon'ble Delhi High Court in the application under Section 17(2) of Arbitration & Conciliation Act, 1996, granting further reliefs in favour of Amazon and inter-alia restricting all respondents from taking any further action in violation of the EA Order.

An appeal was filed by the Company, as well as other respondents, before the Hon'ble Division Bench against the Detailed Order. On March 22, 2021 the Hon'ble Division Bench was pleased to pass a common order in both the appeals, staying the enforcement of the Detailed Order.

Amazon filed Special Leave Petitions before the Hon'ble Supreme Court against the order of the Hon'ble Division Bench passed on March 22, 2021. On April 19, 2021 the Hon'ble Supreme Court stayed the proceedings before the Single Judge and the Division Bench of the Delhi High Court and directed parties to complete the pleadings and listed all the three SLPs for final disposal on May 04, 2021. Post summer vacation at Supreme Court, SLPs are now being heard and argued before Supreme Court. Supreme Court may consider issuing order in the matter after completion of the submissions by all the parties.

Further in relation to the Arbitration Proceedings, a Tribunal has been constituted by SIAC on January 05, 2021 and the Company has filed two applications before the Tribunal, first being an application under Section 16 of Arbitration & Conciliation Act, 1996 ("Arbitration Act") challenging the jurisdiction of the Tribunal; and second being an Application under Rule 10 of Schedule I of SIAC Rules for vacation of the EA Order. As per the scheduled finalised by the Tribunal, the hearing commenced from July 12, 2021 and continued till July 16, 2021. The decision of Tribunal is awaited on both applications.

One Time Restructuring (OTR)

Pursuant to RBI guidelines vide circular DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 on 'Resolution Framework for COVID-19-related Stress', the lenders of the Company has invoked One Time Restructuring ("OTR") with regard to credit facilities availed by the Company from Banks and other Institutions on October 29, 2020. The aforesaid OTR has been implemented by execution of the documents by the Company and eligible lenders on April 26, 2021. Accordingly, as per the agreed terms of OTR the repayment of Long Term and Short Term obligation is extended, overdue working capital limits is converted in Working Capital Term Loan ("WCTL"), and interest due till September, 2021 on various credit facilities has been converted into Funded Interest Term Loan ("FITL"). The terms of repayment of the NCDs and interest due thereon, which are not part of the OTR has also been separately extended on the similar lines in consultation with the debenture trustees and the concerned debenture holders.



SHARE CAPITAL

During the year under review, the following allotment were made by the Company

a) Allotment of 1,48,03,960 equity shares upon conversion of equity warrants

On May 19, 2020, the Company allotted 1,48,03,960 equity shares to M/s. Future Coupons Private Limited (f.k.a. Future Coupons Limited) (FCPL), a Promoter Group entity, on preferential basis upon conversion of balance equity warrants.

The Company has originally allotted 3,96,03,960 equity warrants on April 23, 2019, at a price of ₹ 505/- per warrant, each convertible into or exchangeable for One (1) equity share of face value of ₹ 2/- each at a premium of ₹ 503/- per share to FCPL on preferential basis and in terms of applicable provisions as prescribed under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") for allotment of the equity warrants.

Further, on January 04, 2020, FCPL exercised their rights and partially converted 2,48,00,000 equity warrants into equal no. of equity shares of the Company and balance no. of equity warrants i.e. 1,48,03,960 were converted during the year under review.

b) Allotment of 81,680 equity shares pursuant to FRL ESOP – 2016

On September 04, 2020, the Company allotted 81,680 Equity Shares of ₹ 2/- each to eligible employees of upon exercise of the vested options granted to the said employees under Future Retail Limited Employee Stock Option Plan – 2016 (FRL ESOP - 2016). 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.

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

DIVIDEND & RESERVES

While considering the Company's dividend distribution policy, the uncertainties created by COVID-19 and in view of Loss during the year under review, the Board has not recommended any dividend for the financial year ended March 31, 2021. Further, no amount is proposed to be transfer to General Reserve.

INVESTMENTS & DIVESTMENTS

During the year under review, the Company has not made any investment / divestment.

PUBLIC DEPOSITS

The Company has not accepted any fixed deposits during the year under review and accordingly, no amount on account of principal or interest on deposits from public and/or Members were outstanding as at March 31, 2021.

DEBENTURES

During the year under review and on June 01, 2020, the Company raised funds amounting to ₹ 200 crore by issue of Secured Rated Listed Redeemable Non-Convertible Debentures ("NCDs") under Series II on private placement. The said NCDs are listed on the Wholesale Debt Market (WDM) segment of BSE effective June 05, 2020.

USD DENOMINATED NOTES AND OVERSEAS LISTING

During last year of 2019-20, the Company had raised funds amounting to US\$ 500 million by issue of Senior Secured Notes due 2025 ("USD Notes"). The said USD Notes are listed on Singapore Stock Exchange ("SGX") effective January 23, 2020.

CORPORATE GOVERNANCE

The Company's Corporate Governance Report for the year under review, forms part of this Annual Report. A certificate from the Statutory Auditors regarding the compliance with the conditions of the Corporate Governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"), is annexed to Corporate Governance Report and forms a part of this Report.

BUSINESS RESPONSIBILITY REPORT

Pursuant to SEBI Listing Regulations, a Business Responsibility Report is included and forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

As required under Regulation 34 read with Schedule V of SEBI Listing Regulations, a Management Discussion and Analysis report forms part of this Annual Report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. NGS & Co. LLP, Chartered Accountants (Firm Registration No. 119850W) have been appointed for a period of 5 (Five) years from the conclusion of the Ninth Annual General Meeting till the conclusion of the

Fourteenth Annual General Meeting of the Members of the Company.

The Board on the recommendation of the Audit Committee, proposed to re-appoint M/s. NGS & Co. LLP, Chartered Accountants for the second term of 1 (One) year from the conclusion of Fourteenth Annual General Meeting till conclusion of the Fifteenth Annual General Meeting of the Company.

Statutory Auditors have given their confirmation that their appointment as Statutory Auditors of the Company, if made, shall be in compliance with the provisions of Sections 139 and 141 of the Act and related rules thereto.

Auditors' Report

The Auditors' Report on the financial statements for the financial year ended March 31, 2021 is issued with unmodified opinion and does not contain any qualifications, reservations or adverse remarks.

Secretarial Auditor

Pursuant to provisions of Section 204 of the Act and related rules thereto, Ms. Bindu Darshan Shah (Membership No. A-20066 / CP No. 7378), Proprietor : K Bindu & Associates, Practising Company Secretaries was appointed as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2020-21.

The Secretarial Audit Report for the financial year 2020-21 is appended as **Annexure - I**, which forms part of this Report and doesn't contain any qualifications, reservations or adverse remarks.

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

POLICIES & DISCLOSURE REQUIREMENTS

As required under SEBI Listing Regulations and provisions of the Act, following policies were already made available on its website at <https://www.futureretail.in/investors/Policies.html>

- Details of programs for familiarization of Independent Directors with the Company;
- Policy for determining material subsidiaries of the Company;
- Policy for determining Materiality of Events of the Company;
- Policy for archival of documents of the Company;

- Policy on dealing with related party transactions;
- Remuneration Policy;
- Dividend Distribution Policy (appended as **Annexure - II**, which forms part of this Report);

The Code of Conduct for the Board of Directors and Senior Management Personnel of the Company is available at <https://www.futureretail.in/investors/corporate-governance-standards.html>

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 SEBI Listing Regulations.

DIRECTORS AND KEY MANAGERIAL PERSONNEL(S)

Post March 31, 2021 and based on the recommendation of Nomination and Remuneration Committee ("NRC"), performance evaluation was carried out and subject to the approval of the Shareholders of the Company the Board of Directors approved the following:

- Re-appointment of Ms. Gagan Singh (DIN 01097014), Independent Director of the Company for a second term of 1 (One) year effective April 30, 2021.
- Re-appointment of Mr. Ravindra Dhariwal (DIN 00003922), Independent Director of the Company for a second term of 5 (Five) years effective April 30, 2021.

Members may also note the following changes in Board structure:

- Mr. Shailendra Bhandari (DIN: 00317334), ceased to be Independent Director of the Company effective April 30, 2021 upon completion of his term.
- Ms. Sridevi Badiga (DIN: 02362997) resigned as Independent Director effective June 01, 2021.
- Mr. Jacob Mathew (DIN: 00080144) was appointed as Additional (Independent) Director for a term of 5 (Five) years effective July 27, 2021, subject to the approval of Shareholders at the general meeting.

The Board placed on record its appreciation for the valuable contribution and support made by Mr. Shailendra Bhandari and Ms. Sridevi Badiga during their respective tenure as Independent Director of the Company.

In terms of Section 152 of the Act, Mr. Rakesh Biyani who is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Company



has received necessary disclosure and confirmation from him in connection with his re-appointment.

The Company has also received necessary declarations / disclosures from the directors seeking appointment / re-appointment. Additional information as required pursuant applicable provisions of SEBI Listing Regulations and Secretarial Standards in respect of the Directors seeking appointment / re-appointment at the forthcoming AGM, are given in the Notice convening the ensuing AGM.

Members may note that the Company is in receipt of required declarations from Independent Directors confirming that each of them meet the required criteria of independence as provided in Section 149(6) of the Act (alongwith related rules thereto) while read with applicable provisions of Regulation 16 of SEBI Listing Regulations. They have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the Management.

The Company has also received necessary details from Independent Directors in connection with their enrolment in the Data Bank created by Ministry of Corporate Affairs.

COMMITTEES OF THE BOARD

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

MEETINGS OF THE BOARD

During the year under review, 10 (Ten) meetings of the Board of Directors of the Company were held. The details of date of above meetings including the attendance of the Directors are given in the Corporate Governance Report which forms part of this Annual Report.

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 victimisation of employee(s) and Directors to

avail mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases.

SUBSIDIARY, JOINT VENTURE, HOLDING COMPANY AND ASSOCIATE COMPANIES

During the year under review, your Company has the following subsidiaries and joint venture:

Travel News Services (India) Private Limited ("TNSI")

TNSI is a wholly owned subsidiary of the Company and is mainly into retail trade of confectionery, food, beverages, accessories etc. and it operates at various airports, corporate parks and also at universities in Delhi and NCR region under the brand name "WHSmith". During the year under review, it has reported income from operations amounting to ₹ 34.80 crore and its net loss stood at ₹ 3.92 crore.

TNSI Retail Private Limited ("TNSI Retail")

TNSI Retail is subsidiary of TNSI and is mainly into retail trading and operates at Metro stations in Delhi and NCR under the brand name "WHSmith" and also deals in wholesale trading. During the year under review, it has reported income from operations amounting to ₹ 12.82 crore and its net loss stood at ₹ 2.27 crore.

Welcome Retail Private Limited ("WRPL")

WRPL is a joint venture of TNSI & Rozeus Retail Private Limited (f.k.a Flemingo Retail Private Limited) and is into business of setting-up, developing, operating, renting and sub-leasing services for various spaces mainly at airports and metro stations. During the year under review, it has reported income from operations amounting to ₹ 9.20 crore and its net profit stood at ₹ 13.99 crore.

Future 7-India Convenience Limited (f.k.a SHME Food Brands Limited) ("Future7-India")

Future 7-India is incorporated mainly with object to operate, develop, maintain and run convenience stores and commercial establishments of similar nature. Pandemic has affected the retail business in India and in view of this, Future 7-India didn't opened any stores as on March 31, 2021. During the year under review, there was no income from operations and incurred a net loss of ₹ 17.30 crore.

Future Retail LLC ("FRLLC")

FRLLC a joint venture was incorporated in Oman to operate "fbb" brand fashion outlets in Oman and across other member states of GCC. In view of pandemic faced by all retailers across various places and considering very limited growth opportunities, the Board of FRLLC had decided to voluntarily liquidate the entire operations and

entity as permitted under local laws of Oman. As on year end, the FRL LLC is in process of voluntary liquidation.

INDIAN ACCOUNTING STANDARD (IND AS)

The financial statement for the year 2020-21 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.

CONSOLIDATED FINANCIAL STATEMENT

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

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

In accordance with the provisions of Section 136(1) of the Act, the Annual Report of the Company containing therein the audited standalone and consolidated financial statement and the audited financial statements of each of the subsidiary companies have been placed on the website of the Company. The audited financial statements in respect of subsidiaries 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 AGM. The aforesaid documents are also available to Members interested in obtaining the same upon a request made to the Company.

PERFORMANCE EVALUATION OF BOARD

As required by the provisions of the Act and SEBI Listing Regulations, the Board has carried out an annual evaluation of performance of its own, the Committees thereof, the Chairman and the Directors individually.

Based on guidance note and process set by NRC, the performance of the Board was evaluated after seeking inputs on all the relevant factors from all the Directors on the basis of criteria such as the Board and Committee composition, structure, effectiveness of board processes, information and functioning etc.

The performance of the Committees were evaluated by the Board after taking input from the respective Committee members on all the relevant factors material for evaluation purpose.

A separate exercise was carried out at meeting of Independent Directors to evaluate the performance of

individual Directors including the Chairman of the Board, who were inter-alia evaluated on various parameters like - level of engagement, contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was also carried out by the entire Board except the 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 and suggestions made by them were noted by the Board.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

The details of remuneration to Non-Executive Director, is given in Corporate Governance Report forming part of this Annual Report.

RISK MANAGEMENT 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 risks associated with the businesses of the Company.

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

The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Audit Committee and the Board also periodically reviews the risk management assessment and minimisation procedures.

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



EMPLOYEES STOCK OPTIONS PLAN

In past, the Members of the Company have approved the FRL ESOP - 2016 and also approved to offer, issue and allot at any time or to acquire by way of secondary acquisition, to or for the benefit of eligible employees under FRL ESOP - 2016, not exceeding 90,00,000 Equity Shares of ₹ 2/- each, in one or more tranches, at such price and on such terms and conditions as may be fixed or determined by the NRC and/or People Office.

Pursuant to the applicable provisions of the Act and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations"), the Company has set up 'Future Retail Limited Employees' Welfare Trust ("Trust") for implementation of the said Scheme.

The applicable disclosures as stipulated under SBEB Regulations as on March 31, 2021 with regard to the FRL ESOP - 2016 are provided in **Annexure - III** to this Report.

The Company has constituted Employees Gratuity Trust in name of "Future Retail Limited – Employees Gratuity Trust" and constituted a Fund through Trust in the name of "Future Retail Employees Superannuation Trust" for benefits of eligible employees of the Company.

CREDIT RATING

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

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

Your Company has always believed in offering a safe and harassment free workplace for every individual working in the Company through various training, awareness and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

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

Information regarding the no. of complaints received/resolved/remained unresolved during the year under review is given in Corporate Governance Report forming part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT

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 Committee ("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 necessary disclosures as required in above mentioned Rules in prescribed form is annexed as **Annexure – IV** to this Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantee and investment by the Company which are covered under the provisions of Section 186 of the Act, is provided in Notes forming part of financial statement.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, related party transactions entered into by the Company with related parties as defined under the Act and SEBI Listing Regulations were reviewed / approved by the Audit Committee and were entered into in the ordinary course of business and on an arm's length basis. There were no materially significant transactions entered into with the related parties that may have potential conflict with the interests of the Company at large.

Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature with related parties.

A statement of all such related party transactions was presented before the Audit Committee on periodic and need basis for its review and approval.

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** which forms part of this Report.

Disclosure of transactions with related parties (including entity belonging to the Promoter/Promoter Group which hold(s) 10% or more shareholding in the Company) as required under SEBI Listing Regulations and the applicable Accounting Standards have been given in the Notes forming part of the financial statement.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Act, the Board, to the best of its ability confirms that:

- i. in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. they 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 at the end of the financial year and of the loss of the Company for the year ended March 31, 2021;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts for the financial year ended March 31, 2021 on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDIT COMMITTEE

As on March 31, 2021, the Audit Committee of the Company comprised of three Independent Directors and Managing Director as its members. Ms. Gagan Singh, Independent Director acting as Chairperson of the Committee. Other Members include Mr. Ravindra Dhariwal, Ms. Sridevi Badiga and Mr. Rakesh Biyani. During the year under review, there were no instances where the Board did not accept the recommendations of the Audit Committee.

Consequent to resignation of Ms. Sridevi Badiga as Independent Director effective June 01, 2021, she also ceased to be member of the Audit Committee. The Board had appointed Mr. Jacob Mathew as an Independent Director effective July 27, 2021 and also as Member of the Audit Committee. As on date of this Report, the details of members of the Audit Committee is as follows:

Name	Category	Designation held in the Audit Committee
Ms. Gagan Singh	Independent Director	Chairperson
Mr. Ravindra Dhariwal	Independent Director	Member
Mr. Jacob Mathew	Independent Director	Member
Mr. Rakesh Biyani	Managing Director	Member

The composition of the Audit Committee is in compliance with the applicable provisions of the Act and SEBI Listing Regulations. The terms of reference, powers and roles of the Committee are provided in the Corporate Governance Report, forming part this Annual Report.

PARTICULARS OF EMPLOYEES

The information pertaining to the remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure - VI** which forms part of this Report.

In terms of the provisions Section 197(12) of the Act, 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 the proviso to Section 136(1) of the Act, the Annual Report is being sent to the Members of the Company excluding the aforesaid information. The said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days and Members interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. Such details are also available on Company's website at www.futureretail.co.in.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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



ANNUAL RETURN

In accordance with provisions of the Act, a copy of the Annual Return for the financial year ended March 31, 2021 shall be available on the website of the Company at <https://www.futureretail.in/investors/annual-reports.html>.

DETAILS UNDER REGULATION 39(4) OF SEBI LISTING REGULATIONS - UNCLAIMED SUSPENSE ACCOUNT

In accordance with provisions of Regulation 39(4) read with Schedule V of SEBI Listing Regulations, the details pertaining to outstanding shares lying in Unclaimed Suspense Account are given in Corporate Governance Report forming part of this Annual Report. All the unclaimed shares are credited to a Demat Unclaimed Suspense Account and all the corporate benefits in terms of securities, accruing on these unclaimed shares shall be credited to such account. The voting rights on these shares shall remain frozen till the rightful owner(s) claim such shares.

SECRETARIAL STANDARDS

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

GENERAL DISCLOSURES

Your Directors state that:

- There were 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. Other relevant details are provided in the notes to the financial statements;

- Except as disclosed in this Report, there were no other material changes have taken place that could have an impact on the financial position of the Company from the date of closure of financial year under review till the date of signing of Accounts;
- There were no events relating to non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
- There were no events relating to receipt of any remuneration or commission from any of its subsidiary companies by Chairman / Managing Director of the Company;
- Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

ACKNOWLEDGEMENT

The Board of Directors would like to thank and place on record their appreciation for the sustained support and co-operation provided by its Members, Future Group entities and in particular, their employees, regulatory authorities, suppliers, customers and its banks and financial institutions. Your Directors would also like to place on record its sincere appreciation for the efforts put in by employees even during unforeseen pandemic whose efforts, hard work and dedication has enabled the Company to achieve all recognitions during the year.

For and on behalf of the Board of Directors

Place: Mumbai
Date : July 29, 2021

Kishore Biyani
Chairman

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

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

To,
The Members,
Future Retail Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Future Retail Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our 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, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2021 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 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 ("FEMA");
- (v) The following Regulations (including applicable Notifications, Circulars 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 or The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as applicable;
- (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;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable.

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

- Secretarial Standards with regard to Meetings of Board of Directors and Committee of Directors ("SS-1") and General Meetings ("SS-2") issued by The Institute of Company Secretaries of India (together "Secretarial Standards");
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

During the period under review, the Company has complied with the provisions of the Act, SCRA, FEMA, SEBI ACT, Secretarial Standards, Listing Regulations (including rules, guidelines, circulars, notifications issued or prescribed thereunder).

**We further report that:**

- The Board of Directors of the Company was duly constituted with requisite balance of Executive, Non Executive and Independent Directors. The changes, if any, in the composition of the Board of Directors / Committees thereof that took place during the year under review were carried out in compliance with the provisions of the Act and the Listing Regulations and other applicable provisions;
- Based on the representation given by the management of the Company and as verified by us, it is observed that there are no such laws which are specifically applicable to the industry in which the Company operates;
- Adequate notice is given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent 7 (Seven) days in advance. Further, wherever required the conditions for conducting the Meetings and circulating meeting papers at shorter notice was satisfied and a system exists for seeking and obtaining additional information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
- Decisions of the Board were carried out unanimously/ requisite majority as recorded in the minutes of the meetings of the Board of Directors and no dissenting views were carried out.

- We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further Report that during the audit period of the Company, there were instances of

1. Scheme of Arrangement / Amalgamation;
2. Allotment of equity shares upon conversion of warrants;
3. Raising of funds through issue and allotment of NCDs.

However, there were no instances of :

1. Redemption/ Buy-Back of Securities;
2. Foreign Technical Collaborations.

This Report is to be read with our letter of even date which is annexed as **Annexure-I** and forms an integral part of this Report.

For **K Bindu & Associates**
Company Secretaries

Date : July 29, 2021
Place : Mumbai
UDIN : A020066C000707423

BINDU DARSHAN SHAH
Proprietor
Membership No.
A20066 / CP No. 7378

ANNEXURE I TO SECRETARIAL AUDIT REPORT

To,
The Members,
Future Retail Limited

Our report of even date is to be read along with this letter.

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 audit.
2. We 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, wherever considered necessary, to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, we have obtained management representation about the compliance of laws, rules, regulations, norms and standards and occurrence of events.

5. Compliance with the provisions of the corporate and other applicable laws, rules, regulations and norms is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Data received from the Company through electronic mode have been relied upon as physical verification of the data and corresponding documents could not be accessed at all times during the course of audit due to the prevailing lockdown conditions on account of COVID-19 pandemic across the country.

For **K Bindu & Associates**
Company Secretaries

Date : July 29, 2021
Place : Mumbai
UDIN : A020066C000707423

BINDU DARSHAN SHAH
Proprietor
Membership No.
A20066 / CP No. 7378

DIVIDEND DISTRIBUTION POLICY

Company’s philosophy:

Future Retail 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 Retail 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 dividends, from time to time. All dividends 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;
 - Quarterly and Annual results;
 - Strategic updates / financial decisions;
 - Any other matter / risks.
 - Capital budgets;
 - Investments including Mergers and Acquisitions (M&A);
 - Funding arrangements;
-

External:

-
- Macro-economic environment;
 - Legislations impacting business;
 - Changes in accounting policies and applicable standards;
 - Any other matter / risks apprehended by the Board.
 - Competition;
 - Statutory restrictions;
 - Client related risks;
-

**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:

Currently, the Company has only one class of shares. If the Company has more than one class of shares in future, dividend for each class would be subject to prescribed statutory guidelines as well as terms of offer of each class to the investors of that class of shares. To the extent permitted, the Company would aim for highest level of transparency and equitable treatment of all investors.

FUTURE RETAIL LIMITED EMPLOYEES STOCK OPTION PLAN - 2016 (FRL ESOP - 2016) OF THE COMPANY AS AT MARCH 31, 2021

In order to encourage ownership of Company's equity by its employees on an ongoing basis as well as to reward its employees for their contribution for overall growth and success of the Company, the Management has created, granted and offered stock options to the eligible employees of the Company under Future Retail Limited Employees Stock Option Plan - 2016 (FRL ESOP - 2016). The said plan was recommended by the People Office and approved by Nomination and Remuneration Committee.

Sl. No.	Particulars	FRL ESOP – 2016
A.	Disclosures 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. 39 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. 38 in Notes to Financial Statements

C. Description of ESOS that existed at any time during the year including the general terms and conditions

I.	Date of Shareholders' approval	The Shareholders of the Company had passed necessary resolutions through Postal Ballot dated November 7, 2016 and approved the FRL ESOP - 2016 which inter-alia provides to offer, issue and allot at any time or to acquire by way of secondary acquisition (through Trust Route), to or for the benefit of eligible employees of the Company and/or to the eligible directors/employees of the subsidiary company(ies) of the Company, if any.		
II.	Total number of options approved under FRL ESOP - 2016	90,00,000 (Ninety Lakh) Equity Shares of face value of ₹ 2/- each		
III.	Vesting requirements	Option – I^A	Option – II[#]	
			Grant - I	Grant - II
		Options granted under FRL ESOP - 2016 plan would vest not less than 1 year and not more than 3 years from the Grant of such options.	Options granted under FRL ESOP - 2016 plan would vest not less than 1 year and not more than 3 years from the Grant of such options.	Options granted under FRL ESOP - 2016 plan would vest not less than 1 year and not more than 3 years from the Grant of such options.
IV.	Exercise price or pricing formula	Exercise price for Options granted under the Scheme was ₹ 10/-	Exercise price for Options granted under the Scheme was ₹ 392/-	Exercise price for Options granted under the Scheme was ₹ 300/-
V.	Maximum term of options granted	3 years from the respective date of option granted		
VI.	Source of shares (primary, secondary or combination)	Primary		
VII.	Variation in terms of options	None		
VIII.	Method used to account for ESOS	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 2020-21 would be ₹ (0.25) crore.

E. Option movement during the year ended on March 31, 2021

Sl. No.	Particulars	Details		
		Option – I ^A	Option – II#	
			Grant - I	Grant - II
I.	Details Number of options outstanding at the beginning of the year	81,680	11,20,000	50,000
II.	Number of options granted during the year	Nil	Nil	Nil
III.	Number of options forfeited / cancelled / lapsed during the year	Nil	60,000	Nil
	Number of options vested during the year	Nil	3,56,000	17,500
	Number of options exercised during the year	81,680	Nil	Nil
IV.	Number of shares arising as a result of exercise of options	81,680	Nil	Nil
V.	Exercise Price (in ₹ per share)	10/-	392/-	300/-
VI.	Money realised by exercise of options, if scheme is implemented directly by the Company (in ₹)	8,16,800	NA	NA
VII.	Loan repaid by the Trust during the year from exercise price received	NA	NA	NA
VIII.	Total number of options outstanding (in force) at the end of the year	Nil	10,60,000	50,000
IX.	Number of options exercisable at the end of the year	Nil	6,36,000	30,000

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

Particulars	Option – I ^A		Option – II#		
	Grant on December 06, 2016	Grant on December 15, 2016	Grant on July 05, 2018	Grant on February 04, 2019	
I	Exercise price equals market price (in ₹)	-	-	-	-
II	Exercise price is greater than market price (in ₹)	-	-	-	-
III	Exercise price is less than market price (in ₹)	125.10	127.30	559.38	440.43

Particulars	Option – I ^A		Option – II#		
	Grant on December 06, 2016	Grant on December 15, 2016	Grant on July 05, 2018	Grant on February 04, 2019	
I	Exercise price equals market price (₹)	-	-	-	-
II	Exercise price is greater than market price (₹)	-	-	-	-
III	Exercise price is less than market price (₹)	10	10	392	300

Particulars	Option – I ^A		Option – II#		
	Grant on December 06, 2016	Grant on December 15, 2016	Grant on July 05, 2018	Grant on February 04, 2019	
I	Exercise price equals market price (₹)	-	-	-	-
II	Exercise price is greater than market price (₹)	-	-	-	-
III	Exercise price is less than market price (₹)	116.82	119.02	282.39	219.24

G. Employee-wise details of options granted during the year on March 31, 2021

I	Senior Managerial Personnel None – No fresh options were granted during the year ended March 31, 2021.
II	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year None – No fresh options were granted during the year ended March 31, 2021.
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 – No fresh options were granted during the year ended March 31, 2021.

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

The Company has not granted any options during the year under review. However, the details pertaining to the earlier options are as follows:

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

The assumption used in the model are as follows:

Particulars	Option – I [^]		Option – II [#]	
	Grant on December 06, 2016	Grant on December 15, 2016	Grant on July 5, 2018	Grant on February 4, 2019
	Risk Free Interest Rate	6.30%	6.30%	7.81%
Expected Life (in years)	2.78	2.75	3.65	3.65
Expected Volatility	43.00%	43.00%	33.91%	38.07%
Dividend	0	0	0	0
Price of underlying shares in the market at the time of Option grant (in ₹)	125.10	127.30	559.38	440.43
Stock Price	Average price on BSE 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.			

([^]) Option - I referred the employees to whom Options were granted in the Company initially on December 6, 2016 & December 15, 2016 and includes additional Options granted on April 30, 2018 pursuant to other composite scheme of arrangement.

([#]) Option - II referred the employees to whom Options were granted in the Company on July 05, 2018 (Grant - I) and on February 04, 2019 (Grant - II).

**I. Details of Company's Employees' Welfare Trust:**

The details in connection with transactions made by the Trust meant for the purpose of administering the FRL ESOP - 2016 are as under:

i. General Information of the Trust:

Name of the Trust	Future Retail Limited Employees' Welfare Trust
Details of the Trustee	Milestone Trusteeship Services Private Limited
Amount of loan disbursed by the 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 of 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 the transaction in shares by the Trust : None

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

For and on behalf of the Board of Directors

Place: Mumbai
Date : July 29, 2021

Kishore Biyani
Chairman

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline on CSR Policy of the Company:

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

At Future Group, corporate social responsibility, inclusive growth and sustainability are at the core of our strategy and business practices. This reflects in our commitment to the community, environment and to every stakeholder in building a stronger foundation for our long-term, sustainable growth.

We believe modern organized retail has the power to strengthen the economy, create grass root employment and contribute significantly to social inclusion. As India's premier retail player and one of India's leading home-grown business houses, Future Group is present across the consumption value chain. Through millions of customers and thousands of suppliers, we are conscious of the economic, social and environmental impact of our activities.

We believe the challenges of inequity in our robust and growing domestic economy need to be tackled through sustainable development. Consequently, our principles are focussed on two main areas: integrating sustainable development into business activities and promoting sustained economic development for the country.

The Company pursues various CSR activities (as permitted under the Act) that need to be undertaken, in order to create long-term and sustainable impact in the areas that it works in.

On need basis, the Committee also considers specific projects, in case of natural calamities, based on available budgets.

CSR Policy of the Company is available on the website of the Company.

2. Composition of CSR Committee:

The Composition of CSR Committee as on March 31, 2021 is as under:

Sl. No.	Name of Directors	Designation / Nature of Directorship	Number of meetings of CSR Committee during the year	
			Held	Attended
1	Mr. Kishore Biyani	Chairperson	2	2
2	Ms. Gagan Singh (*)	Member	2	2
3	Mr. Rahul Garg	Member	2	2

**ceased to be member of the Committee w.e.f. July 27, 2021. In place of Ms. Gagan Singh, the Board of Directors nominated and appointed Mr. Jacob Mathew, Independent Director as member of the Committee.*

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

- i. Web-link Composition of CSR committee: https://www.futureretail.in/about-us/committee_of_directors.html
- ii. Web-link CSR Policy: <https://www.futureretail.in/investors/Policies.html>
- iii. Web-link CSR projects approved by the Board: <https://www.futureretail.in/about-us/sustainability-overview.html>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): N.A.



5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: N.A.
6. Average net profit of the Company as per section 135(5). : ₹ 504.27 crore
7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 10.09 crore
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: Nil
 (c) Amount required to be set off for the financial year: Nil
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 10.08 crore
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in crore)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
13.70	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number
Not Applicable													

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)		
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	State	District	Location of the project	Amount spent for the project (₹ in crore)	Mode of implementation - Direct (Yes/No)	Name	CSR registration number
1	Apprenticeship Programme and Enhancement of the vocational skills and employability	Item (ii) schedule VII to the Act	Yes	Pan India	Pan India	Pan India	13.70	Yes	N.A.	N.A.
Total							13.70			

- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable : Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 13.70 crore
- (g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹ in crore)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 10.08
(ii)	Total amount spent for the Financial Year	₹ 13.70
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 3.62
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 3.62

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Refer Note							

Note : The amount of ₹ 4.29 crore which was shown as pending last year has already been spent during the same year. However, due to COVID – 19, the reconciliation was not available and hence was shown as unspent. However, during the current financial year, after receipt of certificate from SKC Foundation, implementing agency, the spent amount of ₹ 4.29 crore was taken on record as spent on behalf of the Company on account of its CSR obligation for FY 2019-20. The same has been ratified by CSR Committee and the Board of Directors during the current financial year.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s): N.A.
- (b) Amount of CSR spent for creation or acquisition of capital asset.: N.A.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). : N.A.

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 29, 2021

Rakesh Biyani
Managing Director

Kishore Biyani
Chairperson of CSR Committee



Annexure V

FORM NO. AOC - 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of Companies Act, 2013 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 ("the Act") including certain arm's length transactions under third proviso thereto.

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

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

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, 2021 are as follows:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value (₹ in crore)	Date(s) of approval by the Board, if any*	Amount paid as advances, if any
Future Enterprises Limited ("FEL") (Group entity)	Purchase / Sale of Goods & Services	NA	2,500 ^(#)	March 23, 2020 (*)	Refer notes below
	Purchase/Sale of Capital Goods	NA	50 ^(#)	March 23, 2020 (*)	
<ul style="list-style-type: none"> • Future Consumer Limited; • Future Lifestyle Fashions Limited; • Future Market Network Limited; • Future Supply Chain Solutions Limited; • Futurebazaar India Limited; • Acute Retail Infra Private Limited; • Basuti Sales & Trading Private Limited; • Brattle Foods Private Limited; 	Composite Scheme of Arrangement u/s. 230-232 of the Companies Act, 2013	NA	An arrangement under a Composite Scheme of Arrangement, inter- alia, provides for Amalgamation of the Company (alongwith other Transferor Companies) with Future Enterprises Limited	August 29, 2020 (Date of Audit Committee meeting and Board Meeting for approval of the said Scheme)	

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value (₹ in crore)	Date(s) of approval by the Board, if any*	Amount paid as advances, if any
<ul style="list-style-type: none"> • Chirag Operating Lease Company Private Limited; • Hare Krishna Operating Lease Private Limited; • Nice Texcot Trading & Agency Private Limited; • Nishta Mall Management Company Private Limited; • Ojas Tradelease Mall Management Private Limited; • Precision Realty Developers Private Limited; • Rivaaz Trade Ventures Private Limited; • Syntex Trading & Agency Private Limited; • Taquito Lease Operators Private Limited; • Unique Malls Private Limited; • Future Enterprises Limited; (Group entities) 					

Notes:

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

(*) Necessary approvals of Audit Committee, Board of Directors and Shareholders have been obtained by 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 : July 29, 2021

Kishore Biyani
Executive Chairman



Annexure VI

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 ratio of remuneration of each Director to the Median Remuneration of the employees ("MRE") of the Company for the financial year 2020-21 and the percentage (%) increase in remuneration of each Director and Key Managerial Personnel ("KMP's") for the same period are under:

Name of Directors / KMP's and Designation	Remuneration of Directors / KMP's for Financial Year 2020-21 (Rs. in crore) (1)	% increase in Remuneration in the Financial Year 2020-21 (2)	Ratio of Remuneration of each Directors / KMP's to MRE for Financial Year 2020-21 (3=(1)/MRE)
Chairman / Managing Director			
Mr. Kishore Biyani	2.17	-	114.44
Mr. Rakesh Biyani	3.75	-	197.62
Other KMP's			
Mr. C. P. Toshniwal – Chief Financial Officer	2.26*	-	118.82
Mr. Virendra Samani - Company Secretary	0.28	-	14.78

* Comprises of perquisites arising from exercise of stock options vested.

Notes:

- The Non-Executive Independent Directors have voluntarily agreed and decided not to take any amount towards the commission for the financial year under review.
- For the year under review, there was no change in the Sitting fees for attending meetings of the Board and/or Committee thereof to the Non-Executive / Independent Director of the Company.
- The Company has not paid any amount towards sitting fees/commission to Mr. Rahul Garg, Non-Executive Director of the Company as it was voluntarily waived to receive the sitting fees and commission.
- In view of adverse impact of COVID-19, the Company has not paid full salary during the year under review.

- II. The MRE of the Company during the year was ₹ 1,89,986/- and for the previous year it was ₹ 1,71,612/-;
- III. The increase in MRE in the financial Year 2020-21, as compare to financial year 2019-20 was 10.71%;
- IV. There were 21,839 permanent Employees on the rolls of the Company as on March 31, 2021;
- V. Average percentage increase / decrease made in salaries of employees other than the managerial personnel in the financial year i.e 2020-21 and in the managerial remuneration for the same financial year is Nil. The remuneration of Executive Chairman / Managing Director is decided based on the individual performance, inflation, prevailing industrial trends and benchmarks.

The Commission of Non-Executive / Independent Director is decided based on various factors such as Director's participation in the Board and the Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule - IV of the Act and SEBI Listing Regulations and such other factors as may deem fit.

- VI. 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 : July 29, 2021

Kishore Biyani
Chairman

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING 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 as amended are provided hereunder:

(A) Conservation of Energy:										
(i) the steps taken or impact on conservation of energy	While the business operations of the Company are not energy intensive, the adequate measures have been taken in order to reduce consumption of energy through installation of temperature controlled air conditioners, consumption of renewable energy, use of natural lights in offices/stores premises. The Company is continuing its practice of replacing old lighting fixtures with LED lights at its existing offices and stores in order to maximize output and reduce energy charges.									
(ii) the steps taken by the company for utilising alternate sources of energy	Necessary efforts are made to use more natural lights in offices/store premises in order 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;	Based on past practices and future requirements, the Company continues to use the latest technologies in order to improve the services and products with the help of Future Group's technologies in various areas related to operations and analytics.									
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;										
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) a) the details of technology imported; b) the year of import; c) whether the technology been fully absorbed; d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.		N.A.								
(iv) the expenditure incurred on Research and Development.	Nil									
(C) Foreign exchange earnings and Outgo:										
	(₹ in crore)									
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">2020-21</th> <th style="width: 20%; text-align: center;">2019-20</th> </tr> </thead> <tbody> <tr> <td>Total Foreign Exchange Used</td> <td style="text-align: center;">218.51</td> <td style="text-align: center;">212.97</td> </tr> <tr> <td>Total Foreign Exchange Earned</td> <td style="text-align: center;">47.87</td> <td style="text-align: center;">119.74</td> </tr> </tbody> </table>		2020-21	2019-20	Total Foreign Exchange Used	218.51	212.97	Total Foreign Exchange Earned	47.87	119.74
	2020-21	2019-20								
Total Foreign Exchange Used	218.51	212.97								
Total Foreign Exchange Earned	47.87	119.74								

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 29, 2021

Kishore Biyani
Chairman



Corporate Governance Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company as a flagship Company of Future Group believes in effective corporate governance practices which shall constitute the strong foundation on which successful organisation is built to last. We strive to create an organisation working towards sustainable and profitable growth to create long-term value for our people, business partners, customers and shareholders.

Your Company's ongoing efforts encompass financial stewardship in strategic and daily business decisions to ensure accurate financial reporting and effective controls. The Company consistently followed the principles of good corporate governance and strives to enhance the stakeholders' relationship, e-governance initiatives, while upholding the core values of integrity, transparency, fairness, responsibility and accountability.

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 applicable provisions of the Companies Act, 2013 as may be applicable read with applicable rules thereto ("**the Act**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"). Further, the Company is also in compliance with the requirements stipulated under Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 read with other applicable provisions of SEBI Listing Regulations, as amended from time to time.

CODE OF CONDUCT

As required, the Company has already laid down a code of conduct for the Board of Directors and Senior Management ("**Code**") of the Company and also a code of conduct for Independent Directors as prescribed under Schedule - IV of the Act. The Code aims at ensuring ethical business practices and consistent standards to be followed across the Company.

All concerned Board Members and Senior Management Personnel have affirmed compliance with this Code. As required a declaration signed by the Managing Director to this effect is attached at the end of this Report. This Code is also available on the Company's website at www.futureretail.co.in.

SUCCESSION AT HIGH LEVEL EXECUTIVES

The officers / executives who have necessary experience, qualifications, and agility to carry out the task and brings advantages to the Company are appointed at senior level in various departments. The People Office in consultation with Management recommends to Nomination and Remuneration Committee and the Board of Directors for the appointments and increment of remuneration at senior management.

Necessary steps being taken to identify the successor of senior management at various key positions and also to provide opportunity for other leadership team to nurture opportunity in line with overall vision and object of the Company. The Nomination and Remuneration Committee have been inter-acting with key senior level team members for business and operations of the Company.

COMPOSITION OF THE BOARD

The composition of the Board of Directors ("**the Board**") is in compliance with the requirement of the Act and Regulation 17 of SEBI Listing Regulations. As on March 31, 2021, the Board comprised of 7 (Seven) Directors including 2 (Two) Independent Women Directors. The Board consisted a well-balanced combination of Executive, Non-Executive and Independent Directors (including Women Directors).

Mr. Shailendra Bhandari ceased to be Independent Director of the Company upon completion of his term effective April 30, 2021 and Ms. Sridevi Badiga resigned as Independent Director effective June 01, 2021. In order to have optimum combination and ensuring compliance with applicable regulations the Board of Directors (based on recommendations of Nomination and Remuneration Committee) appointed Mr. Jacob Mathew as an Independent Director (subject to the approval of Shareholders of the Company) effective July 27, 2021.

We hereby confirm that none of the Directors on the Board of the Company have attained the age of 75 years. All Independent Directors serving in other companies are complying with the criteria of limit as specified in provisions of the Act and SEBI Listing Regulations. The maximum no. of directorship held by the Directors of the Company is in compliance with Regulation 17A of SEBI Listing Regulations and Section 165 of the Act. The Company is in receipt of declaration from concerned Independent Directors confirming that they meet the criteria of independence as per Regulation 16 of SEBI Listing Regulations read with provisions of Section 149 (6) of the Act along with rules framed thereunder and the said declaration has been noted by the Board.

We hereby inform that none of the Directors on the Board is a Member of more than 10 Committees and/or Chairperson of more than 5 Committees (as required to be complied with under Regulation 26 of SEBI Listing Regulations), across all public companies in which he/she is a Director. The maximum tenure of Independent Directors is also in line with provisions of Section 149 (10) and (11) of the Act and related 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, 2021 is as under:

Name of Director & Category	Name of the Listed entities where he/she is a director & (category of directorship)	Date of Appointment as a current designation	No. of Directorships*		No. of Memberships / Chairmanships of Committees in public companies**	
			Public	Private / Non profit	Memberships	Chairmanships
Mr. Kishore Biyani – Executive Chairman (Promoter Group)	<ul style="list-style-type: none"> ➤ Future Lifestyle Fashions Limited (Non-Executive); ➤ Future Consumer Limited (Non-Executive); and ➤ Future Enterprises Limited (Non-Executive). 	March 05, 2020 [#]	7	1	2	1
Mr. Rakesh Biyani - Managing Director (Promoter Group)	<ul style="list-style-type: none"> ➤ Future Supply Chain Solutions Limited (Non-Executive); and ➤ Future Lifestyle Fashions Limited (Non-Executive). 	March 05, 2020 ^{##}	5	5	3	0
Ms. Gagan Singh - Independent Director	<ul style="list-style-type: none"> ➤ Timex Group India Limited (Independent). 	April 30, 2016 [@]	2	-	4	2
Mr. Ravindra Dhariwal - Independent Director	<ul style="list-style-type: none"> ➤ Bata India Limited (Independent); and ➤ Sheela Foam Limited (Independent). 	April 30, 2016 [^]	5	3	6	0
Mr. Shailendra Bhandari - Independent Director	<ul style="list-style-type: none"> ➤ Triveni Turbine Limited (Independent). 	April 30, 2016 ^{&}	3	-	2	1
Ms. Sridevi Badiga - Independent Director	<ul style="list-style-type: none"> ➤ Praxis Home Retail Limited (Independent). 	April 20, 2017 ^{^^}	2	1	2	1
Mr. Rahul Garg - Non-Executive Director	<ul style="list-style-type: none"> ➤ Future Lifestyle Fashions Limited (Non-Executive). 	August 09, 2018	3	4	2	-

Notes:

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

(**) In accordance with provisions of Regulation 26 of SEBI Listing Regulations, memberships/chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all public limited companies have been considered.



- (#) Mr. Kishore Biyani was re-appointed as Chairman & Managing Director for a further term of 3 years with effect from May 02, 2019 till May 01, 2022. Subsequently, Mr. Kishore Biyani was re-designated as Executive Chairman effective from March 05, 2020 till March 31, 2022 and thereafter he will continue as Non-Executive Chairman of the Company in terms of applicable provisions of the SEBI Listing Regulations read with provisions of SEBI Notification dated January 10, 2020.
- (##) Mr. Rakesh Biyani was re-appointed as Jt. Managing Director for a further term of 3 years with effect from May 02, 2019 till May 01, 2022. Subsequently, Mr. Rakesh Biyani was re-designated as Managing Director effective from March 05, 2020 till the remainder period of his existing term i.e. upto May 01, 2022.
- (@) Ms. Gagan Singh has been re-appointed as Independent Director effective April 30, 2021 for second term of 1 year.
- (^) Mr. Ravindra Dhariwal has been re-appointed as Independent Director effective April 30, 2021 for second term of 5 years.
- (&) Mr. Shailendra Bhandari ceased to be Independent Director effective April 30, 2021 upon completion of his term.
- (^^) Ms. Sridevi Badiga resigned as an Independent Director effective June 01, 2021.

Post March 31, 2021 and as on date of this Report, the Board comprising of the following Directors:

Name	Designation
Mr. Kishore Biyani	Executive Chairman
Mr. Rakesh Biyani	Managing Director
Ms. Gagan Singh	Independent Director
Mr. Ravindra Dhariwal	Independent Director
Mr. Jacob Mathew*	Independent Director
Mr. Rahul Garg	Non-Executive Director

(*) Mr. Jacob Mathew was appointed as Independent Director effective July 27, 2021.

We hereby confirm that there is no person appointed as an alternate to the Independent Director as restricted under Regulation 25(1) of SEBI Listing Regulations.

During FY 2020-21, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its review and consideration. The Board periodically reviews the compliance reports of various laws applicable to the Company.

The details of equity shares held by the Directors in the Company as on March 31, 2021 is as follows:

Name [@]	Number of Equity Shares held [#]
Mr. Kishore Biyani	2,121
Mr. Rakesh Biyani	2,121
Ms. Gagan Singh	NIL
Mr. Ravindra Dhariwal	NIL
Mr. Shailendra Bhandari ^{&}	25,000
Ms. Sridevi Badiga ^{^^}	NIL
Mr. Rahul Garg	NIL

Notes:

- (&) Mr. Shailendra Bhandari ceased to be Independent Director effective April 30, 2021 upon completion of his term.
- (^^) Ms. Sridevi Badiga resigned as Independent Director effective June 01, 2021.
- (@) Mr. Jacob Mathew who was appointed as Independent Director effective July 27, 2021, is holding 1,116 equity shares of the Company and no other convertible instruments.
- (#) Apart from the equity shares, none of Directors of the Company as mentioned above are holding any convertible instrument during the year under review.

The details of the familiarization program of the Independent Directors is available on the website of the Company at the link <https://www.futureretail.in/investors/Policies.html>. None of the Directors of the Company is *inter-se* related to each other.

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

MATRIX SETTING OUT SKILLS/EXPERTISE/COMPETENCE AS IDENTIFIED BY THE BOARD

The skill matrix sets out the experience and key skills that Directors carries to the Board. During the year 2020-21, the skill matrix wherein the identified skills of Directors as appended below (under following broad categories) was noted by the Board:

- **Governance**

The governance skills broadly includes financial and audit review, compliance and risk management, developing good governance practices, assessing strategic opportunities and threats, crisis management, business and policies development etc.

- **Personal Leadership Skills**

This category mainly includes skills set of Board members to provide both strategic and innovative thought leadership, analysing issues and making decisions that support the organisation's overarching mission, creating new ideas and providing possible solutions, commitment, ethics and integrity, relationship building etc.

- **Industry specific**

This category broadly includes skills relevant to the industry or section in which the Company operates such as understanding of consumer behaviour and customer insights, consumption pattern analysis, introduction of new products, digital/technology upgrade, marketing, supplier management, store operations, communication with customers etc.

Skills / Expertise / Competence	Name of Directors as on March 31, 2021						
	Mr. Kishore Biyani	Mr. Rakesh Biyani	Ms. Gagan Singh	Mr. Ravindra Dhariwal	Mr. Shailendra Bhandari	Ms. Sridevi Badiga	Mr. Rahul Garg
Financial and Audit	✓	✓	✓	✓	✓	✓	✓
Risk Management and Assessment	✓	✓	✓	✓	✓	✓	✓
Corporate Governance, Legal & Compliance	✓	-	✓	✓	✓	-	-
Entrepreneurship	✓	✓	-	-	-	✓	✓
Strategic & Innovative	✓	✓	-	✓	-	-	-
Technology & Digitisation	✓	✓	-	✓	✓	-	-
Marketing and Brand Building	✓	✓	-	✓	-	✓	✓
HR Development	-	✓	✓	✓	✓	-	✓
Sustainability	✓	-	✓	-	✓	✓	-
Retail and Industry Knowledge	✓	✓	✓	✓	-	✓	✓
General Management	✓	✓	✓	✓	✓	✓	✓

Mr. Jacob Mathew is a product designer trained at India's National Institute of Design. His day job is CEO Industree Foundation. Mr. Jacob spent the first 25 years of his professional life transforming Business by Design, now well into his next 25, he is bent on transforming Society through business and design.



Directors' and Officers' liability insurance

The Company has taken Directors' and Officers' Insurance Policy (D&O Policy) to protect the Directors and Officers of the Company from civil and legal claims against them while performing their official duties in good faith in their respective capacities. The insurance would provide protection over liabilities and damages resulting from the unsuccessful defence of any legal proceedings.

BOARD MEETINGS AND LAST AGM DETAILS

During the year under review, total 10 Meetings of Board of Directors were held on April 05, 2020, May 18, 2020, May 27, 2020, August 29, 2020, September 04, 2020, September 14, 2020, November 03, 2020, November 13, 2020, February 09, 2021 and March 27, 2021.

Necessary quorum was present for all above Board Meetings. The gap between two Meetings did not exceed 120 (One Hundred and Twenty) days as prescribed in the Act and SEBI Listing Regulations. As member are aware, the 13th Annual General Meeting ("AGM") of the Members of the Company was held on Wednesday, December 30, 2020.

The Company is continuing its good governance practice followed in past and is recording the names of all invitees present at the Board Meeting in minutes of respective meeting(s).

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

Name of Directors	No. of Board Meetings held		13th AGM (December 30, 2020)
	Held	Attended	
Mr. Kishore Biyani	10	10	Yes
Mr. Rakesh Biyani	10	10	Yes
Ms. Gagan Singh	10	10	Yes
Mr. Ravindra Dhariwal	10	10	Yes
Mr. Shailendra Bhandari	10	10	Yes
Ms. Sridevi Badiga	10	9	Yes
Mr. Rahul Garg	10	10	Yes

AUDIT COMMITTEE

As on March 31, 2021, the Audit Committee comprised of total 4 Directors out of which 3 were Independent Directors. Ms. Gagan Singh, Independent Director is Chairperson of the Audit Committee. All the Members of the Audit Committee possess accounting and financial management expertise. We hereby confirm that the Chairperson of the Committee was present at the 13th AGM of the Company held on December 30, 2020.

The Company Secretary functions as Secretary to the Committee.

During the year under review, total 7 Meetings of the Audit Committee were held on July 31, 2020, August 29, 2020, September 04, 2020, September 14, 2020, November 13, 2020, February 09, 2021 and March 27, 2021.

Necessary quorum was present for all above Audit Committee Meetings.

The composition of the Audit Committee and the attendance of the Members at the above meetings is as under:

Name of Directors / Members	Category	Designation in Audit Committee	No. of Meetings	
			Held	Attended
Ms. Gagan Singh	Independent Director	Chairperson	7	7
Mr. Ravindra Dhariwal	Independent Director	Member	7	7
Ms. Sridevi Badiga*	Independent Director	Member	7	7
Mr. Rakesh Biyani	Managing Director	Member	7	6

(*) ceased to be member of the Committee, due to resignation as Independent Director effective June 01, 2021.

Mr. Jacob Mathew who was appointed as an Independent Director was also inducted as member of the Committee effective July 27, 2021. Post March 31, 2021 and as on date of this Report, the Audit Committee comprising of following Members:

Name of Directors / Members	Category	Designation in the Audit Committee
Ms. Gagan Singh	Independent Director	Chairperson
Mr. Ravindra Dhariwal	Independent Director	Member
Mr. Jacob Mathew	Independent Director	Member
Mr. Rakesh Biyani	Managing Director	Member

We hereby confirm composition the Committee is in line with requirements of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations.

Terms of Reference

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

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

- overseeing 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;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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 director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report.
- reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the Company with related parties; [Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed];
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the Company, wherever it is necessary;



- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
- reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.

Reviewing the following major information / reports

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- management letters/letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses;
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- 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 utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee also reviews matters relating to relevant compliances under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 read with applicable code thereto along with relevant disclosures made and reports filed thereunder.

The Company is continuing its good governance practice followed in past and is recording the names of all invitees present at the Audit Committee Meeting in minutes of respective meeting(s).

NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2021, the Nomination and Remuneration Committee (“NRC”) of the Company comprised of 3 Non-Executive Directors, out of which 2 were Independent Directors.

During the year under review, total 3 (Three) Meetings of the Nomination and Remuneration Committee were held on September 04, 2020, September 12, 2020 and February 09, 2021. Necessary quorum was present for all above Nomination and Remuneration Committee Meetings.

Post March 31, 2021 and due to cessation of Mr. Shailendra Bhandari as Independent Director, Ms. Gagan Singh, Independent Director was inducted (effective June 30, 2021) as part of NRC in place of Mr. Shailendra Bhandari.

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

Name of Directors / Members	Category	Designation in NRC	No. of Meetings held during the tenure of respective Members	
			Held	Attended
Mr. Ravindra Dhariwal	Independent Director	Chairman	3	3
Mr. Shailendra Bhandari*	Independent Director	Member	3	3
Mr. Rahul Garg	Non-Executive Director	Member	3	3
Ms. Gagan Singh**	Independent Director	Member	NA	NA

(*) Ceased to be member of the Committee, due to cessation as Independent Director upon completion of term.

(**) Appointed as a member of the Committee effective June 30, 2021.

Terms of Reference

The terms of reference are reviewed by the Board from time to time and the Committee has been mandated *inter-alia* to comply with the requirements as specified in Part D of the Schedule II of SEBI Listing Regulations including the amendments made thereto under Listing Regulations and the provisions of Section 178 of the Act and Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014, as may be applicable.

The major role of the Nomination and Remuneration Committee ("NRC") *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 Directors;
- recommend to the board, all remuneration, in whatever form, payable to senior management;
- to establish and from time to time review the policy for ESOP/ESOS as well as issuance of SWEAT equity shares and recommend the grants to be made under ESOP/ESOS; and
- to review Company's remuneration and human resources policy.

Performance evaluation criteria

The Company has also devised a process for performance evaluation of Independent Directors, the Board, Committees and other individual Board Members. The Independent Directors were *inter-alia* evaluated on various criteria such as engagement, leadership, analytical, quality of decision-making, interaction, governance, contribution for strategy and operations etc.

Policy on Directors Appointment and Remuneration

In accordance with provisions of Section 178 of the Act read with Regulation 19(4) of SEBI Listing Regulations and based on the recommendations of the NRC, the Board has framed a policy on Board Diversity governing the criteria for appointment of Executive, Non-Executive and Independent Directors. The appointment of Directors are made based on experience, merit and qualification apart from compliance of legal and contractual requirements, that complements and expands the skills, experience and expertise of the Board as a whole taking into account various aspects such as knowledge, professional experience and qualifications, gender, age, cultural and educational background, and any other factors that the NRC might consider relevant for the Board to function effectively.



Remuneration Policy

Your management always believes that human resource is the key for the constant evolution and expansion of the Company. People Office have designed remuneration policy in order to attract, retain and motivate employees by offering suitable remuneration packages with retiral benefits. People Office is also strongly believes in rewarding performance of key employees by offering employee stock options in order to contribute and participate in the overall profitability, growth, and success of the organisation. The remuneration policy is in consonance with the good 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 the Executive Board Members as approved by the Board and the Members of the Company. In determining the remuneration package of the Executive Board Members, the NRC inter-alia evaluates the remuneration paid by peer organisations while also considering the role and responsibility of executive board members, contribution made during past years. Based on evaluation done, NRC recommends the remuneration of executive board members. As part of good governance practice, the 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 executive board members as per terms of appointment, the performance of the individual while also considering the overall performance of the organisation. Performance criteria for the executive board members entitled for commission or performance bonus are also determined by NRC.

Criteria of making payments to Non-Executive Directors

Non-Executive Directors / Independent Directors are paid sitting fees for attending Meetings of the Board and Committee(s) including meeting of Independent Directors. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.

As good citizen, the Members of Corporate Social Responsibility Committee have voluntarily waived the acceptance of sitting fees for attending the meeting of the CSR Committee. 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 and Members of the Company. The criteria of making payments to Non-Executive Directors inter-alia, covers the number of meetings attended, chairmanship / membership of committees of the Board, time spent in deliberations with the senior management on strategy and operational matters etc.

Remuneration to Directors

(a) Executive Chairman / Managing Director

The remuneration paid to executive Board members viz, Executive Chairman / Managing Director for the year ended March 31, 2021 is as under:

(₹ in crore)

Name	Salary and allowance	Performance Bonus / Commission	Company's Contribution to Funds	Perquisites	Total	Total Contract Period	Notice period in months	Stock Options granted
Mr. Kishore Biyani#	1.87	-	0.19	0.11	2.17	Refer note#	6	Nil
Mr. Rakesh Biyani##	3.15	-	0.34	0.26	3.75	Refer note##	6	Nil

Notes:

- All the above components of remuneration, except performance bonus/commission, are fixed in nature.
- There is no separate provision for payment of severance fees.

(b) Non-Executive / Independent Directors

The remuneration in form of sitting fees / commission paid to Non-Executive / Independent Directors during the year under review is as under:

(₹ in crore)

Name of Director [^]	Sitting Fees paid	Commission\$
Ms. Gagan Singh	0.25	Refer Note
Mr. Ravindra Dhariwal	0.25	
Mr. Shailendra Bhandari	0.24	
Ms. Sridevi Badiga	0.18	

^(^) the Company has not paid sitting fees/commission to Mr. Rahul Garg, Non-Executive Director as he has voluntarily waived to receive the sitting fees and commission.

^(\$) Considering the impact of COVID 19 on business and performance of the Company, the Non-Executive Independent Directors have voluntarily agreed for not taking any commission during the year under review.

Apart from reimbursement of expenses (incurred in discharge of their duties), the payment of sitting fees and commission within the limit approved for identified Non-Executive Directors, none of these Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors and its Senior Management, which in their judgment would affect their independence. None of the Directors of the Company is *inter-se* related to each other.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

As on March 31, 2021, Mr. Shailendra Bhandari, Ms. Gagan Singh and Mr. Rahul Garg were members of the Committee. Mr. Shailendra Bhandari, Independent Director was Chairman of the Committee.

Compliance Officer

Mr. Virendra Samani - Company Secretary, is the Compliance Officer of the Company.

During the year under review, total 1 (One) Meeting of Stakeholders' Relationship Committee ("**SRC**") was held on March 27, 2021. Necessary quorum was present for Stakeholders' Relationship Committee Meeting. The details of members of the Committee and their attendance at the above meeting is as under:

Name of Directors / Members	Category	Designation in SRC	No. of meetings	
			Held	Attended
Mr. Shailendra Bhandari	Independent Director	Chairman	1	1
Ms. Gagan Singh	Independent Director	Member	1	1
Mr. Rahul Garg	Non-Executive Director	Member	1	1

On April 30, 2021, Mr. Shailendra Bhandari ceased be Independent Director of the Company and consequently ceased to be Members of the SRC. Further, the Board of Directors had approved the induction of Mr. Rakesh Biyani as a member of the Committee and re-designation of Ms. Gagan Singh (existing member) as Chairperson of the Committee effective June 30, 2021.

The members may note that post appointment of Mr. Jacob Mathew as Independent Director effective July 27, 2021, he was inducted as a Chairman of the Committee in place of Ms. Gagan Singh. As on date of this report, the following Directors are part of the Stakeholders' Relationship Committee:

Name of Directors / Members	Category	Designation in the SRC
Mr. Jacob Mathew	Independent Director	Chairman
Mr. Rahul Garg	Non-Executive Director	Member
Mr. Rakesh Biyani	Managing Director	Member



Terms of reference

The terms of reference are reviewed by the Board from time to time and the Committee has been mandated *inter-alia* to comply with the requirements as specified in Part D of the Schedule II and Regulation 20 of SEBI Listing Regulations (as amended) with other applicable provisions thereto and the provisions of Section 178 of the Act.

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

- resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- review of measures taken for effective exercise of voting rights by Shareholders;
- review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

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

Share Transfer Committee

As on March 31, 2021, the Share Transfer Committee comprised of Mr. Shailendra Bhandari, Mr. Kishore Biyani and Mr. Rakesh Biyani as Members of the Committee. Post cessation of Mr. Shailendra Bhandari as an Independent Director upon completion of his term, the Committee now comprising of Mr. Kishore Biyani and Mr. Rakesh Biyani as its members

As mandated the Share Transfer Committee meets as and when required to consider the various proposals and agenda matters to handle Investors' grievances, transfer / transmission of shares, split, consolidation, issue of duplicate share certificate, rematerialisation of shares etc.

Investors' Grievance Redressal

Members may note the following details of investor complaints which were received and resolved during the year under review:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
-	27	27	-

CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING BY DESIGNATED PERSONS

In terms of the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015 as amended, the Company had adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders.

Pursuant to the requirements prescribed under SEBI notification dated December 31, 2018 and provisions of Securities Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the revised Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons ("**Code for Insider Trading**") was adopted by the Company. The provisions of the Code for Insider Trading are designed *inter-alia* to regulate, monitor and report trades by Designated Person(s) or their immediate relatives in securities of the Company.

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

In terms of the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, as amended from time to time, the Company had adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Pursuant to the requirements prescribed under Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, as amended, the revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("**Code of Fair Disclosure**") was adopted by the Company which is effective April 1, 2019. The Code of Fair Disclosure is also posted on Company's website at <https://www.futureretail.in/investors/corporate-governance-standards.html>.

INDEPENDENT DIRECTORS' MEETING

During the year under review, 2 (Two) separate meetings of Independent Directors were held on September 04, 2020 and November 12, 2020. We are pleased to confirm that the said meetings were attended by all the Independent Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee ("CSRC") as on March 31, 2021 comprised of Mr. Kishore Biyani, Executive Chairman, Ms. Gagan Singh, Independent Director and Mr. Rahul Garg, Non-Executive Director as Members of the Committee. During the year under review, total 2 (Two) meetings of Corporate Social Responsibility Committee were held on September 04, 2020 and March 27, 2021.

Necessary quorum was present at both the above meetings of the Committee.

Mr. Jacob Mathew who was appointed as an Independent Director was also inducted as member of the Committee effective July 27, 2021. Post March 31, 2021 and as on date of this Report, the CSRC comprising of following Members:

Name of Directors / Members	Category	Designation in CSRC
Mr. Kishore Biyani	Executive Chairman	Chairman
Mr. Jacob Mathew	Independent Director	Member
Mr. Rahul Garg	Non-Executive Director	Member

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 the Act; and
- monitor the Corporate Social Responsibility Policy of the Company from time to time.

The disclosures as per Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form appended to the Directors' Report forming part of this Annual Report.

RISK MANAGEMENT COMMITTEE

As on March 31, 2021, the Risk Management Committee ("RMC") comprised of Mr. Kishore Biyani, Executive Chairman, Mr. Rakesh Biyani, Managing Director and Mr. C. P. Toshniwal, Chief Financial Officer as Members of the Committee.

The Committee functions in accordance with the terms of reference as specified by the Board which *inter-alia* includes implementing and monitoring of risk management plan and policy of the Company from time to time.

During the year under review, 1 (One) meeting of the Committee was held on February 09, 2021.

Further, in terms of amendment as specified under SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, the Committee has been re-constituted effective June 30, 2021 and now the Committee has following members:

Name of Directors / Members	Category	Designation in the RMC
Mr. Kishore Biyani	Executive Chairman	Chairman
Mr. Rakesh Biyani	Managing Director	Member
Mr. Ravindra Dhariwal	Independent Director	Member
Mr. C. P. Toshniwal	Chief Financial Officer	Member



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.

Further, the Audit Committee and the Board of Directors periodically reviews the risk assessment and minimisation procedures and ensures that executive management controls risk through means of a properly defined framework and also contributes for the assessing, mitigating, monitoring of various risks associated with the Company.

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

COMMITTEE OF DIRECTORS

The Committee of Directors comprises of Mr. Kishore Biyani, Executive Chairman and Mr. Rakesh Biyani, Managing Director as its Members. The main functions of Committee is to handle day-to-day operations and activities of the Company and to ensure smooth functioning and providing authority to executives / signatories for regular operations.

The Committee is further authorised to delegate some of its powers to employees/executives of the Company as per authority granted by the Board. During the year under review, total 25 (Twenty Five) Meetings of the Committee were held.

GENERAL BODY MEETINGS

Annual General Meeting

The details of the last three Annual General Meetings (AGM) held are as follows:

Year	Day, Date & Time of AGM	Venue	Special Resolutions Passed
2019-20	Wednesday, December 30, 2020 02:00 PM	Through Video Conferencing / Other Audio Visual Means Facility ("VC/OAVM")	None
2018-19	Tuesday, July 30, 2019 11:30 AM	Rangaswar, Fourth Floor, Y.B. Chavan, Gen. Jagannath Bhosle Marg, Mumbai - 400 021	<ul style="list-style-type: none"> ❖ Approval for payment of remuneration to Mr. Kishore Biyani as Managing Director; ❖ Approval for re-appointment of Mr. Kishore Biyani as Managing Director of the Company and payment of remuneration thereof; ❖ Approval for payment of remuneration to Mr. Rakesh Biyani as Jt. Managing Director; and ❖ Approval for re-appointment of Mr. Rakesh Biyani as Jt. Managing Director of the Company and payment of remuneration thereof.
2017-18	Wednesday, August 29, 2018 at 09:30 AM	Rangaswar, Fourth Floor, Y.B. Chavan, Gen. Jagannath Bhosle Marg, Mumbai - 400 021	<ul style="list-style-type: none"> ❖ Approval for revision in remuneration of Mr. Kishore Biyani as Managing Director; ❖ Approval for revision in remuneration of Mr. Rakesh Biyani as Jt. Managing Director; and ❖ Approval for payment of Commission to Non- Executive / Independent Directors.

Extraordinary General Meeting

During the year under review, no Extraordinary General Meeting ("EGM") of the Members of the Company was held.

Postal Ballot

During the year under review, the Company had not conducted any process of postal ballot. However, the result postal ballot dated February 29, 2020 was declared during the financial year under review. The details of the postal ballot are as follows:

Date of Postal Ballot Notice	Particulars	Date of announcement of Result	Type of resolution(s) Special / Ordinary
February 29, 2020	<ul style="list-style-type: none"> ❖ Approval for re-designation of Mr. Kishore Biyani as “Executive Chairman” and payment of remuneration thereof; ❖ Approval for re-designation of Mr. Rakesh Biyani as “Managing Director” and payment of remuneration thereof; and ❖ Creation of charge/security on the assets and/or properties of the Company. 	April 06, 2020	Special

Voting Pattern and Procedure for the above process of Postal Ballot

- i. The Company has appointed Ms. Bindu Darshan Shah, Prop: K Bindu & Associates, Practicing Company Secretaries, as the Scrutiniser for conducting postal ballot voting process;
- ii. Process for the postal ballot was 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 postal ballot forms;
- iii. All postal ballot forms received/receivable up to the close of working hours of the last date and time fixed by the Company for receipt of the forms in the postal ballot and further as mentioned in report of Scrutiniser have been considered by Scrutiniser in her scrutiny;
- iv. Envelopes containing postal ballot forms received after the date as mentioned in point no. (iii) above and further as details mentioned in report of Scrutiniser for the postal ballot had not been considered for her scrutiny;
- v. The result of the postal ballot was announced on April 06, 2020 as per Scrutiniser’s Report the details of which are as under:

Resolution Required : (Special)			1 - Approval for re-designation of Mr. Kishore Biyani as “Executive Chairman” and payment of remuneration thereof					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Category	Mode of Voting	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
		[1]	[2]	[3]=([2]/[1])*100	[4]	[5]	[6]=([4]/[2])*100	[7]=([5]/[2])*100
Promoter and Promoter Group	E-Voting	261107631	261028000	99.9695	261028000	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot (*)		0	0.0000	0	0	0.0000	0.0000
	Total		261028000	99.9695	261028000	0	100.0000	0.0000
Public Institutions	E-Voting	131678659	95578669	72.5848	88250390	7328279	92.3327	7.6673
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot (*)		0	0.0000	0	0	0.0000	0.0000
	Total		95578669	72.5848	88250390	7328279	92.3327	7.6673
Public Non Institutions	E-Voting	134612149	75283903	55.9265	75280890	3013	99.9960	0.0040
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot (*)		14045	0.0104	13688	357	97.4582	2.5418
	Total		75297948	55.9369	75294578	3370	99.9955	0.0045
Total		527398439	431904617	81.8934	424572968	7331649	98.3025	1.6975

(*) Votes cast by the Members of the Company by means of the Postal Ballot, if any, from March 21, 2020 till April 05, 2020 are not considered due to lockdown situation prevailing in the Mumbai city and in the Country.



Resolution Required : (Special)			2 - Approval for re-designation of Mr. Rakesh Biyani as "Managing Director" and payment of remuneration thereof					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Category	Mode of Voting	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
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	261107631	261101268	99.9976	261101268	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot (*)		0	0.0000	0	0	0.0000	0.0000
	Total		261101268	99.9976	261101268	0	100.0000	0.0000
Public Institutions	E-Voting	131678659	95578669	72.5848	88029367	7549302	92.1015	7.8985
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot (*)		0	0.0000	0	0	0.0000	0.0000
	Total		95578669	72.5848	88029367	7549302	92.1015	7.8985
Public Non Institutions	E-Voting	134612149	75283888	55.9265	75280030	3858	99.9949	0.0051
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot (*)		13520	0.0100	13163	357	97.3595	2.6405
	Total		75297408	55.9365	75293193	4215	99.9944	0.0056
Total		527398439	431977345	81.9072	424423828	7553517	98.2514	1.7486

(*) Votes cast by the Members of the Company by means of the Postal Ballot, if any, from March 21, 2020 till April 05, 2020 are not considered due to lockdown situation prevailing in the Mumbai city and in the Country.

Resolution Required : (Special)			3 - Creation of charge/security on the assets and/or properties of the Company					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Category	Mode of Voting	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
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	261107631	261107631	100.0000	261107631	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot(*)		0	0.0000	0	0	0.0000	0.0000
	Total		261107631	100.0000	261107631	0	100.0000	0.0000
Public Institutions	E-Voting	131678659	95578669	72.5848	51235683	44342986	53.6058	46.3942
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot(*)		0	0.0000	0	0	0.0000	0.0000
	Total		95578669	72.5848	51235683	44342986	53.6058	46.3942
Public Non Institutions	E-Voting	134612149	75283551	55.9263	75278986	4565	99.9939	0.0061
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot(*)		13061	0.0097	12826	235	98.2008	1.7992
	Total		75296612	55.9360	75291812	4800	99.9936	0.0064
Total		527398439	431982912	81.9083	387635126	44347786	89.7339	10.2661

(*) Votes cast by the Members of the Company by means of the Postal Ballot, if any, from March 21, 2020 till April 05, 2020 are not considered due to lockdown situation prevailing in the Mumbai city and in the Country.

MEANS OF COMMUNICATION

The Company regularly submits quarterly/half yearly/annual financial results to 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 Newspaper) and "Nav Shakti" (Marathi Newspaper). The Company's Annual Report, Financial Results, Shareholding Pattern and official news releases are displayed on the Company's website www.futureretail.co.in and also posted at Stock Exchanges where the securities of the Company are listed through their respective portal. The Company's presentations to institutional investors and analysts are also posted on the Company's website.

The Company sends Annual Report, intimation to Shareholders for various matters, Notices related to General Meetings and Postal Ballot by e-mail to those Shareholders whose e-mail ID are registered with the Company/Depository Participants and in hard copies to those Shareholders whose e-mail ID are not registered. Since last year, as allowed by regulatory authorities the Annual Report with various communications has been sent to concerned shareholders through permitted mode.

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

GENERAL SHAREHOLDERS INFORMATION

Date, Time and Venue of the Fourteenth (14th) AGM

Tuesday, September 28, 2021 at 11:00 AM through Video Conferencing (VC) / Other Audio Visual Means (OAVM) Facility.

Financial Year

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

Dividend

The Board has not recommended any dividend for the financial year ended March 31, 2021.

Listing on Stock Exchanges

Equity Shares

The Equity Shares of the Company are listed on the following Stock Exchanges:

- ❖ BSE Limited ("BSE")
P. J. Towers, Dalal Street, Mumbai - 400 001
- ❖ National Stock Exchange of India Limited ("NSE")
Exchange Plaza, C - 1, Block G, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051

Debt Securities

(a) Non-Convertible Debentures:

During the year under review, the Company raised funds amounting to ₹ 200 crore by issuing Secured Rated Listed Redeemable Non-Convertible Debentures ("NCDs") on private placement basis.

Apart from existing listed NCDs [i.e. Series IA amounting to ₹ 100 crore and Series iB amounting to ₹ 99 crore], the NCDs "Series II" amounting to ₹ 200 crore were also listed on the WDM Segment of BSE effective June 05, 2020.

(b) USD-denominated Notes:

The Company raised funds amounting to US\$ 500 million during the last financial year i.e. 2019-20 by issuing Senior Secured Notes due 2025 ("USD Notes"). The said USD Notes are listed effective January 23, 2020 on Singapore Stock Exchange ("SGX") having address at 2, Shenton Way, #02-02, SGX Centre 1, Singapore - 068 804.

Listing Fees

Members may note that listing fees, as prescribed, has been paid to all the Stock Exchanges viz; BSE, NSE and SGX where the securities / Debentures / Notes (as applicable) of the Company are listed.

Details of Debenture Trustees

Series IA and IB	Series II
Vistra ITCL (India) Limited IL&FS Financial Centre, Plot No. C-22, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. Tel No.: 022 - 2659 3535 Fax No.: 022 - 2653 3297 Website: www.vistraitcl.com	Centbank Financial Services Limited Central Bank - MMO Bldg, 3rd Floor (East Wing), 55, MG Road, Fort, Mumbai - 400 001. Tel No.: 022 - 2261 6217; Fax No.: 022 - 2261 6208 Website: www.cfsl.in

Stock Code

Shares / Debentures	ISIN No.#		Stock Code	
	Old	Current	BSE	NSE
Equity Shares	NA	INE752P01024	540064	FRETAIL
10.65% Secured Redeemable Non-Convertible Debentures Series IA	INE752P07013	INE752P07047	958809	-
10.65% Secured Redeemable Non-Convertible Debentures Series IB	INE752P07021	INE752P07054	958810	-
9.95% Secured Redeemable Non-Convertible Debentures Series II	INE752P07039	INE752P07062	959518	-

(#) Pursuant to restructuring of Non-convertible Debentures and considering the consent provided by the corresponding Debentureholders and the Trustees, the ISIN has been modified as stated above. The same has been in-principle approved by BSE where the NCD's are listed.

USD Notes are listed on SGX effective January 23, 2020 under FutureRetailn5.6%250122A and the ISIN code is US36118EAA01 and FutureRetailn5.6%250122R and the ISIN code is USY267BJGT59.

Corporate Identification Number (CIN)

The Company's CIN as allotted by the Ministry of Corporate Affairs: L51909MH2007PLC268269.

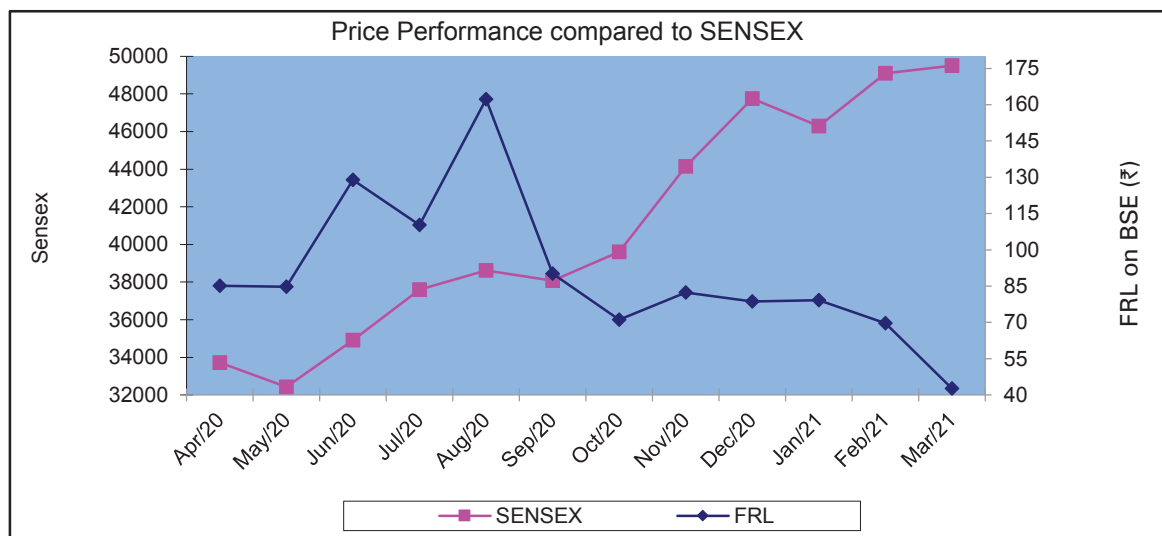
Stock Performance

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

Months	BSE (in ₹)		NSE (in ₹)	
	High	low	High	Low
Apr-20	104.00	61.05	102.55	60.70
May-20	86.40	68.00	85.95	67.55
Jun-20	149.55	89.00	149.50	89.00
Jul-20	149.20	95.60	149.10	95.45
Aug-20	162.30	98.00	162.35	98.60
Sep-20	168.00	78.50	167.90	78.35
Oct-20	91.85	66.20	91.85	66.20
Nov-20	91.20	66.60	91.50	67.00
Dec-20	82.10	70.35	82.30	70.35
Jan-21	89.50	73.20	88.85	73.30
Feb-21	83.45	68.50	83.45	68.45
Mar-21	71.55	42.70	71.50	42.65

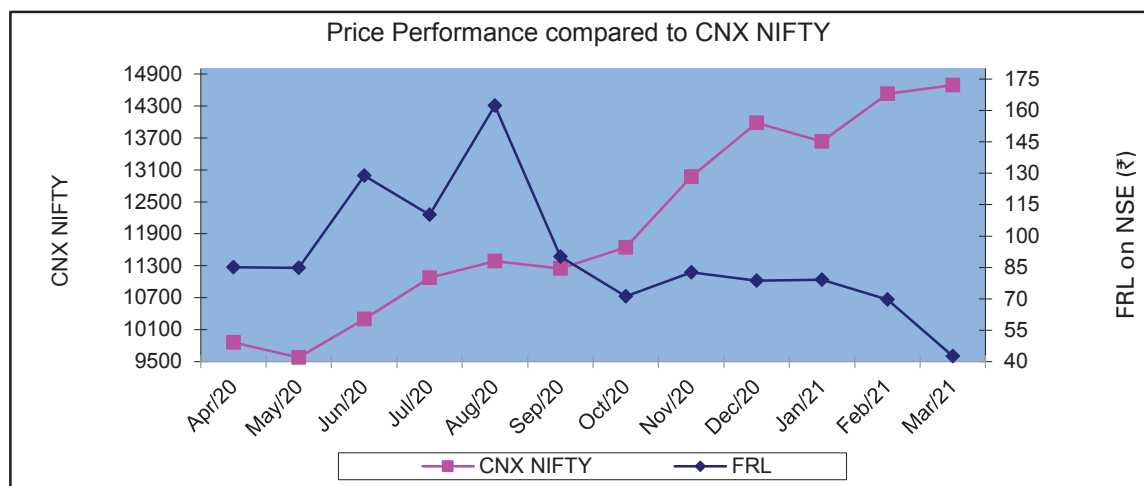
[Source: This information is compiled from the data available from the websites of BSE and NSE respectively]

Performance of share price of the Company in comparison to the BSE Sensex



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

Performance of share price of the Company in comparison to the NSE CNX NIFTY



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 of the Company through recognised Stock Exchanges is permitted only in dematerialised form. Equity Shares sent for transfer in physical form (which were resubmitted as permitted by SEBI / Stock Exchanges) are registered and returned within a time-line (provided the documents are valid and complete in all respects) as permitted by regulatory authorities from time to time. With a view to expedite the process of share transfers / transmission / deletion / split etc., the necessary authority has been delegated to the Share Transfer Committee and Registrar and Share Transfer Agents to approve the same.

In terms of applicable provisions SEBI Listing Regulations (as amended), the securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorised severally to approve transfers, which are noted at subsequent Committee Meeting.

**De-materialisation of shares**

Members may note that total 99.82% of the equity shares of the Company have been in dematerialised form as on March 31, 2021. The Company has entered into agreements with National Securities Depository Limited and Central Depository Services (India) Limited whereby shareholders have an option to dematerialise their shares with either of the Depositories. The entire shareholding of Promoters and Promoter Group is in dematerialised form and further status of dematerialisation of equity shares as on March 31, 2021 is as under:

Particulars	No. of Shares	% of total Paid-up Capital*
National Securities Depository Limited	35,17,07,610	64.86
Central Depository Services (India) Limited	18,96,12,249	34.96
Total Dematerialised	54,13,19,859	99.82
Physical	9,64,220	0.18
Total	54,22,84,079	100.00

(*) There is a difference of 1,04,371 equity shares between Issued and paid-up Capital of the Company. The reason being said equity shares of ₹ 2/- each of the Company are being kept in abeyance against 95,878 equity shares of ₹ 2/- each and 8,493 Class B (Series I) equity shares of ₹ 2/- each kept in abeyance in Future Enterprises Limited.

Distribution of Shareholding of Equity Shares as on March 31, 2021

No. of Shares	No. of Shareholders	%	No. of Equity Shares	%
1-500	3,44,892	83.54	4,23,76,978	7.81
501-1000	34,310	8.26	2,61,80,899	4.83
1001-2000	15,877	4.31	2,64,70,744	4.88
2001-3000	3,938	1.43	1,50,63,037	2.78
3001-4000	927	0.70	1,04,47,550	1.93
4001-5000	1,945	0.47	90,40,680	1.67
5001-10000	1,826	0.80	2,38,79,427	4.40
10001 and above	1,198	0.49	38,88,24,764	71.70
Total	4,04,913	100.00	54,22,84,079	100.00

Shareholding Pattern as on March 31, 2021

Category	No. of Equity Shares	% of holding
Public (Individual)	19,05,95,876	35.15
Bodies Corporate	17,25,66,958	31.82
Promoters and Promoter Group	11,15,08,677	20.56
Venture Capital Funds	2,31,57,143	4.27
Foreign Portfolio Investor	1,41,21,891	2.60
Clearing Members	1,28,46,542	2.37
Alternate Investment Fund	71,51,952	1.32
Non Resident Indians	46,11,355	0.85
Hindu Undivided Family	30,31,364	0.56
Banks, Financial Institutions	23,63,133	0.44
Mutual Funds	1,33,972	0.03
Insurance Companies	1,23,612	0.02
NBFCs registered with RBI	40,000	0.01
Directors & their Relatives	25,000	0.00
Trust	6,049	0.00
Others	555	0.00
Total	54,22,84,079	100.00

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

During the year under review and on May 19, 2020, the Company has allotted 1,48,03,960 equity shares to M/s. Future Coupons Private Limited (FCPL) upon conversion of remaining equity warrants held by FCPL. Post above conversion, there are no outstanding warrants of the Company.

Further, the Company has not issued any GDR/ADR or any convertible instruments. The details related to the options granted to the employees pursuant to FRL ESOP - 2016 is provided in the Directors' Report forming part of this Annual Report.

Unclaimed Shares

In accordance with the requirement of Regulation 34(3) and Schedule V, Part F of SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 01, 2020	184	1,00,710
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil
Shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	184	1,00,710

The voting rights on above shares shall remain frozen till the rightful owner(s) claim such shares.

Plant Locations

In view of the nature of the Company's business i.e. Multi Brand Retail, the Company operates from various stores on pan India basis.

Registered Office

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

Address for Investor Correspondence

- For securities held in physical form**
Registrar and Share Transfer Agents
 Link Intime India Private Limited
 C - 101, Embassy 247,
 L.B.S Marg, Vikhroli (West),
 Mumbai - 400 083
 Tel No.: +91 22 4918 6270
 Fax No.: +91 22 4918 6060
 E-mail: rnt.helpdesk@linkintime.co.in; Website: www.linkintime.co.in
- 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. Virendra Samani, Company Secretary
 Future Retail Limited
 Knowledge House, Shyam Nagar,
 Off. Jogeshwari - Vikhroli Link Road,
 Jogeshwari (East), Mumbai - 400 060
 Tel No.: +91 22 4055 2200
 Fax No.: +91 22 4055 2201
 E-mail: investorrelations@futureretail.in; Website: www.futureretail.co.in

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

The Company does not deal in future and options related to commodities and therefore the disclosure pursuant to SEBI circular dated November 15, 2018 is not required to be given. The Company is exposed to exchange fluctuation risk for its purchase from overseas suppliers in various foreign currencies. The Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposures to foreign currency risk as per guidelines laid down by Risk Management Policy of the Company. Further details you can refer notes to financial statements provided in this report.

Details of utilisation of funds raised through preferential allotment

During the year under review, the Company raised the funds through (i) conversion of warrants into equity shares on preferential basis to promoter group entity; and (ii) issue of Non-Convertible Debentures on Private Placement basis. The funds raised through the respective issues were utilised for the purpose for which it was raised.

Credit Ratings

The details of credit ratings as on April 01, 2020 along with the details of rating obtained / revision of rating thereto during the financial year 2020-21 is as follows:

1. Care Ratings Limited

Date	Type of Instruments / Facility				
	Commercial Paper	Short Term Bank Facilities	Long Term Bank Facilities	Proposed Fixed Deposit Programme#	Non-Convertible Debentures
April 01, 2020	CARE A1	CARE A1	CARE A+	CARE A+ (FD)	CARE A+
May 13, 2020	CARE A2	CARE A2+	CARE A-	CARE A- (FD)	CARE A-
July 27, 2020	CARE A4	CARE A4	CARE BB+	CARE BB+ (FD)	CARE BB+
August 20, 2020	Rating withdrawn (on full repayment)	-	-	-	-
October 29, 2020	NA	CARE A4	CARE B	CARE B (FD)	CARE B
March 30, 2021	NA	Re-affirmed	Re-affirmed	Rating withdrawn	Re-affirmed

(#) Proposed instruments and were not utilised till March 31, 2021.

2. Acuité Ratings & Research Limited

Date	Type of Instruments / Facility	
	Commercial Paper	Non-Convertible Debentures
April 01, 2020	ACUITE A1+	ACUITEAA
April 02, 2020	ACUITE A1	ACUITE A+
May 06, 2020	Re-affirmed	ACUITE A
July 30, 2020	ACUITE A2	ACUITE BBB+
August 13, 2020	ACUITE A4+	ACUITE BB+
August 20, 2020	ACUITE A4	ACUITE C
October 28, 2020	ACUITE D	ACUITE D

3. Brickwork Ratings India Private Limited

Date	Type of Instruments / Facility	
	Proposed Commercial Paper	Proposed Non-Convertible Debentures
April 01, 2020	BWR A1+	BWR AA
April 13, 2020	Rating withdrawn	'BWR A+
May 15, 2020	-	BWR A and simultaneously withdrawn

4. S & P Global Inc.

Date	Instrument
	USD Denominated Notes
April 01, 2020	B-
April 22, 2020	CCC- (prelim)/Watch Neg
September 15, 2020	CCC- with developing outlook

5. Fitch Ratings

Date	Instrument
	USD Denominated Notes
April 01, 2020	BB(EXP) (Outlook Positive)
April 02, 2020	B- (EXP)
May 06, 2020	CCC+
July 24, 2020	C
September 02, 2020	C (with Recovery Rating of RR4)

Related Party Transactions

Related party transactions were reviewed/approved by the Audit Committee and were entered into in the ordinary course of business and on an arm's length basis. There were no materially significant transactions entered into with the related parties that may have potential conflict with the interests of the Company at large. The details of related party transactions are given in Notes forming part of the financial statements for the year ended March 31, 2021. Policy on dealing with related party transactions is available on the website of the Company at the link <https://www.futureretail.in/investors/Policies.html>

Disclosure of Accounting Treatment

During the year under review, the Company followed the applicable Accounting Standards as specified under Section 133 of the Act, in the preparation of its financial statements.

Management

A Management Discussion and Analysis ("MDA") forms part of the Directors' Report. 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) SEBI 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, 2021.

Subsidiary Companies

The details of subsidiary companies of the Company has been disclosed in the Directors' Report forming part of this Annual Report. The Company does not have any material subsidiary company as on March 31, 2021. However, the Company has a policy for determining material subsidiaries of the Company, which is available on the website of the Company at the link <https://www.futureretail.in/investors/Policies.html>

Details of non-compliance

During the year under review and due to arisen of Covid-19 pandemic and continued lockdown, there was delay in declaring the financial results for the quarter and year ended March 31, 2020. The said results for the quarter and year ended March 31, 2020 was declared on September 04, 2020 and accordingly the Company has paid applicable penalty to BSE and NSE and intimated the same as per required process.



There was delay in declaring the financial results for the quarter and year ended March, 31, 2021 within the stipulated time. The said result was declared on July 29, 2021. In this connection, the Company has paid the applicable penalty to BSE and NSE and the same has been intimated as per the required process.

Apart from the above, the Company has complied with the requirements of regulatory authorities. Further, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchange(s) or Securities and Exchange Board of India or any statutory authority, on any matter related to the capital markets during the last 3 (Three) financial years.

Certificate from Practicing Company Secretary

A certificate has been received from K Bindu & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director in companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

The said Certificate is appended to this Report.

Recommendations of Committees of the Board

During the year under review, there were no instances, where the Board did not accepted any recommendations of any Committees of the Board which were mandatorily required.

Establishment of Whistle Blower Policy/Vigil Mechanism

The Company has already 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 Chairperson of the Audit Committee. The establishment of Vigil Mechanism is available on the website of the Company at the link <https://www.futureretail.in/investors/Policies.html>

Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the IEPF 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 the IEPF Authority. During the year under review, Company has neither declared any dividend nor there are outstanding amount of unclaimed dividends which were liable to be transferred to the IEPF.

Fees to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity are as follows:

Sl. No.	Particulars	Amount (₹ In crore)
1.	Statutory Audit Fees	0.76
2.	Certification & Consultation Fees	0.06
	Total	0.82

Disclosure in relation to Sexual Harassment of Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, no complaints has been received by the Company.

Compliance with Mandatory requirements

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

Discretionary requirements (Part E of Schedule II of SEBI Listing Regulations)

The Board: The Company has an Executive Chairman and hence the requirement pertaining to reimbursement of expenses to a Non-Executive Chairman does not arise. Mr. Kishore Biyani will hold position as Executive Chairman till March 31, 2022 and further in line with the requirement of Regulation 17(1B) of SEBI Listing Regulations read with SEBI Notification dated January 10, 2020, he will thereafter hold the position of Non-Executive Chairman of the Company. The same has been intimated to Stock Exchanges where the securities of the Company are listed.

Shareholders' Rights: Quarterly and half yearly financial results of the Company are furnished to Stock Exchange(s) and also published in the newspapers and uploaded on website of the Company. Significant events are also posted on the Company's website under the Investors' section. Hence, no half yearly results and significant events were sent to each of household of Shareholders.

Modified opinion(s) in audit report: During the year under review, the Company has unmodified audit opinion / report 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 on financial statements.

Separate posts of Chairperson and CEO: As on March 31, 2021, Mr. Kishore Biyani was holding position as Executive Chairman and Mr. Rakesh Biyani as Managing Director of the Company.

Reporting of Internal Auditor: Internal Auditors are regularly invited to the meetings of Audit Committee to make presentation on their observations and suggestions during the course of their Internal Audit.



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Future Retail Limited

We have examined the compliance of conditions of Corporate Governance by Future Retail Limited ("the Company") for the financial year ended on March 31, 2021 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 to us, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the abovementioned 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 NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W

Place : Mumbai
Date : July 29, 2021
UDIN : 21042472AAAAEP7064

Ashok A. Trivedi
Partner
Membership No. 042472

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

To,
The Members of
Future Retail Limited

I hereby declare that the Directors and Senior Managerial Personnel of the Company have affirmed in writing, their compliances with the Company's Code of Conduct, during the year ended March 31, 2021.

For Future Retail Limited

Place : Mumbai
Date : July 29, 2021

Rakesh Biyani
Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Future Retail Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Future Retail Limited having CIN L51909MH2007PLC268269 and having Registered Office at Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Mr. Kishore Biyani	00005740	April 30, 2016
2.	Mr. Rakesh Biyani	00005806	April 30, 2016
3.	Ms. Gagan Singh	01097014	April 30, 2016
4.	Mr. Ravindra Dhariwal	00003922	April 30, 2016
5.	Mr. Shailendra Bhandari (#)	00317334	April 30, 2016
6.	Ms. Sridevi Badiga (\$)	02362997	April 20, 2017
7.	Mr. Rahul Garg	06939695	August 9, 2018

(#) vacated office w.e.f. April 30, 2021 on completion of his term

(\$) resigned w.e.f. June 1, 2021

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **K Bindu & Associates**
Company Secretaries

Place : Mumbai
Date : July 29, 2021
UDIN : A020066C000707610

Bindu Darshan Shah
Proprietor
Membership No. A-20066 / CP No. 7378



BUSINESS RESPONSIBILITY REPORT

OVERVIEW

Future Retail Limited (“FRL”/“Company”), is part of Future Group and into organised retail which generally meets the needs of consumers on pan India basis through its various formats viz., Big Bazaar, fbb (Fashion @ Big Bazaar), Foodhall and also through Small Store formats viz, easyday, Heritage. The Company’s different formats at various locations across India and wide retail footprint across many cities of India has created job employment and also contributed significantly to social inclusion.

The business being operated in various segments such as food, fashion, and home, puts customers and members at the centre of the value chain. The organisation believes that its customers, employees and all associated stakeholders are pivotal in the success of the business, and strives hard to value add to the eco-systems it operates in.

Your Company is continuously making its efforts to hold and bring to life the Group’s sustainability vision “Striving to grow responsibly and achieve our dual goal of a happy environment and society, both of which are necessary ingredients for business continuity and growth.”

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), your Directors hereby present the Business Responsibility Report (“BRR”) of the Company for the financial year ended March 31, 2021.

This BRR delineates Company’s endeavours to conduct business with responsibility and accountability towards its various stakeholders while also considering the nine principles of the ‘National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business’ released by Ministry of Corporate Affairs.

PART A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Company Information
1	Corporate Identity Number (CIN) of the Company	L51909MH2007PLC268269
2	Name of the Company	Future Retail Limited
3	Registered address	Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060
4	Website	www.futureretail.co.in
5	E-mail id	investorrelations@futureretail.in
6	Financial Year reported	2020-21
7	Sectors(s) that the Company is engaged in (industrial activity code-wise)	Multi Brand Retail Trade NIC Code: 47 (Retail Trade, except of motor vehicles and motorcycles)
8	List three key products/services that the Company manufactures/provides as in the balance sheet)	i. Apparels / Garments; ii. Food and Grocery; and iii. Consumer Durables / Electronics
9	Total number of locations where business activity is undertaken by the Company:	
	(a) Number of International Locations (Provide details of major 5)	During last year our joint venture company viz, Future Retail LLC incorporated in Oman was operating and running two fbb stores. However, due to adverse impact of COVID – 19, the JV entity has shut its operations and is now under voluntary liquidation
	(b) Number of National Locations	As on March 31, 2021 we have a pan India presence with 1,308 stores in 397 cities covering various formats / stores of the Company
10	Markets served by the Company - Local/ State/ National/International	National

PART B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Company Information
1	Paid up Capital (INR)	₹ 108.46 crore
2	Total Turnover (INR)	₹ 6,261.04 crore (standalone) for the FY 2020-21
3	Total profit / (loss) after taxes (INR)	₹ (3,180.03) crore (standalone) for the FY 2020-21
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	With regard to the year under review, the Company has spent ₹ 13.70 crore on CSR activities as against the mandatory requirement of ₹ 10.08 crore (equivalent to 2% of the average net profits of during three immediately preceding financial years), as calculated under Section 198 of the Companies Act, 2013 ("the Act"). This is excluding the adjustment accounted for previous financial year. <i>(For further details please refer to Directors' Report forming part of this Annual Report)</i>
5	List of activities in which expenditure in 4 above has been incurred	During the financial year 2020-21, the Company has extensively worked on enhancing vocation skills and skills development and contributed by imparting training to the Apprentices and Students under the National Employability Enhancement Mission (NEEM) and National Apprenticeship Promotion Scheme (NAPS), schemes launched by Ministry of Skill Development and Entrepreneurship, Government of India. The Company has spent its entire CSR contribution towards the above activities

PART C: OTHER DETAILS

Sr. No.	Particulars	Company Information
1	Does the Company have any Subsidiary Company/Companies?	Yes, FRL has two subsidiaries and two step down subsidiaries as on March 31, 2021
2	Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Subsidiary companies define their own initiatives specific to their business context whilst having access to information and expertise residing with the Parent company
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company encourages its employees and also its suppliers and vendors to adopt and practice the best possible BR initiatives

PART D: BR INFORMATION

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

Sr. No.	Particulars	Details
1	Director Identification Number (if applicable)	00005740
2	Name	Mr. Kishore Biyani
3	Designation	Executive Chairman
4	Telephone number	022-4055 2200
5	E-mail ID	investorrelations@futereretail.in



2. Principle-wise BR Policy / Policies (as per NVGs) (Replies in Y – Yes / N – No):

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

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

BR Policies and coverage of NVG Nine principles:

(a) Details of compliance (Reply in Y/N)										
Sr. No.	Questions	Business Ethics	Product Responsibility	Well-being of Employees	Stakeholders	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Yes. The policies are based on voluntary sustainability guidelines such as the Global Reporting Initiative (GRI) and also based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Yes – the policies have been approved by the Board and signed by the Chairman/Managing Director								
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of policy?	Yes, the Company's officials/respective departments are authorised to oversee the implementation of the policy								
6	Indicate the link for the policy to be viewed online?	www.futureretail.co.in/investors/Policies.html								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(a) Details of compliance (Reply in Y/N)										
Sr. No.	Questions	Business Ethics	Product Responsibility	Well-being of Employees	Stakeholders	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
10	Has the company carried out independent audit / Evaluation of the working of this policy by an internal or external agency?	Due to adverse effect and impact of COVID-19, the Company has not carried out any independent audit / evaluation of the working of this policy by an internal or external agency during the year under review								
(b)	If answer to the question at serial number 1 against any principle, is 'No', please explain why	Not Applicable								

3 Governance related to BR:

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.	The Chairman / Managing Director of the Company periodically reviews the BR initiatives and performance. The Board of Directors of the Company and its Committees does annual assessment of BR initiatives undertaken by the Company
Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	BRR for the year 2020-21 forms part of the Annual Report, being published and is also available on the website of the Company: www.futureretail.co.in/investors

PRINCIPLE 1: ETHICS, TRANSPARENCY & ACCOUNTABILITY

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

FRL always embraces on timely and accurate compliances, the core principles of good corporate governance with the objective to create long term sustainable and profitable growth. It always strives to enhance the stakeholders' relationship by following various guidelines and undertaking various initiatives alongwith control mechanisms. It is continuing its good practice of upholding the core values of transparency, integrity, fairness, accountability with responsibility.

In the midst of the churn among citizen and our shoppers, creating a safe shopping environment and reassuring the shoppers was a compelling need. Since the knowledge on this was constantly evolving, we decided to co-opt our shoppers in creating protocols through carefully chosen consumer panels. Their feedback was taken for building new processes and adopting new hygiene protocols. This helped us bring transparency in our actions and build confidence among our shopper community.

The store leadership were alert to frequent changes in the physical distancing protocols being issued by competent authorities and fine-tuned operations to adapt to the

same. Processes on trials of garments, sale of perishable categories, refunds of used merchandise were adapted to meet hygiene protocols in the new environment.

There was a constant demand by shoppers to allow contactless pickup at stores. Big Bazaar set up the feature of pickup @ store where customers could order on the app and then personally pickup from the neighbouring store. Through a personalized communication program, citizens were encouraged to use this facility to pick up for their neighbours and vulnerable people staying in their vicinity in order to optimise traffic on roads and at stores in the very early stages of the pandemic.

Governance

FRL's continuing efforts encompass' financial stewardship in daily and strategic business decisions to ensure accurate financial reporting and effective controls. FRL's good governance structure includes the Board of Directors and its various committees such as Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committees, Corporate Social Responsibility Committee, Risk Management Committee etc., which ensures that necessary compliances are being followed and best possible governance practices are adopted, in order to reassure all stakeholders and address the concerns, if any, with respect to policies and procedures enforced across the enterprise.



As a responsible corporate citizen and as required, the Company is ensuring that its affairs are conducted in compliance to applicable laws, rules and regulations from time to time. It has in place various policies such as anti-bribery and anti-corruption policy, code of fair disclosure of unpublished price sensitive information, codes for prevention of insider trading, intellectual property rights, conflict of interest and POSH as well as sustainability guidelines including Health & Safety guidelines that provides relevant directions and information in order to manage and mitigate business risks.

The Code of Conduct affirmed by the Director and Senior Management personnel confirm that the Directors and concerned employees adhere to applicable standards of corporate ethics while discharging their duties. Necessary affirmation of applicable code of conduct from concerned employees is being undertaken at the time of employment and being reviewed / renewed during the employment period as and when required.

Vigilance Policy

The Vigil Mechanism and Whistle Blower Policy provides stringent processes that treat any act of fraud, bribery and corruption or any violation of the applicable code of conduct with seriousness and expects its employees as well as business partners to adopt the same approach. The Anti-Corruption and Anti-Bribery Policy is also aiding to strengthen its governance.

Vigil mechanism empowers the complainant to raise any concerns and bring to the attention of the management about any suspected misconduct, unethical behaviour, suspected fraud, bribery and corruption or any violation without fear of punishment or unfair treatment by reporting at designated e-mail or contact numbers.

The main intent of Loss Prevention Cell is to regularly undertake training and implement process to sensitize on potential risks of corruption, assess risk, undertake root cause analysis in cause of failures of risk framework and also implement corrective measures to strengthen processes. This cell also monitors the overall surveillance processes and infrastructure at various stores and acts as a checker mechanism to any non-conformances on the operations front.

There were no complaints received by FRL under the Whistle Blower Policy as on March 31, 2021.

Information Security

The Company prioritizes the security of its information systems and continuously invests in improving various

security controls in order to adapt various threats. The Company's procedures and policies have adopted good practices being recommended in keeping with ISO 27000 certification process. The IT security team periodically raises awareness among employees through periodical e-mail communications and vide on-ground system engineers. This contributes significantly to the overall security of the Company's systems and information.

Customer Privacy

The personal information or data of its employees, partners and customers are valued by the organization and we understand the need to protect information appropriately to continue the trust already built between FRL and its stakeholders. All necessary and conscious efforts are made to ensure sound privacy management that ensure compliance with applicable laws.

The Company's processes and procedures provides appropriate information about collection of data, storage, processing practices and security measures in order to protect against unwarranted or unauthorized access, disclosure or destruction of user's personal information and data stored on various platforms.

Grievance Redressal Mechanism

The Company has made grievance mechanisms accessible to inform, assess and address concerns through various physical and online channels for all its stakeholders.

All inquiries and concerns including grievances received are routed through dedicated teams for formal redressal process based on the nature of the complaints. Various concerns and queries of stakeholders are being monitored and helping the Company to strengthen its deployment mechanism.

Employees

The Company listens to its employees' concerns and grievances and helps address issues that impact their wellbeing. Grievance and suggestion boxes are made available and accessible at all times at operating sites in addition to dedicated e-mail id of People office team.

Grievance handling for employees are managed by Zonal Disciplinary Committee. The Disciplinary Committee comprises of:

- Zonal CEO
- Zonal People Office
- Zonal Operations Head
- Zonal Legal Head
- Zonal Category Head (Food, Fashion, General Merchandise)

The cases arising from complaints/feedback received from grievance / suggestion box are reported by Store Manager to the Disciplinary Committee, Market Manager and the Area People Officer following which the Market Managers validate before forwarding their recommendations to the Disciplinary Committee. Similar mechanism being followed for HO office and its staff.

All efforts are made to resolve grievances within 48 working hours by the People office team and formal process are undertaken as required by the Loss Prevention Cell in cases of theft / pilferage involving the Market Manager and concerned People Officer.

POSH

As already communicated the Company has in place a policy on Prevention of Sexual Harassment ("POSH") at workplace. The said policy aims at prevention of harassment of employees as well as contractors / vendors and lays down the guidelines for identification, reporting and prevention of sexual harassment and the reporting and resolution procedure of such complaints.

Issues involving sexual harassment can be addressed by writing to the Internal Complaints Committee (ICC) at - posh@futuregroup.in. The Chief People Officer along with the appointed third party POSH trainer, the members of the Disciplinary Committee form a part of the Internal Complaints Committee (ICC). Periodic trainings, inductions, frequent meets, day briefs and communications familiarize the employee to the policies and procedures to report grievances.

In stores, impactful posters showcasing the POSH mechanism with contact details of concerned team members are displayed in pantry, rest rooms and other high visibility areas.

Due to COVID – 19 during the year under review, the organization resorted to training materials and periodical communications being made readily available for the benefit of all concerned.

As regular offices being opened up as permitted by the local authorities and following COVID guidelines, the ICC is in process of meeting to review the effectiveness of various programs, and will assess the ongoing enquiries, suggest disciplinary actions (if required) and undertake corrective actions to continue ensuring statutory compliances. During the year under review, there were no complaints with allegation of sexual harassment.

Investor Grievances

The Company caters to investor related queries and grievances through its Registrar and Share Transfer Agents (R&T Agent) and the Compliance Officer is responsible for the same. Investors can report complaints or put forward their enquiries vide electronic mail at investorrelations@futureretail.in.

Investors' concerns and complaints are being monitored by the Stakeholders' Relationship Committee which undertakes responsibility to resolve the investor concerns and provide guidance for any Company related matter concerning various investors.

During the year under review, the Company received total of 27 complaints which were resolved and there are no pending complaints as of March 2021.

Customers

The Company is providing customer grievance redressal mechanism for its customers to raise complaint regarding any product or services being availed by the customers. Any of the following communication channels can be used to register the complaint:

- Electronic mail at care@bigbazaar.com;
- Contacting the toll-free number 1800 266 2255;
- Registering complaint in suggestion/complaint book at stores;
- Dropping the complaint form into the suggestion box at stores;
- A separate tab on shop.bigbazaar.com for online shoppers

In addition to the above, customers can also reach out to us through various social media channels. A dedicated team is working to handle queries and complaints of customers on the major social media platforms

The service or product complaints obtained through in-store and online interfaces are mapped and tagged in the dedicated CRM database. On receipt of complaint, the customer service team connects with the concerned teams to investigate the complaint and the customers are kept updated about the actions taken. The customer service team warrants that necessary actions are being taken to resolve the query of customers at the earliest possible. The Company always endeavors to resolve complaints within 24-48 working hours.

During the year under review, total 71 cases were filed by consumers. This was in addition to earlier 443 pending cases of previous financial year. Out of above, total 47 cases were resolved and 467 are pending as on March, 2021.



PRINCIPLE 2: PRODUCT STEWARDSHIP / PRODUCTS CONTRIBUTING TO SUSTAINABILITY

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

Your Company always recognizes its responsibility towards the local economy as also the larger environmental impacts across the supply chain, and hence developed a road-map for deepening supplier interactions.

The Company has always recognized it has a significant responsibility as a retailer to provide good quality and safe products at affordable price for customers. In order to meet requirements of its customers now and in future, the Company will continue its engagement with suppliers to develop system for self-assess, adapt and create meaningful programs that could meet the Company's sustainability goals and also create impactful outcomes.

Affordable, Healthy and Safe Products

As on March 31, 2021 your Company was carrying out its operation from around 1,308 stores across 397 cities in India. FRL always supports local economic growth through our investments in stores and infrastructure including manpower.

The Company provides nutritious and wholesome foods in Various Stores including organic products from various in-house brands of the Group and also from external vendor partners. The stores also provides a wide range of essential products such as rice, wheat, milk, salt and essential oil fortified with the basic micronutrients and vitamins required. The Group's brands Desi Atta Company and Golden Harvest flours adopt innovative and hygienic processing techniques and offers flours that are healthy, wholesome, nutritious as well as affordable.

The Company also retails a wide product range of healthy snacks and meals like cornflakes, rolled oats, dry fruits which meets the evolving health needs of the society in light of growing concerns like diabetes and cardiovascular diseases. The Group has in-house brands for various dry fruits, berry mix, roasted and slated pumpkin seeds and oats with different flavours. Some of these are being packed in more accessible take away pack sizes to meet the consumers' on the go requirements of healthy snacks.

Across the specialty gourmet store "Foodhall", approximately 5% of the overall assortment staples, fresh fruits and vegetables, meat, spices and dry fruits are certified as organic. Around 2% of the assortment in the 'Better For You' section at Foodhall focuses on health-centric products that are low in salt or added sugar.

Environment Friendly Products

While your Company as a retail entity does not manufacture products, it always demonstrates responsible procurement and sourcing of different products and services for the transforming needs of its customers.

The Company's fashion brands under its "fbb" format strives to put fashion products that are made from raw materials sourced from certified sources. The in-house brands within sub-category of menswear and womenswear source textile that is viscose or blended with Eco Vero certified viscose staple fibers for its garments. Various vendors supplying denim products use the new ozone bleaching process instead of old bleaching process, which is facilitating reduced use of water, energy and chemicals while discharging lower volumes of effluent.

Consumer goods

Your Company is always sensitive about the environment health as it services customer needs in the home and personal care as well as durable category. FRL continues to retail products that are free of various chemicals such as silicon, parabens, sulphates, not releasing the preservatives and microbeads. The in-house tissue brand in the home care category, are made from virgin fibre derived from pulp that is certified by local councils / authorities.

The Company continues to retail products in electronics and kitchen appliances under the brand name 'KORYO', in a product range that include air conditioners, microwaves, LED TVs, personal care and kitchen appliances that are energy efficient and environment friendly.

The category team for Koryo, sources from different and reliable vendors who demonstrate compliance to applicable statutory requirements and committed to the well-being of the environment. Your Company's private brand Koryo provides complete information about the safety and responsible usage including guidelines for product handling, storage and disposal.

Packaging

After the adoption of green initiatives and banning of single use of plastic, your Company continues the initiatives of sale of cotton bags and consumption of bags of roll made of paper and cornstarch. This will also be keeping in step with the customer awareness and desire for us to act responsibly.

Further, the Company ensures that any plastics retailed and used at stores comply with the various provisions of

applicable local laws and guidelines. As mentioned earlier stores are utilizing corn bags in the fruit & vegetable section; fresh bakes & breads sections use paper and recyclable plastic, thereby reducing the use of single use plastics for packaging.

Product Labelling

Various products retailed at stores comply with the applicable regulations such as the Drugs and Cosmetics Act, Legal Metrology Act, Bureau of Indian Standards Specifications, Food Safety and Standards Act, in addition to local and other applicable laws.

The Company also ensures the compliance of labelling requirements as required to comply E-Waste Management Rules and Plastic Waste Management (Amendment) Rules, 2018 read with amendments thereto.

The Company is always committed to build trust by disclosing all factual information including cautionary statements and through transparent communication.

Sustainable Sourcing

FRL strives to create minimum environmental impact from logistics operations and also promotes local entrepreneurship to aid sustainability in sourcing. Wherever possible, various products are procured locally from nearby farms and in proximity with minimum required cost borne towards logistics. The Company will continue its efforts to provide market linkages for products produced by women small co-operatives and women entrepreneurs in identified cities.

FRL will continue its good past practice of sourcing fruits and vegetables from farms directly and making available to customers seasonal produce found at specific geographies at affordable prices.

Due to COVID – 19 and the challenges it created in the business environment, your Company could not aggressively pursue the roll out of its supplier sustainability awareness raising programs and assessments. The coming reporting period might see a subset of suppliers becoming aware of the Company's sustainability goals and guidelines.

PRINCIPLE 3: EMPLOYEE WELFARE

Business should promote the well-being of all employees

The Company serves over 40 million customers across India. The diversity and richness in local culture and communities across geographies is embraced by your Company and this uniqueness is reflected in its employee composition, in the food, fashion and home consumables retailed by your Company.

FRL's human resource policies are always guided by the inherent values of the Group and are aligned with labour and human rights regulations as applicable from time to time. The Group's values and principles are the guiding principles to growth & development within the organisation (for more details refer to <https://www.futuregroup.in>).

The Company always offer new possibilities and encouraging people to bring out multi-disciplinary skills, be agile and adaptable to newer situations and also create capabilities to tackle new challenges.

Employee safety and well-being through the COVID-19 pandemic

The sudden outbreak of COVID-19 and the subsequent lockdowns created a lot of uncertainty and disruption in business operations and also in behavior and mindset of employees. In the new environment all employees embraced changes in their daily routine as well as multi-tasked to ensure continuity of business and customer experience. Necessary safety measures were undertaken to ensure prevention of spread of COVID-19 and also to provide a safe environment to all concerned at organisation.

As an urgent response to the situation, necessary actions were undertaken for the safety, health and well-being of employees. Some immediate actions taken were:

- Form task force and design store shifts to ensure continuity of business operations within the lockdowns;
- Establish full safety measures at various stores;
- Introduce testing and safety norms and protection of employees discharging their duties

Protect and ensure the safety of our employees

Your Company ensured regular sanitization and cleaning of the office, organised camps for Covid Testing, offered financial and other support to employees and their families during this unprecedented times. The emerging situation was such that there was no perfect clarity on handling of the situation. The People Office team were available for support to all employees and handling of queries of employees in best possible way. Constant communication with employees through digital media, e-mail, intranet and other modes were established while also making them aware about safety guidelines being adopted and followed in order to protect the interest of employees. The parents of staff were also re-assured through vernacular updates on how the work places are adopting all means to ensure health and safety.



Ensure business continuity

It was new era of working digitally, the Technology team has played very vital role in meeting the demand and requirements of employees on pan India basis. This has helped all employees in discharging their duties with remote-work policy.

People office has kept flexi working hours while also adhering to ensure work from home policies in majority of offices.

Drive productivity with the necessary safety measures in place

Introduction of Learning & Development initiatives:

- a) It was compelling to adopt to the new normal by all employees across all work levels and the teams were required to develop new capabilities. The Company leveraged number of learning platforms and programmes available, whether it was online class, digital meetings, virtual learning, webinars with experts, study of various programmes and online courses in order to upgrade skills of employees.
- b) In order to align with learning objectives to support business strategy, a program was rolled out for our identified employees to develop the competencies. The training modules were divided into 3 buckets based on the learning needs – Technical, Soft skills and Process Orientation.
- c) Necessary access was provided to employees for various online courses from our learning partner 'One Hour Learning' available on our LMS (Learning Management System) Platform named 'Alt Learning'. These courses covered various skills in the spheres of Leadership, Effective Behaviour and Functional Excellence.
- d) Future Group also initiated 'FG Leadership Learning Series-Webinar Sessions' - Session 1: Building Social Capital for Personal Effectiveness / Session 2: Leading in Uncertain Times

Fire safety audits were conducted in below stores (small format stores) each month to check the fire safety norms followed in the stores:

Month	No. of Fire Safety Audits Carried out	Month	No. of Fire Safety Audits Carried out
Apr-20	36	Oct-20	144
May-20	34	Nov-20	157
Jun-20	33	Dec-20	193
Jul-20	36	Jan-21	277
Aug-20	17	Feb-21	297
Sep-20	44	Mar-21	325

Employee Health and Safety

The Company ensures to provide all facilities for safety of all its employees working at stores, at supply chain location and at support offices in zones and home office.

At each store a dedicated person is responsible to check and inspect the safety concerns. The safety facilities are being reviewed at periodical intervals with help of store manager and a dedicated person at each store. The concerned operations team member shares a must have checklist and also tracks data for assessments.

Each store comprises of a safety committee comprising of the store manager, admin manager, facilities manager, HR manager, security personnel and housekeeping personnel which report to the disaster management response team. The Safety champion represented by the facility manager, admin manager and HR manager undertake daily walkthroughs and carry out daily checks.

The Company embraces the motto, "Safety is everybody's Business" by makes its employees responsible and self-reliant through routine training programs undertaken by the safety champion.

Regular health check-ups like health camps, eye check-up, dental check-up are undertaken for various employees.

Fire Safety

Necessary safety measures are being undertaken as required under Fire Safety Act and Rules, and training / classes are being conducted at periodical intervals. Identified employee(s) are being designated as Fire Marshals at various stores and offices. A facility emergency drill is conducted at periodical intervals at offices and stores with help of local firefighting department and/or the security agency. Evacuation routes leading to assembly point are available in the stores.

Functioning of necessary equipment such as sprinklers and fire hydrants are being checked at periodical intervals. Emergency exits with proper signage are made visible and can be easily accessed in case of emergency. Emergency drills are conducted in the small stores every quarter, each store.

LPC audits were conducted to check various parameters in stores:

Month	No. of LPC Audits carried out	Month	No. of LPC Audits carried out
Apr-20	10	Oct-20	35
May-20	12	Nov-20	24
Jun-20	14	Dec-20	71
Jul-20	17	Jan-21	129
Aug-20	18	Feb-21	152
Sep-20	21	Mar-21	174

The SOP's drafted & uploaded by LPC team are under the following headers:

1. Disaster Management
 - Fire Management
 - Bomb Threat
 - Earthquake
 - Floods
 - Blackout/Loss of Electricity
 - Medical Emergencies
2. Security Process
 - Store Opening and Closing Process
 - Key Management
 - Access control
 - Customer Interaction
 - Entry Exit of Employee / Visitors (On the Job)
 - Security Services
 - Patrolling Premises
 - Telephone/Radio procedure
 - Motivation and attitude towards work
3. Security Services
 - Security Supervisor
 - Security Guards
 - Vigilance Officers

First Aid

As required the minimum first aid kits are available at each store and office premises. Dedicated male

Workforce Profile

The manpower at FRL as on March 31, 2021 was as follows:

Level (Band)	Home Office		Zone		Stores		Grand Total
	Male	Female	Male	Female	Male	Female	
1	24		73	23	11,611	3,851	15,582
2	125	32	232	48	3,542	349	4,328
3	150	72	390	39	778	30	1,459
4	92	27	184	14	89		406
5	42	6	15	1			64
Grand Total	433	137	894	125	16,020	4,230	21,839

The Company continuing its objective of increasing the efficiency of its operations by optimizing its resources, with the motto "Doing more with less".

and female employees being identified as a First Aid Champions for employees.

Access to safe drinking water, sanitation and hygiene

Proper and safe drinking water access is provided to all store employees in dedicated area at each store at various places. Necessary AMC are renewed periodically for recharging of water storage facilities, cleaning and disinfection at regular intervals.

Your Company ensures access to safe drinking water and sanitary facilities that are adequate based on the working population at its stores and offices and maintains a hygienic work environment. The Company helps employees distinguish between potable and non-potable water through signage in local language.

Separate washrooms are available for men and women at all stores and offices. A dedicated resource team is appointed to ensure washrooms and all sanitary installations are cleaned at regular intervals during the day, and the supervisor maintains the checklist of activities undertaken.

Non-Discrimination in Recruitment and Employment.

The Company's recruitment process employs gender neutral job descriptions and removes potential biases in screening, short-listing and sourcing of candidate which is also consistent with employment related legislation.

Diversity and Inclusion

Diversity and inclusion is a key agenda for the Company. The Company has always been supportive to hire women who meet requirements of various roles and people with disabilities especially from marginalized sections

Job roles focusing on cashiering, customer service and stock replenishment are allotted on merit basis to people with disabilities at Big Bazaar stores. The Company has nurtured this policy during the reporting period.

The Company is striving to improve diversity in the workplace by increasing women’s representation in the workforce. FRL currently employs around 21% women in their workforce at Company level.

Below is the summary of promotions in year 2020-21 with employee count:

Band	Band Description	Inter band Promotions	Intra band promotions	Grand total
1	Coordinator	-	26	26
2	Specialist	29	52	81
3	Mid-Management	11	16	27
4	Management Advisory	1	3	4
5	Strategic	-	-	-

Additionally, the Company also rewards and recognizes the efforts of its employees with target based incentives, festive bonuses etc.

Long Stay Recognition

The Company is continuing its good practice of rewarding and providing certificates on completion of Five year and Ten Year Service milestones.

Health Benefits

- Annual medical health check-up for employees.
- Organizing free health check-up and other wellness programs.

Employee growth, training and development

- Staff parents and families were reassured through letters from our leaders detailing all the safety and hygiene steps taken at the workplace, at the stores and support offices;
- Some of the frontline staff were compelled to leave for their hometowns due to the pressure from their families. Hence, the balance staff had to take the pressure of maintaining business continuity. The organisation took to reskilling staff and adapting them for online business, for delivery execution, and trained them across different categories to ensure operations flow is not broken;

The Company provides several benefits for young women through tie-ups with organizations providing healthcare and crèche facilities under the Khushali program.

Hiring and Promotion

The Company’s promotion process evaluates candidates through their journey on a values based assessment process. Employees are assessed on fair and equal basis through an integrated appraisal system and are rated by their reporting manager against the person’s alignment to the Future Group values and set goals and targets for the previous reporting period. The Company undertakes a 360 degree appraisal process for senior managers to build confidence in its decisions to promote and increase remuneration.

- There was a staff engagement program including contests to keep the motivation high in times of lockdown when the flow of customers came down and business took a natural dip;
- Staff were immediately assigned to stores closer to their residence so that they could join to duty with minimal disruptions.



Image of Poster used during lockdown to communicate with staff

The Company providing access to necessary learning opportunities, on an equal and non-discriminatory basis. Training assessments are conducted on an annual basis for all employees through numerous career development and job-specific training opportunities that cover a range of areas, including but not limited to skill and competence upgradation such as customer service, health and safety, digital capability, professional development and leadership.

The Company provides its employees an assistance plan to help address personal and professional challenges and situations that might be hindering employee growth and well-being.

Training needs assessments are conducted at stores, head offices and zonal offices for all employees. The training needs are mapped and such trainings are imparted accordingly based on an annual training calendar. The annual 360 degree appraisal process helps the Company identify limitations of the employee and nominate them to undertake specific trainings. Some examples of training given are mentioned below:

Learning & Development Data for Small Formats – 2020-21

Name of Training	Training Programme	No. of Participants	No. of Training hours
Behavioural Training	Time Management	6,097	6,097
	Stress Management	2,052	2,052
	Customer Centricity	5,314	2,368
	Business Communication	1,919	1,919
	OHL Change Management	2,343	2,343
	OHL Influencing Skills	1,770	1,770
	Conflict Management	265	265
	Problem Solving	1,988	1,988
	OHL Emotional Intelligence	261	261
	Personal Effectiveness	1,915	1,915
	Personal Effectiveness and Efficiency at Workplace	262	262
	Strategic Thinking	59	59
	Leadership Fundamentals	1,771	1,771
	CD Situational Leadership	60	60
	Ownership	4,874	6,542
	OHL Design Thinking	275	211
	Getting Mentored and Coached	274	128
	CD Work life Balance	737	737
	Customer Service Essentials	4,481	4,481
	Fixed vs Growth Mind-set	265	265
	CD Negotiation Skills	222	222
	CD Feedback Essentials	1,237	1,237
	OHL delivering Impactful Presentation	1,875	1,875
	OHL Advance Analytics	58	58
	CD Stakeholder Management	1,258	1,258
	OHL Goal Setting	1,875	884
	Project Management	278	278
	Time Management (Intermediate)	4,201	2,479
	Effective Communication (Regional language)	4,566	2,284
	Building Trust (Regional language)	5,703	2,852
Time Management- Basic (Regional language)	3,054	1,527	
Feedback (Regional language)	4,598	2,299	
Delegation - Regional Language	5,063	2,532	

Name of Training	Training Programme	No. of Participants	No. of Training hours
Functional Training	Food Safety	5,201	2,601
	Selling Skills	5,434	2,717
	Health & Safety	5,375	2,688
	Professional Grooming	5,139	2,570
	Finance Essentials	28	28
	Business Statistics	64	64
	FG OHL Excel Intermediate	229	229
	FG OHL Excel Advanced	239	239
	Store Team Huddle (Regional Language)	5,349	2,824
	Covid Guidelines	5,353	5,353
	Store Customer Sensitivity	330	330
	2 PM folder	150	600
	Loss Prevention Compliance Training	14	56
	Membership	80	40
	Customer Service FAQ	327	327
New Product / App	RRL Receiving Process	5,905	8,039
	Offline Delivery Roll Out - Generic Walk-in creation & LMD	772	1,383
	IST process - RRL	450	900
Saksham	Team Member to Assistant Team Leader Training	96	3,840
	ATL to TL	90	1,440
	Team Leader to Assistant Store manager Training	59	944
	ASM to SM	1	16
Prarambh Training	Induction programme for new joinees	936	21,888

Training & Development Data for Big Bazaar – 2020-21

Name of Training	Training Programme	No. of Participants	No. of Training hours
Big Bazaar			
Avesha Training	Training & sensitization program for stores employee on dealing with PwD customers	4,244	3,444
Big Days Refresher Training	Refresher trainings provided to employees in preparation for the Big Day sales to ensure excellent customer experience	749	749
Cashiering Training	Cashier training to ensure quick and effective cashiering with minimized errors	1,873	1,679
Covid-19 Safety Training	Training on Covid-19 safety protocols and prevention & precautionary measures to be followed for the safety of employees and customers	12,056	6,695
Cross Functional Training	Cross functional skills development training to enhance multi-skilling and improving overall business & sales	2,076	2,176
Customer Service & Selling Skills Training	Customer Service & Selling Skills Trainings provided to employees to enhance customer experience & delight and improve sales	8,204	6,282

Name of Training	Training Programme	No. of Participants	No. of Training hours
Employee Benefits Training	Training provided to employee on various employee benefits such as PF, ESIC, etc.	4,739	4,630
Employee Health & Wellbeing	Various programs conducted towards employee health & well-being such a women safety & self defense, yoga, webinars on mental health, etc.	597	1,077
Fire Safety & First Aid Training	Fire Fighting, Personal Safety, Evacuation Drill, First Aid	6,435	6,024
Food Safety Training	Food Safety Training for Food Handlers	868	983
Leadership Skills Training	Trainings conducted to enable development of various leaderships skills of supervisors and managers	651	543
Online Business & Home Delivery Training	Trainings conducted to familiarize and train employees on various aspects related to the Online Business & Home Delivery on shop.bigbazaar.com	3,111	4,494
Product Training	Various product knowledge trainings provided to store employees to improve operational excellence	3,862	3,534
Shankh Training Modules	Short and easy learning modules for training store employees on various aspects related to day-to-day operations as per business requirements	925	616
Soft Skills Training	Various soft skills training provided to store employees that focuses on their personal development and growth	3,694	3,236
SOP & Process Training	SOP and other process related training provided to stores employees to improve operational excellence	10,982	9,386
STRIDE Program	Promotional training programme for Assistant Store manager to nurture skills for becoming a Store Karta	16	528
Visual Merchandising Training	Trainings focused on improving visual merchandising and displays at the store to improve the overall customer experience	459	327

POSH Training

Your Company is committed in upholding the fundamental rights of a person to equality and living with dignity. The policy on Prevention of Sexual Harassment (POSH) deters violation of the rights with the objective to create a safe and secure workspace for all its employees.

The Company provides proper introduction to new joiners during induction about the POSH policy and procedures in place. The training session conducted create basic awareness on the employer's responsibilities, aspects of safe working culture, illustrative examples on acts of sexual harassment, fundamental rights of female employees, code of conduct, policy, current scenarios, working etiquette, and disciplinary actions taken against the person/s found guilty.

Intensive workshops are conducted for senior managers and those whose daily functions require contact with large groups of colleagues or customers.

Group level training for 2020-21:

Name of Training	Training Programme	No. of Participants	No. of Training hours
LEAP Program	Training programme defined to develop competencies of managers (Band 4A) to sharpen their leadership skills and creating a leadership pool to take up larger responsibilities	21	714
POSH Training - Big Bazaar	Training Program for Prevention on Sexual Harassment awareness	6,482	9,723



Khushali program (Employee wellbeing)

The well-being at workplace is important and plays a central role in increasing competence, happiness and satisfaction of employees. Last year your Company initiated various programs through a plethora of corporate partnerships under the Group's Khushali program focusing on home, health and crèche. Keeping in mind the wellbeing and safety of our employees during the Covid-19 pandemic, we have rolled out an awareness program to ensure that our frontline employees are vaccinated.

Flexi Time Benefits

- Employees are provided the liberty of a flexi time window on need basis to achieve a work life balance;
- The Company provides its employees an assistance plan to help address personal and professional challenges and situations that might be hindering growth and well-being of employee(s) on need basis.

Employee Engagement

Event Name	Location	Date/Frequency	Activities Undertaken
Birthday celebration	Zonal Office/ Stores	Monthly	Cake cutting
Women's Day celebration	Zonal Office/ Stores	8th March 2021	Cake cutting,
World Environment Day	Stores	5th June 2021	Plant distribution & Plantation Drives across stores
Retail Employee's Day	Zonal Office/ Stores	12th Dec 2020	Cake cutting Thank you Notes to the Employees
One on One Meeting	Stores	Monthly	Store Karta once in a month
Festival Celebrations	Store & Zonal Office	Annually	Celebrate important festivals with employees and community (club members)
Store Party based on Membership Contest	Stores	Monthly	Winners get to party on achieving the target

Below activities were undertaken during the year 2020-21 for small format stores:

- Encouraged participation of store employees in various in-store competitions;
- Undertaken reward and recognition activities on a periodical basis at store and office level and appreciated efforts towards customer service every day and specially on Retail Employees' Day;
- Celebrated festivals and traditional days;
- Rewarded and recognised store employees monthly for enrolling maximum Easyday/Heritage Fresh club members;
- Celebrated Women's Day;
- Published SF weekly Bulletin to keep employees engaged, to make them aware of the Business development and to encourage & promote best practices across the Zones.

- Employee have options of punching and regularization of biometric attendance log and inter-acting with respective reporting managers thru' dedicated application.

Promotional incentives for Employees:

The Company's small format stores like Heritage & Easyday engages with its employees to explore ways to address store/zone specific challenges by providing various C&B such as:

- Local travel allowances on actuals as deemed necessary.
- Providing transfer options for our store employees to other store locations or relocation to home store locations;
- Incentivizing store employees for enrolling Heritage/Easyday club members through monthly Membership Incentive program

Facilities for employees with special needs

In the Company's endeavor to be inclusive, investments in creating access to people with disabilities are ongoing. FRL stores have access to facilities such as ramps, wheelchairs, accessible changing rooms and washrooms. Employees of FRL are trained in sign language, making it comfortable for shoppers with speech and hearing impairment and also allows people with disabilities to easily adapt to their role, if employed.

The Company also creates an enabling work environment for people with autism by implementing the Quiet Hour program during the early hours of store opening on an identified day at specific stores.

Employee Retention

An employee assistance plan nurtures employees and assists in adapting to and achieving both personal and professional goals. The Company also encourages employees seeking a change in job role by inviting

applications through an Internal Job Postings in other business verticals within the Future Group so as to create new experiences and learnings.

PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

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

As corporate citizen, we should respect the interests of, and be responsive towards all stakeholders, especially those who are-disadvantaged, vulnerable and marginalized. Engagement with stakeholders allow your Company to identify, initiate, prioritize, communicate and also address the sustainability impacts and opportunities. The Company engages with a wide range of stakeholders including the investors, employees, customers, suppliers, community and media personnel with the purpose of collaborating and resolving operational challenges collectively.

Government and Regulators

Your Company deals and interacts with various statutory bodies as and when required, during the course of its business operations and it maintains statutory records and also ensures compliance to applicable laws.

Investor Engagement

The Board of Directors is always committed to deliver long term value for its shareholders. Whenever required,

the senior management and the investor relations team have meetings with institutional investors to showcase the Company's performance in past.

The General Meeting on an Annual basis provides the shareholders of our Company an opportunity to engage and interact directly with the Board Members and the Management. Proper care is being taken while communicating so that no information or news that is provided to shareholders, is considered unpublished price sensitive information and which may have a potential to influence price of securities of the Company.

The Company engages with an external public relations agency, with the clear objective of informing target audiences about developments so that interested stakeholder communities have proper access to all relevant information. Wherever applicable and required, any information being shared with media is also filed on the stock exchanges and is also made available to all relevant stakeholders. The Company announces financial results and other material events, through statutory filings with the Stock Exchanges, media releases, and vide the Company's website.

Employee Engagement

The Company relies and respects the qualification, experience and skills of all its employees to contribute to and deliver on key objects of the organization. The inclusivity and openness culture resulting from various engagement programs ensures retention of key resources that are important to a happy community. These engagements are summarized below

Employee Engagement Data for Big Bazaar - 2020-21

Sr. No.	Engagement Program	Activity	Frequency	North & NCR Zone	South & APTS Zone	West Zone	Mumbai Zone	East Zone
01	Medical Check-up Camp	Medical Check-up camp organized at stores	20-Mar-21		Yes			Yes
02	International Women's Day	Cake cutting, fun activities and personal development sessions to appreciate women employees	8-Mar-21	Yes	Yes	Yes	Yes	Yes
03	Covid Testing	Covid Testing of employees at stores to ensure safety of employees and their family	2-Mar-21		Yes			Yes
04	Eye Check-up Camp	Eye Checkup camp organized at stores	Mar-21			Yes		
05	Holi	Celebrations with FBB colour wali selfie contest and Guziya distribution	Mar-21	Yes				Yes
06	Blood Donation Camp	Organised at stores on selective dates	Mar-21	Yes				
07	Saraswati Puja	Puja with prasad and dressing in traditional attire	16-Feb-21					Yes



Sr. No.	Engagement Program	Activity	Frequency	North & NCR Zone	South & APTS Zone	West Zone	Mumbai Zone	East Zone
08	Republic Day	Flag hosting and Sweet Distribution	26-Jan-21	Yes	Yes	Yes	Yes	Yes
09	Lohri	Celebrated with Born Fire, Dance and Winter snacks	14-Jan-21			Yes		
10	Makarsankranti	Haldi Kum, Rangoli and Flying kites	14-Jan-21		Yes	Yes	Yes	Yes
11	Pongal	Pongal Competition, Traditional dress code & Sweets	14-Jan-21		Yes			
12	New Year	New Year celebration, cake cutting and fun activities	1-Jan-21	Yes	Yes			Yes
13	Aabhar Day Celebrations	To show our aabhar/gratitude to our customers & employees families. Customers were invited to the store to thank them and express our gratitude for supporting in the pandemic period. Employees parents & families were also invited to thank them	Jan-21	Yes	Yes	Yes	Yes	Yes
14	Chai Pe Charcha	Informal meeting between Manager and employees	Jan-21	Yes				
15	Christmas Day	Christmas celebration, cake cutting and fun activities	25-Dec-20	Yes	Yes	Yes		Yes
16	Retail Employees' Day	Cake cutting and fun activities to appreciate retail associates	12-Dec-20	Yes	Yes	Yes	Yes	Yes
17	International Men's Day	Fashion Ramp Walk for Men employees	19-Nov-20	Yes				
18	Kannada Rajyotsava	Flag Hoisting and sweets distribution	1-Nov-20		Yes			
19	Diwali Celebrations	Laxmi Pooja, Diya Painting, Ethnic Dress Contest, Pooja and fun activities	Nov-20	Yes	Yes	Yes	Yes	Yes
20	Bijaya Dasami	Short program with sweets distribution	Oct-20					Yes
21	Dusserha	Short program with sweets distribution	25-Oct-20		Yes			Yes
22	Kaati Bihu	Celebration of the Assamese Bihu along with staff and Prasad Distribution	17-Oct-20					Yes
23	Biswakarma Puja	Short celebration with sweets distribution	17-Sep-20					Yes
24	Vishwakarma Jayanti	Pooja of tools & machines	16-Sep-20	Yes		Yes		Yes
25	Teachers Day	Felicitation of Store Gurus	5-Sep-20			Yes		Yes
26	Ganesh Chaturthi	Pooja, sweets distribution and celebrations	22-Aug-20		Yes	Yes		Yes
27	Onam	Dressing up in traditional attire & sadhya	31-Aug-20		Yes			

Sr. No.	Engagement Program	Activity	Frequency	North & NCR Zone	South & APTS Zone	West Zone	Mumbai Zone	East Zone
28	Independence Day	Flag Hoisting & sweet distribution	15-Aug-20	Yes	Yes	Yes	Yes	Yes
29	International Yoga Day	Awareness session on the benefits of Yoga	21-Jun-20	Yes		Yes		
30	Eid	Eid celebration with sewai and traditional desserts	23-May-20		Yes			Yes
31	Team Building Activities	Various team building activities like quizzes, scavengers hunt, team activities and fun games are hosted to build teamwork & collaboration	Periodic	Yes	Yes	Yes	Yes	Yes
32	Indoor & Outdoor Activities	Various indoor and outdoor sports events like carom, badminton, cricket and cycling are hosted to engage employees and boost team morale and well being	Periodic	Yes	Yes	Yes	Yes	Yes
33	Rewards and Recognition	Store employees are rewarded and recognized on a monthly basis in categories such as best cashier, best seller, etc. The best performers are showcased in the prime display window of the store for 5 days.	Monthly	Yes	Yes	Yes	Yes	Yes
34	Other Festival Celebrations		As per calendar					

Customer Engagement

Your Company is always committed for creating positive experiences for its customers through various in-store and online platforms including community events, promotional offers, social media and influencer led engagement and other activities like competitions.

Through unique activations to promote local festivals at stores in each zone the store staff deepen customer engagement and affinity. Our Customers are invited to contribute to and participate in the larger social well-being of the community.

The Company undertakes several initiatives at Big Bazaar stores where the customer plays a pivotal role in driving change within the society it resides. Some of the co-branded campaigns and events making a difference to the society and environment are as follows:

Program Name	Program Objective	Program Partners	Date	Location	Engagement Description
Store to Society- During Covid-19- Mobile Van & Pop up store	Provide daily essentials in safety of customers home	NA	April, May & June 2020	East UP Stores Lucknow, Kanpur Allahabad, Gorakhpur & Varanasi	Making essentials available in the catchment through Mobile Van shop and society pop up stores



Program Name	Program Objective	Program Partners	Date	Location	Engagement Description
Society Supply Initiative	Supplying Essential groceries to the society's during lockdown	NA	April, May & June 2020	Kolkata	During nationwide lockdown in 2020 customers were unable to come out of their houses. Big bazaar took a initiative to supply necessary essential household items to the society's.
Delivering essential on personal vehicles	Making daily essentials available		May - June	Bangalore & ROK	Store staff went out of way to help the customers. Delivered essentials on personal vehicles
Serving Covid Heroes- Local Police	Thank & encourage COVID heroes	Local Police Authorities	May - June	Nashik	Distributed food packets to the local police of Nashik
Quiet Hour	Making Daily essentials available to differently abled people		May - June	Nashik	Supported the disabled people to buy their essentials and escorted to their home
Dog Feeder	Support feeding pet animals		May - June	Mangalore	25 kg of rice & biscuits were delivered to animal shelter. Supporting animals in these testing times
Asha Worker	Spread awareness about staying indoor	Asha Social Health activist	May	TN & Kerala	Created awareness about Stay Home and Stay safe with Asha workers.
Home Delivery-Tie up with Local Authority	Making Daily Essentials available	Local Authority	May	Ahmedabad	Partner with local authority to delivery essential during the peak covid times in the radius of 25km. Went far ahead of our catchment to serve customers
Essentials Delivery-Tie up with Municipal Corporation	Home Delivery of Daily Essentials	Municipal Corporation	May	Vadodara	First ever venture with Vadodara municipal corporation where store's home delivery numbers were flashed on their portal
Delivering Essentials- Tie up with Rajkot Municipal Corporation	Making Daily Essentials available	Municipal Corporation	May - Dec	Rajkot	Delivered home essential to approx. 4k quarantine families by collecting database from regional municipal corporation
Associated with CM Office	Home Delivery of Daily Essentials	CM office	April	Rajasthan	We had tied up with CM office and was the first brand to start home deliveries
First Brand to start with Home Delivery	Helping city administration to make daily essentials available		April	Gujarat & Rajasthan	In Gujarat & Rajasthan went out of the way to deliver home essentials at customer's doorstep by using personal vehicles
Inauguration of Home Delivery	Helping city administration to make daily essentials available	Local Police Authorities	April	Jaipur	One of the first brands in Jaipur to start Home Delivery. DCP of Jaipur came to inaugurate the first home delivery of Big Bazaar

Supplier / Vendor Engagement

In this challenging year, FRL stores opened online channels for sales, when the markets were in disarray. Vendors had little or no access to trade and most channel for sales were under lockdown. At such a time we opened stores to allow them to continue sales. Our stores worked within guidelines to sell all essentials as well as other permitted goods to allow the supplier's outlets for sales as local markets experienced patchy store openings.

Your Company respects and also emphasizes that building a trusted partnership with its suppliers is very critical in ensuring timely and proper delivery of quality products. The Company works closely with vendor partners to offer the best possible price to its customers. This allows mutual growth opportunities for concerned vendor partners. In doing this, the Company interacts with its suppliers on a regular basis and also addresses common concerns and issues like margin improvement opportunities, tracking of delivery process and system, sharing feedback, working on score card on periodical basis to improve the complete supply chain cycle.

In order to continue the responsible sourcing practices in its supply chain, the Group endeavors to build capabilities of its suppliers through engagements that sensitize them to the challenges, help set goals/targets and raise standards.

The supplier code of conduct being adopted and implemented parallels the supplier audit requirements. In doing so the Group always seeks to source products that have also been produced responsibly, efficiently, and under environment friendly conditions, where labour and social compliances for employees and workers particularly contract, migrant and women workers are met.

Media

The Company collaborates with both online and traditional media channels to update its stakeholders on key achievements, partnerships, associations, activities thus increasing brand visibility, credibility and awareness. This also includes details of latest developments in product offerings, offers and any other event that invites customer participation.

Further, Big Bazaar's Sabke Liye programme has been compiled into a case study compendium by experts in the retail sector with an objective to mainstream inclusion of people with disability across India.

During the reporting period, various activities of the Company were recognized and appreciated by

corporates, not for profits, government bodies and media houses specially during unprecedented COVID period. The Company maintains transparency and accountability in its actions by positively responding to concerns that impact the stakeholders and commit to their trust in the Company.

Communities

The Company always strives to build confidence with communities in areas where it operates in partnership with employees, customers, and external agencies / NGOs. As identified in past, the Company shall continue its good practice of providing services to all customers who are disadvantaged, vulnerable and marginalized around the store catchment area, and engages with them.

Community Type	Frequency of Engagement
Persons with Disabilities	Quarterly
Autism	Weekly
Underprivileged Children	Annually
Senior Citizens	Annually
Religious Communities for Festival Celebration	Annually

PRINCIPLE 5: HUMAN RIGHTS

Business should respect and promote human rights

The Company recognizes and also understands its obligations to respect and protect human rights. This obligation and expectation of the Company is being communicated to all stakeholders.

Respecting the requirement of labour law and the community, the employee contracts, legally binding work orders, labour contracts or service provider's agreements embrace the human rights provision that recognizes the compliances with reference to the applicable labour laws. The service conditions and remuneration as part of the agreement are briefed to all employees - permanent and contractual.

No Child Labour

Your Company has always shown zero tolerance towards appointment of child labour in its operations. As required, it has always hired any individual above the threshold limit of 18 years and above. People Office team ensure proper verification of data of all candidates hired or contracted through scrutiny of essential documents before offering employment / contract.



No Forced Labour

Your Company is continuing its policy of prohibiting forced labour in its operations and ensures no candidate is hired by its third party contractors based on an individual bond, debt or obligations towards the facility or any representative of the Company.

It is good to inform that your Company does not charge deposits or a recruitment fee from the candidate to secure employment / contract. FRL respect the decision of its employees and does not restrict the freedom of the individual to resign from employment at any time without penalty by giving reasonable notice.

Non- Discrimination

Your Company is always committed to provide equal treatment for all. FRL always believed in conducting all recruitment activities through a gender neutral job description, with an evaluation process that is fair, transparent and unbiased towards any caste, race, religion or gender.

A well-defined and adopted appraisal process determines the training of an individual employee through nominations with the purpose of improving their skills and also adding value to the organization.

The Company continue to improve its compulsory training of managers as part of Assessor's Certification to minimize such risks in evaluation processes.

Working Hours and Fair Wages

Your Company is committed to complete deployment of wages / salaries that meet employee's economic security and needs and in adherence to local state laws. The Company believes and also remunerates its employees based on skills and experience. The Company additionally rewards employees with target based incentives and festive bonuses. Eligible employees are benefitted with PF, ESIC, and EPS schemes as applicable.

As per Future Group policy, the Company does not encourage employees to work overtime beyond the prescribed working hours. All workers are entitled to weekly off on completing 6 days of work. Further, all holidays are pre-decided based on local customs, national and international importance.

A biometric attendance system maintains records of the shift schedules for all employees across stores and offices. A wage documentation explicitly mentions wage

calculations on basis of hours of work with transparency on all bonuses, incentives and deductions.

Freedom of Speech

Your Company implements an open door policy to allow its employees to raise their ideas and concerns, if any. A well-defined system for redressal of grievances allows all concerns to be escalated and resolved through a designated channel. The Whistle Blower Policy adopted by the Company details out the procedures, confidentiality and the actions to be undertaken while registering the complaint.

The internal huddles and discussions are conducted in a manner that employees from various bands and functions have a window to share their ideas as well as feedback on any ongoing initiative.

PRINCIPLE 6: ENVIRONMENT

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

The priorities of organisation is to improve resource efficiency, increase its productivity and also create a positive environmental impact. The Company embraces this roadmap while adhering to the Group's sustainability guidelines on Energy and Carbon, Water Stewardship and Waste to Wealth policies. During the reporting period, the COVID 19 lockdown restrictions broke the flow of sensitizing its vendors, suppliers for adopting best BRR practices. However, in coming period this activity will pick speed resulting in the improvement in sensitizing its employees, vendors, supplies etc. This will also identify solutions by partnering with technology service providers and not for profit organizations with an endeavour to create a positive environmental impact.

Energy Efficiency and Climate Stewardship

The Group's related policies in relation to energy consumption connected measures provides guidance towards rational use of energy through the business.

The Company always endeavours to benchmark performances against an internal rating standard developed in accordance with the guidelines provided by the Bureau of Energy Efficiency. In its endeavor to meet its internal targets, the Company will continue its rating programme in which standalone Big Bazaar and fbb stores would continue to participate.

The rating methodology factored in current energy consumptions per square foot, use of renewable energy, temperature and climate characteristics.

(₹ in crore)

	FY 20-21	FY 19-20
Number of standalone stores	371	384
Electricity Purchased (KWh)	8,10,32,518	21,73,85,523
Electricity generated from Diesel (KWh)	31,80,770	52,41,455
Renewable energy (KWh)	3,94,747	8,95,862
Total Electricity Consumed (KWh)	8,46,08,036	22,35,22,840

The Company invests in retrofits that support release clauses with landlords or developers and still remains an asset for the Company.

The technology adoption has resulted in reduction in electricity usage on an average per month per store for identified Big Bazaar stores. The Company would continue focusing on increasing the number of stores connected to this centralized consumption management platform and monitoring electricity consumption of this network of connected stores.

Covid scenario has affected the planning and operations as narrated below:

- No major new energy conservation measures were initiated due to Covid as store operations were following lockdown in states and hence for restricted number of hours;
- In few states scheduled training programs could not be completed due to Pandemic situation;
- Footfalls, operation was hit resulted in non-operation of high energy consuming Assets;
- The Company was able to meet the set energy consumption targets by rigorous monitoring and ensuring consumptions are in line with the business;
- No new renewable energy generation was added;
- Energy consumption were controlled to 30% of pre-covid period.

Materials and Packaging

The Company always endeavours to have optimized packaging use, utilize recyclable materials, and replace disposable or recyclable items with reusable ones. It address use of plastic packaging in value chain based on Reduce-Recycle-Reuse strategy.

All efforts are being made to ensure its commitment to create awareness and engagement for stakeholders to reduce use of plastic and paper in its operations. In upcoming years, Big Bazaar stores endeavours to undertake an activity to understand its plastic footprint at the front-end of business and its related impacts.

Reducing Use of Plastics

Big Bazaar, Small format and other stores has continued its best practice of reducing use of plastic within its operations by:

- Increased use of cotton / cloth bags and avoid using plastic shopping bags;
- Use of paper bags and replacing plastic bags on rolls used at staples, fruits and vegetables counters;
- Use of bagasse and wooden materials by replacing single use plastic cutlery used in food services.
- Replacing cling wraps made of plastic with biodegradable cling wrap;
- Use of oil resistant parchment paper bags in the bakery section;
- Encouraging customers to use reusable glass bottles, to package desserts, fruit juices, honey and saffron;
- Using paper cups and bagasse containers for home deliveries;
- The format will continue to explore the following for its gifting purposes
 - o Wooden boxes and trays;
 - o jute bags, potlis, linen pouches for saffron etc.
 - o Corrugated boxes, for fruit gifting and snack boxes.
- Procuring cotton bags from various self-help groups and SMEs to replace plastic bags;
- Replacing the container used for selling merchandise in stores made of plastic with reusable products.

Next Steps

As corporate citizen, FRL is sensitive towards pollution caused due to packaging waste, disposable plastics and its negative impacts on our ecosystems. The Company strives to create awareness and explore the use of recycled, reusable, renewable content in packaging, reduce the use of non-recyclable PVC, polystyrene containers in-store and also encourage customers to re-use check out bags.

In new normal situation, the Company will work with experts and stakeholders, including sustainable



packaging forums to participate in adoption of recyclable, reusable, eco-friendly packaging materials including food and beverage containers that is recoverable at end-of-life.

The upcoming reporting period will measure, monitor and report progress against commitments and evaluate feasibility, review improvement on a periodic basis.

Accept the Challenge Go Paperless

In past your Company had initiated this program in the previous year(s) and have extended the challenge to reduce paper footprint across operations over the established baseline of previous years. However, it was not possible to measure the achievement as information was not comparable while the offices and stores were closed in order to adhere to COVID guidelines.

Big Bazaar will continue to undertake the following initiatives:

- Reduced POS roll core size whereby resulting in reducing paper wastage within acceptable range set by internal team;
- Use of biodegradable bags where feasible;
- Try and eliminating multiple prints for return to vendor (RTV) and home delivery services;
- Wherever possible have centralized visual merchandise (VM) printing.

Waste to Wealth - The Circular Loop

The Company is aware and also recognizes that every material has value not only at production and use but also at the end of life. The generation of any waste materials is the significant under-utilization of resources and products. Waste generated at its offices and stores is managed as per applicable norms, is segregated at source and handed over to waste handlers.

Big Bazaar stores will continue its journey to actively participate in identifying waste streams in its operations and reduce its waste footprint to landfill through partnerships with not for profits.

In the upcoming period, the Company will continue its best practice of organising various awareness creation campaigns to reduce wastage, conserve resources and promote circularity through its recycling programs and responsible management of wastes.

Awareness Creation World Environment Week

We continued to celebrate World Environment Day theme in identified states and certain identified stores with the objective to spread awareness on improving air quality.

Employees were encouraged to use the pen first, plant it in moist soil to allow it to degrade organically and share photos of the plant as it grows.

In upcoming period, the Company will continue its participation of taking pledges to conserve the environment and planting saplings at their facilities.

Environmental Compliances

No cautionary / show cause notices were received of non-compliance with regulations or penalties or fines from either of the State Pollution Control Boards (SPCBs) / Central Pollution Control Board (CPCB) concerning the activities undertaken by the Company's operation during the reporting period.

PRINCIPLE 7: PUBLIC ADVOCACY

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

Your Company focuses on building excellence in core retail, while inter-acting with various key stakeholders. The senior leadership team will continue to share invaluable experience to provide incisive insights at various conferences involving industry leaders as knowledge sharing practice.

FRL is always committed to public good, however the Company has not actively advocated or lobbied directly with government officials or institutions. Your Company actively participates in industry events and is a member of the Retailers Association of India (RAI). The operational team will continue to learn from the best practices of others.

Management and the senior leadership team interacts with various professional bodies and organizations to understand and also anticipate the government regulations, economic scenario, industrial environment and advancement of public goods and services.

PRINCIPLE 8: INCLUSIVE GROWTH

Business should support inclusive growth and equitable development

At heart of your organization, is the inclusive and sustainable growth through engaging with and addressing stakeholder expectations and concerns. These are main objects to achieve 'Happy Communities', hence this pillar forms an integral part of the Company's strategy. The Company would continue its community programs in partnership with not-for-profits in order make a positive contribution by responding to local and national needs, listening to the voice of the disadvantaged stakeholder and also empowering our customers to participate in this initiatives.

Big Bazaar is continuing its good initiatives of Sab Ke Liye Big Bazaar : Empowering Persons with Disabilities. This initiative is committed towards making shopping a reality for everyone. Big Bazaar continue to strives to make more stores accessible for its stakeholders who may have cognitive, developmental, intellectual, mental, physical or sensory impairments.

The real joy of shopping is a feeling that comes from navigating, browsing on retail shelves, discovering, talking, bargaining and shopping like any other shopper. Your Company believes that every customer be it a senior citizen, pregnant women, temporarily disabled & people with disabilities should experience this. Big Bazaar 'Sab Ke Liye' initiative has resulted identified Big Bazaar stores having disability friendly trial rooms, accessible washrooms, wheelchair friendly ramps, shopping assistance, sit down billing, free home delivery and priority checkouts for shoppers with special needs.

- With the tested knowledge on queuing and shopping with safe norms, our market teams helped the local authorities adapt the standard operating procedures for general trade and local wholesale markets. This included local cascade in micro trade communities and building appropriate signage to be used in the trade;
- The lockdown meant breakdown of local supply chains and this impacted the small enterprises most, small brand businesses and vendors of perishables. There was immense pressure on these vendors given the sudden break of operations. The stores put a plan to assist these vendors by working closely with them on daily forecasts of inventory and managing a small but continuous flow of cash flow to these vendors, ensuring that many of them didn't go out of business;
- In the same space, the stores put into action a well-orchestrated last mile delivery plan with rickshaw, taxi and tempo operators in the nearby catchment, people who were otherwise severely impacted by a near end of their natural demand;
- Many stores helped local NGOs to construct simple, affordable essential packets for migrants and other people impacted by the lockdown.

Big Bazaar Major Sales Events

Big Bazaar has always pride and been able to integrate inclusivity as part of their major sales events like "Mahabachat" celebrated on the Independence Day and the "Sabse Saste 5din" celebrated during the Republic Day week.

Big Bazaar in its steady commitment to make its shopping space accessible to PWDs. Differently-abled citizens were

able to enjoy all the 'shopping discounts and offer' where they received the benefits of shopping assistance, priority counter billing, home delivery, wheelchair upon request.

Humanitarian Relief

Disasters amplify human suffering, this demands coordinated, and swift relief efforts. In upcoming years, and if required the Company endeavours to provide access for CSR activities via the Sone Ki Chidiya Foundation for emergency relief efforts through its network of stores and distribution centers.

Social Responsibility Programs

Pursuant to the requirements detailed in Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 issued by the Ministry of Corporate Affairs ("MCA") the Company has in place its Corporate Social Responsibility ("CSR") policy.

During the year under review, the Company has intensively worked on enhancing vocation skills and skills development and contributed by imparting training to the Apprentices and Students under the National Employability Enhancement Mission (NEEM) and National Apprenticeship Promotion Scheme (NAPS), schemes launched by Ministry of Skill Development and Entrepreneurship, Government of India.

The objective of the NEEM is to "offer on the job practical training to enhance employability of a person either pursuing his or her post-graduation/graduation/diploma in any technical or non-technical stream or has discontinued studies after Class 10th to enhance his/her employability and to provide financial incentives, technology and advocacy support.

During the year under review, the Company has spent an amount of ₹ 13.70 crore towards stipend / administrative fee and/or working capital spent on the aforesaid activity, which was in excess of mandatory CSR obligation of ₹ 10.08 crore required to be spent by the Company during the year 2020-21.

PRINCIPLE 9: VALUE TO CUSTOMERS AND CONSUMERS

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

There were containment zones that needed special attention on making deliveries. Other than stringent norms, there was the fear of unknown making these zones served by very few retail players. Our stores immersed in all the safety norms locally published, undertook all hygiene precautions and went out of the way to serve citizens in these containment zones.



A dedicated helpline was set for citizens who were most vulnerable in the times of sudden lockdown. This included senior citizens, people with disabilities and households with multiple people in quarantine. Engage with RWA heads and Housing Society Managers.

Customer value creation is primary to our business. In order to lend credence to its motto ‘Sab Ke Liye’, the Company consistently works to fulfill aspirational and the basic needs of its customers, whereby increasing customer loyalty and satisfaction towards brands it has built.

The Company is always committed for disclosing information truthfully and factually, building trust and also providing cautionary statements with transparent communication. The Company ensures that its marketing & advertising campaigns and other communications targeted to customers or stakeholders do not mislead or confuse the stakeholders and also it doesn't violate any of the principles or regulations applicable under the law of land.

Customer privacy is always zealously guarded: customers who choose to participate in membership programs are properly informed (at the time of enrolment) and then makes a choice to receive information with regards to offerings and promotional events. We respect the decision and choice of customers in case they choose not to receive any communication from the Company.

Periodical trainings are conducted by Learning and Development Teams for various store employees including Customer Service Teams at stores to ensure customer service level is improved vis-à-vis last year performance. These also includes improving knowledge of various products, enhancing salesmanship skills, improving soft skills required to have a polite and gentle conversations with all customers.

FRL has integrated Microsoft CRM with Field Partner CRM for complete transparency and visibility of field service. Training is also conducted to improve knowledge of technology especially the CRM which handles customer grievances and feedback.

The customer based survey, internally branded as Voice of Customer (VOC) runs on the Net Promoter Score (NPS) platform. The parameters that measure NPS include product quality and availability, store helpfulness and service quality, billing experience, store ambience and services, overall membership program experience. A customer receives an SMS post billing and is requested to provide their feedback.

Parameters	Rating Scale
We request your valuable rating of the overall shopping experience. It will help us work to delight also your family & friends when they visit us	0-10
Product quality and availability	1-5
Store helpfulness & service quality	1-5
Billing experience	1-5
Store ambience & services	1-5
Overall membership program experience	1-5

The Google Ratings as an internal standard rating and the same is been tracked store-wise. For stores having a rating below threshold, store managers are empowered to engage and resolve the issues promptly with the concerned customers.

Customer Grievances

Your Company has always adopted customer centric approach and it engages proactively with customer. It has set in place a robust grievance mechanism that is deployed through its customer relationship management (CRM) software.

The standard customer grievance redressal mechanism is as follows:

- All complaints are tagged in e-CRM;
- Call Center contacts customers and confirms the resolution;
- Store calls customer to address the issue; and
- Resolution is provided as per nature of complaint:
 - If customer is satisfied with resolution, then the case is closed.
 - If the customer is not satisfied with resolution the case is re-opened and escalated for priority resolution.

The Company endeavours to resolve customer complaints within 24-48 working hours of receipt of complaint from the customer based on actual data available and availability of products / services. For Big Bazaar stores, total customer grievances received during the reporting period were 71,256 at FRL stores and contact center; Out of which 70,737 complaints have been satisfactorily resolved. There are 519 complaints that remain pending for BB stores.

There are no case filed by any stakeholder against the Company regarding irresponsible advertising and/or anti- competitive behavior during the reporting period.

5 YEAR FINANCIAL SUMMARY
Key Highlights of Financial Position

(₹ in crore)

Particulars	Mar-21	Mar-20	Mar-19	Mar-18	Mar-17
Share Capital	108.46	105.48	100.52	100.40	94.36
Reserves & Surplus	1,090.69	4,173.38	3,751.43	2,995.87	2,459.30
Net Worth	1,199.15	4,278.86	3,851.95	3,096.27	2,553.66
Total Borrowings	11,195.51	8,889.43	2,657.04	1,286.41	1,244.13
Capital Employed	12,394.66	13,168.29	6,508.99	4,382.68	3,797.79
Net Block	5,195.70	1,716.93	1,440.82	1,018.56	553.78
Investments	114.42	114.42	104.00	0.01	0.00
Inventory	3,995.89	5,232.90	5,065.59	4,417.41	3,735.16

Key Highlights of Financial Results

(₹ in crore)

Particulars	Mar-21	Mar-20	Mar-19	Mar-18	Mar-17
Sales & Operating Income	6,261.04	20,118.32	20,164.90	18,477.97	17,075.09
Total Income	6,437.40	20,201.92	20,185.37	18,489.64	17,098.89
COGS	5,002.04	14,915.38	14,781.08	13,740.68	12,834.35
PBDIT	(389.41)	2,067.94	1,057.38	843.99	605.09
Interest	1,442.35	993.21	223.98	175.38	204.23
Depreciation	1,328.17	1,040.89	100.59	53.43	32.58
Profit Before Tax (excluding non-cash exceptional items)	(3,159.92)	33.84	732.81	615.18	368.28
Profit After Tax	(3,180.03)	33.84	732.81	11.31	368.28

Key Financial Ratios

Particulars	Mar-21	Mar-20	Mar-19	Mar-18	Mar-17
COGS / Sales & Operating Income(%)	79.89%	74.14%	73.30%	74.36%	75.16%
Interest / Total Income (%)	22.41%	4.92%	1.11%	0.95%	1.19%
PBDIT/ Interest (Debt-Service Ratio)	(0.27)	2.08	4.72	4.81	2.96
PBDIT / Total Income (%)	(6.05%)	10.24%	5.24%	4.56%	3.54%
PBT (excluding non-cash exceptional items) / Total Income (%)	(49.09%)	0.17%	3.63%	3.33%	2.15%
PAT / Total Income (%)	(49.40%)	0.17%	3.63%	0.06%	2.15%
Basic EPS (₹)	(58.86)	0.67	14.58	0.23	7.81
Debt Equity Ratio	9.34	2.08	0.69	0.42	0.49

Notes:

- 1 In the financial year 2017-18, the Company has a non-cash exceptional item of ₹ 603.87 crore resulting in reduction of profit by the same amount.
- 2 The financial results for the year ended March 31, 2019 are not comparable with previous years, due to effect given to demerger of Home Retail Business undertaking to Praxis Home Retail Limited and vesting of demerged Retail Undertaking of Heritage Foods Retail Limited and demerged Retail Business Undertaking of Hypercity Retail (India) Limited with the Company at different period of times during relevant financial years.
- 3 The financial results for the year ended March 31, 2021 are not comparable with previous years, since business of the company was severely impacted by the Covid-19 pandemic and observed a precipitous drop in footfall, revenues and profitability.



INDEPENDENT AUDITOR'S REPORT

To
The Members of
Future Retail Limited

Report on the Audit of the Standalone financial statements

OPINION

We have audited the accompanying standalone financial statements of Future Retail Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of

the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

EMPHASIS OF MATTER:

We draw attention to Note no.48 of the statement, which describes management's assessment of the impact of the COVID 19 pandemic on the financial results of the company.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Sr No	Key Audit Matter	Auditor's Response
1	<p>Revenue Recognition</p> <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</p>	<p><u>Principal Audit Procedures</u></p> <p>We assessed the appropriateness of the revenue recognition accounting policies, including those relating to rebates and discounts by comparing with new revenue accounting standard.</p> <p>Tested the relevant information technology system's access and change management controls which govern revenue recognition interfaces between different systems and key management controls over revenue recognition to assess the completeness of the revenue entries being recorded in the accounting system.</p> <p>We performed substantive testing by selecting samples of rebate and discount transactions recorded during the year and comparing the parameters used in the calculation of the rebate and discounts with the relevant source documents (including schemes) to assess whether the methodology adopted in the calculation of the rebates and discounts was in accordance with the terms and conditions defined in the corresponding schemes.</p> <p>Performed analytical procedures for reasonableness of revenues.</p>
2	<p>Valuation of Inventory</p> <p>We identified this matter as key in our audit due to the materiality of the value of inventories, and the numerous SKUs and high volume of movement in the inventory.</p>	<p><u>Principal Audit Procedures</u></p> <p>Assessment of the design, implementation and operational effectiveness of the relevant controls in place in the inventory management and measurement process.</p> <p>Evaluation of the inventory costing methodology and valuation policy established by management, including compliance with the applicable accounting standard.</p> <p>Assessment of the inventory costing methodology and valuation policy maintained and applied in the IT system.</p> <p>Obtained an understanding of management's estimate of business impact of COVID 19 pandemic on provision on inventories.</p> <p>Assessing the analysis and assessment made by the management with respect to slow moving and obsolete inventory.</p> <p>Verification of the determination of net realizable value on a representative sample basis.</p>
3	<p>Accounting for Lease Concessions under Amendments to Ind AS 116</p> <p>The Company has adopted the amendments to Ind AS 116 for the first time in the current year and consequently recognised ₹ 154.04 Crores as part of other income in the statement of profit and loss for the year ended March'21.</p> <p>The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116.</p>	<p><u>Principal Audit Procedures</u></p> <p>Assessing the design and implementation of the key controls established by the Company on significant estimates such as the revised lease term, lease payments and the discount rates.</p> <p>Our procedures to assess management's key modelling estimates and the completeness/accuracy of the underlying lease data included:</p> <ul style="list-style-type: none"> - assessing the discount rates used to calculate the lease obligation,



Sr No	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> - assessing the accuracy of the lease data by testing the lease data captured by management for a sample of leases through the inspection of lease documentation; - assessing the completeness of the commercial arrangements for the waivers by testing lease payments and comparing the same with the original agreements with revised negotiations and - For a representative sample of rent concessions received as a consequence of covid-19 related renegotiations, verification of the correct accounting in accordance with the regulation in force. <p>3) Evaluating whether the disclosures included in the notes to the financial statements are in conformity with the applicable standard</p>

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting

principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or

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

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

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

From the matter communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 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, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 on the Company's internal financial controls over financial reporting for the reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended,

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

the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For NGS & CO. LLP

Chartered Accountants
Firm's Registration No.119850W

Ashok A. Trivedi

Partner

Membership No. 042472
UDIN:21042472AAAAEN5337

Mumbai
July 29, 2021

ANNEXURE - A TO THE AUDITOR'S REPORT

The Annexure referred to in Independent Auditors' Report to the members of the FUTURE RETAIL LIMITED on the standalone financial statements for the year ended March 31, 2021, we report that:

- 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 Company have immovable properties of freehold or leasehold land and building as at March 31, 2021. Therefore, paragraph 3(i) (c) of the Order is applicable.
- 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 any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the, Companies Act, 2013 ("the Act"). Therefore, paragraph 3 (iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits as during the year from the public as mentioned in the provision of Section 73 to 76 and any other relevant provisions of the Act and rules framed there under apply. Therefore Paragraph 3(v) of the Order is not applicable to the Company.
- vi. To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Duty of Customs, Goods and Service Tax, Value Added Tax, cess and other material statutory dues, as applicable, have been regularly deposited during the year by the company 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, Sales-tax, Duty of Customs, Goods and Service Tax, Value Added Tax, cess and other material statutory dues were in arrears as at March 31, 2021, for a period of more than six months from the date they became payable.

However, according to information and explanations given to us, value added tax , Service Tax and other statutory dues have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of the dues	Amount (₹ In Crore)	Period to which the amount relates	Forum where dispute is pending
The Indian Stamp Act, 1899	Stamp Duty	14.01	FY: 2008-09; FY: 2015-16	District Collector of Stamp
Central Sales Tax Act and Local Sales Tax Act	Central Sales Tax and Local Sales Tax (including Value Added Tax)	20.21	FY: 2011-12; FY: 2013-14 to FY:2017-18.	Dy. Commissioner of Sales Tax/Joint Commissioner of commercial Taxes, Appeal



Name of the Statute	Nature of the dues	Amount (₹ In Crore)	Period to which the amount relates	Forum where dispute is pending
Service Tax Act, 1994	Service Tax	39.72	FY:2007-2008 to FY:2010-2011	Department of Service Tax

- viii. Based on our audit procedures and on the basis 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 our audit procedure and on the basis 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 and based on our examination of the records of the company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment of shares during the year in compliance with the requirement of Section 42 of the Act and amount raised has been used for the purpose for which the funds were raised.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For NGS & CO. LLP

Chartered Accountants
Firm's Registration No.119850W

Ashok A. Trivedi

Partner

Mumbai
July 29, 2021

Membership No. 042472
UDIN:21042472AAAAEN5337

ANNEXURE - B TO THE AUDITOR'S 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 RETAIL LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 standalone 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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, 2021, 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 NGS & CO. LLP

Chartered Accountants
Firm's Registration No.119850W

Ashok A. Trivedi

Partner

Mumbai
July 29, 2021

Membership No. 042472
UDIN:21042472AAAAEN5337

BALANCE SHEET AS AT MARCH 31, 2021

	Note No.	As at March 31, 2021	(₹ in crore) As at March 31, 2020
ASSETS			
1. Non-Current Assets			
Property, Plant and Equipment	2	4,697.85	1,191.59
Capital Work-in-Progress	2	73.94	4,072.23
Intangible Assets	3	497.85	525.34
Intangible Assets Under Development	3	-	23.86
Right-of-Use Assets		1,645.83	1,655.52
Financial Assets			
Investments	4	114.42	114.42
Deposits	5	366.74	447.21
Other Financial Assets	6	0.47	0.39
Other Non-Current Assets	7	1,492.08	1,586.79
Total Non-Current Assets		8,889.18	9,617.35
2. Current Assets			
Inventories	8	3,995.89	5,232.90
Financial Assets			
Trade Receivables	9	405.12	687.98
Cash and Cash Equivalents	10	32.42	87.28
Bank Balances Other Than The Above	11	36.26	60.85
Deposits	12	3,875.62	3,943.17
Other Financial Assets	13	53.68	46.56
Other Current Assets	14	1,597.14	1,603.39
Total Current Assets		9,996.13	11,662.13
Total Assets		18,885.31	21,279.48
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	108.46	105.48
Other Equity	16	1,090.69	4,173.38
Total Equity		1,199.15	4,278.86
Liabilities			
1. Non-Current Liabilities			
Financial Liabilities			
Borrowings	17	4,385.10	4,362.75
Lease Liability	18	911.58	1,711.29
Provisions	19	63.43	72.66
Total Non-Current Liabilities		5,360.11	6,146.70
2. Current Liabilities			
Financial Liabilities			
Borrowings	20	6,444.47	4,399.92
Trade Payables	21		
Due to Micro and Small Enterprises		55.96	51.63
Due to Others		4,058.95	5,439.01
Other Financial Liabilities	22	1,562.68	705.83
Provisions	23	15.52	11.14
Other Current Liabilities	24	188.47	246.39
Total Current Liabilities		12,326.05	10,853.92
Total Equity and Liabilities		18,885.31	21,279.48
The accompanying notes are an integral part of the financial Statements	1-52		

As per our report of even date attached

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W

Ashok A.Trivedi
Partner
Membership No.: 042472

Mumbai
July 29,2021

For and on behalf of Board of Directors

Kishore Biyani
Chairman

C.P. Toshniwal
Chief Financial Officer

Rakesh Biyani
Managing Director

Virendra Samani
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

(₹ in Crore)

	Note No.	Year Ended March 31, 2021	Year Ended March 31, 2020
INCOME			
Revenue From Operations	25	6,261.04	20,118.32
Other Income	26	176.36	83.60
Total Income		6,437.40	20,201.92
EXPENSES			
Purchase of Stock-In-Trade		3,765.30	15,083.28
Change in Inventories of Stock-In-Trade	27	1,236.74	(167.89)
Employee Benefits Expense	28	557.36	950.22
Finance Costs	29	1,442.35	993.21
Depreciation and Amortization Expense	2&3	1,328.17	1,040.89
Other Expenses	30	1,267.40	2,268.37
Total Expenses		9,597.32	20,168.08
Profit/(Loss) Before Tax		(3,159.92)	33.84
Total Tax Expense	34	20.11	-
(1) Current Tax		-	-
(2) Deferred Tax		-	-
(3) Earlier Year Tax		20.11	-
Profit/(Loss) For The Year		(3,180.03)	33.84
Other Comprehensive Income For The Year		98.99	(224.45)
Fair Value Changes On Investment		0.00	(0.01)
Foreign Exchange Gain / (Loss) on Bond		94.06	(209.62)
Re-measurement Gains on Defined Benefit Plans		4.93	(14.82)
Total Comprehensive Income For The Year		(3,081.04)	(190.61)
Earnings Per Equity Share of Face Value of ₹ 2/- each	38		
Basic		(58.86)	0.67
Diluted		(58.86)	0.65
The accompanying notes are an integral part of the financial statements.	1-52		

As per our report of even date attached

For and on behalf of Board of Directors

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W

Kishore Biyani
Chairman

Rakesh Biyani
Managing Director

Ashok A.Trivedi
Partner
Membership No.: 042472

C.P. Toshniwal
Chief Financial Officer

Virendra Samani
Company Secretary

Mumbai
July 29,2021

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

	(₹ in Crore)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) Before Tax	(3,159.92)	33.84
Adjustments For:		
Depreciation and Amortization Expense	1,328.17	1,040.89
Finance Costs	1,442.35	993.21
Employee Stock Option Expense	(0.25)	14.72
Allowance for Credit Losses	7.58	8.84
Loss on Disposal/Discard of Fixed Assets (Net)	12.42	92.99
Provision for Diminution in Investment	-	4.57
Interest Income and Other Income	(161.97)	(34.11)
Operating Profit Before Working Capital Changes	(531.62)	2,154.95
Adjustments For:		
Trade Receivables	275.28	(380.36)
Deposits	148.02	(2,454.93)
Other Financial Assets and Other Assets	87.14	(1,848.10)
Inventories	1,237.02	(167.31)
Trade Payables	(1,375.73)	1,900.57
Financial Liabilities, Other Liabilities and Provisions	(6.70)	(862.16)
Cash Generated From Operations	(166.59)	(1,657.36)
Taxes Paid	11.10	(179.62)
Net Cash Flows From Operating Activities	(155.49)	(1,836.97)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	(73.50)	(4,438.67)
Purchase of Investment	-	(14.99)
Interest Received	7.93	34.11
Net Cash Used In Investing Activities	(65.57)	(4,419.55)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Shares	0.08	1,265.87
Proceeds from Warrant Application Money	1.50	746.10
Proceeds from Borrowings	2,160.96	5,999.06
Payment of Lease	(777.97)	(1,431.84)
Interest Paid	(1,218.36)	(440.30)
Net Cash Flow from /(Used In) Financing Activities	166.21	6,138.89
Net (Decrease)/Increase In Cash and Cash Equivalents	(54.85)	(117.63)
Net (Decrease)/Increase In Cash and Cash Equivalents	(54.85)	(117.63)
Cash and Cash Equivalents (Opening Balance)	87.28	204.91
Cash and Cash Equivalents (Closing Balance)	32.42	87.28

As per our report of even date attached

For NGS & Co. LLP
 Chartered Accountants
 Firm Registration No. : 119850W

Ashok A.Trivedi
 Partner
 Membership No.: 042472

 Mumbai
 July 29,2021

For and on behalf of Board of Directors

Kishore Biyani
 Chairman

C.P. Toshniwal
 Chief Financial Officer

Rakesh Biyani
 Managing Director

Virendra Samani
 Company Secretary

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**

(₹ in Crore)

	Year Ended March 31, 2021	Year Ended March 31, 2020
(A) EQUITY SHARE CAPITAL		
Opening Balance	105.48	100.52
Issue of Equity Shares Under Employee Stock Option Scheme	0.02	-
Issued Against Conversion of Warrants	2.96	4.96
Closing Balance	108.46	105.48
(B) OTHER EQUITY		
Retained Earnings		
Opening Balance	(958.46)	626.60
Profit/(Loss) For The Year	(3,180.03)	33.84
Transition Impact of Lease (Ind As 116)	-	(1,394.45)
Other Comprehensive Income For The Year		
Fair Value Changes On Investment	0.00	(0.01)
Cash Flow Hedges Reserve	94.06	(209.62)
Re-measurement Gain on Defined Benefit Plans	4.93	(14.82)
Closing Balance	(4,039.50)	(958.46)
Equity Share Warrants		
Opening Balance	746.10	-
Received During the Year	1.50	1,998.50
Issue During the Year	(747.60)	(1,252.40)
Closing Balance	-	746.10
Capital Reserve		
Opening Balance	(124.20)	(124.20)
Change During the Year	-	-
Closing Balance	(124.20)	(124.20)
Securities Premium Reserve		
Opening Balance	4,478.80	3,232.61
Issue of Equity Shares	745.67	1,247.44
Share Issue Expenses	-	(1.25)
Closing Balance	5,224.47	4,478.80
Share Options Outstanding Account		
Opening Balance	31.14	16.42
Employee Stock Option Expense	(0.25)	14.72
Exercise of Stock Options	(0.97)	-
Closing Balance	29.92	31.14
TOTAL OTHER EQUITY	1,090.69	4,173.38

As per our report of even date attached

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W

Ashok A.Trivedi
Partner
Membership No.: 042472

Mumbai
July 29,2021

For and on behalf of Board of Directors

Kishore Biyani
Chairman

C.P. Toshniwal
Chief Financial Officer

Rakesh Biyani
Managing Director

Virendra Samani
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview

Future Retail Limited ('The Company') is a public Company domiciled in India and incorporated on February 7, 2007. The Company is engaged in the business of retailing of fashion, household and consumer products through departmental and neighbourhood stores under various formats across the country.

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

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on July 29, 2021.

1.2 Basis of Preparation of Financial Statements

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 at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 'Share-based payment', leasing transactions that are within the scope of Ind AS 17 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 'Inventories' or value in use in Ind AS 36 'Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.4 Revenue Recognition

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative-catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

Sale of Products

Revenue from sale of products 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 products. It also includes excise duty and excludes value added tax / sales tax and GST (Goods and Service Tax). It is measured at fair value of consideration received or receivable, net of returns and allowances.

Rendering of Services

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

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.

Dividend Income

Dividend income is recognised when the Company’s right to receive such dividend is established.

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. The cost of property, plant and equipment acquired in a business combination is recorded at fair value on the date of acquisition.

An item of property, plant and equipment and any significant part initially recognised is derecognized 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 and Loss when the asset is derecognized.

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

Building	: 30 years
Plant and Equipment	: 15 years
Office Equipment*	: 3 to 6 years
Furniture and Fixture	: 10 years
Leasehold Improvement*	: Lease term or 15 years, whichever is lower
Vehicle	: 8 years

** 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.*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

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

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

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

1.6 Intangible Assets

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

An item of Intangible Asset is derecognized 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 derecognized.

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 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition-related costs are generally recognised in statement of profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 'Income Taxes' ("Ind AS 12") and Ind AS 19 'Employee Benefits' ("Ind AS 19") respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Company then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

If the gain remains after this reassessment and review, the Company recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognizes the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in statement of profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to statement of profit or loss where such treatment would be appropriate if that interest were disposed off.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognized in accordance with Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' ("Ind AS 37") and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 18 'Revenue' ("Ind AS 18").

1.8 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Buildings (leased stores). The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets 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 (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

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
- 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.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 —Input for the asset or liability that are not based on observable market data (unobservable inputs).

1.11 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.

(ii) Subsequent Measurement

A Non-Derivative Financial Instruments

a 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.

b 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.

c Investments in Joint Venture and Subsidiaries

Investments in Joint Venture and Subsidiaries are carried at cost.

d 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.

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e 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

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.

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.

Derivative financial instruments: The Company uses derivative financial instruments, such as call spread options, interest rate swap etc. forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive Income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts recognised as other compressive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

C Hedge Accounting

The company designates certain hedging instrument, which includes derivatives and non derivative in respect of foreign currency, interest rate as either cash flow hedge or fair value hedge. Hedge of foreign currency risk on firm commitment are accounted as cash flow hedge. At the inception of hedge relationship, the entity documents the relationship between hedging instruments and hedging items, along with its risk management objectives and its strategy for undertaking various hedge transactions.

(i) Fair value hedge

Change in fair value of designated portion of derivatives that qualify as fair value hedges are recognized in the statement of profit and loss account immediately, together with change in fair value of assets / liability that are attributable to hedged risk. Change in fair value of designated portion of hedging instrument and change in the hedged items attributable to hedge risk are recognized in the statement of profit and loss account in the line items relating to hedged instruments.

Hedge accounting is discontinued when the instruments expired or is sold, terminated or exercised or when no longer qualify for hedged accounting.

(ii) Cash Flow Hedge

The Effective portion of change in fair value of derivatives that are designated and qualify as cash flow is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to ineffective portion is recognised immediately in profit and loss.



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Hedge accounting is discontinued when the instruments expired or is sold, terminated or exercised or when no longer qualify for hedged accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and Loss account. When the forecast transaction is no longer expected to be occur, the gain or loss accumulated in equity is recognised immediately in profit and loss.

(iii) Derecognition of Financial Instruments

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

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

1.12 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. Cost of inventory, 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.

1.13 Foreign Currency

(i) Functional Currency

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

(ii) Transactions and Translations

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

1.14 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 year in which they occur in the statement of profit and loss.

1.15 Customer Acquisition Cost

Company has incurred cost for acquisition of customers under Future Pay Wallet Program. The cost incurred on acquisition of customers has been amortized over period of 5 years. The useful life of the customer and method of amortization will be reviewed at the end of each financial year and adjusted prospectively.

1.16 Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months from reporting date are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives

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and the expected cost of bonus etc. are recognised as an expense at the undiscounted amount in statement of profit and loss for the period in which the related service is rendered.

Post-employment defined contribution benefits

Payment to defined contribution plans such as provident fund, employee state insurance etc. are recognised as expense when employees have rendered services entitling them to such contributions. Company has no further payment obligations once the contributions have been paid.”

Post-employment defined benefit benefits

Cost of post-employment benefit plans such as gratuity 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 projected unit credit method, with actuarial valuation techniques at the end of each annual reporting period. Service cost (including current service cost, past service cost) and interest expense are recognised in the statement of profit and loss. Gains and losses through re-measurements of the net defined benefit liability are recognised in other comprehensive income. The effect of any plan amendments are recognised in statement of profit and loss.

1.17 Share-Based Payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments/ option at the grant date.

The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options outstanding reserve.

1.18 Taxation

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.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts:

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is disclosed where an inflow of economic benefits is probable.

1.21 Impairment

(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 which 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.

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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.

1.22 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.



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2. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Building	Leasehold Improvements	Plant and Equipments	Office Equipments	Furniture and Fixtures	Vehicles	Total	Capital Work-in-Progress
(₹ in Crore)									
Cost									
As At April 01, 2019	8.07	12.05	195.47	205.26	28.23	488.18	1.13	938.38	147.82
Additions / Transfer	-	-	59.10	67.80	22.08	395.74	0.25	544.97	
Disposals	-	-	32.69	21.15	2.16	62.71	-	118.71	
As At March 31, 2020	8.07	12.05	221.88	251.91	48.15	821.21	1.38	1,364.64	4,072.23
As At April 01, 2020	8.07	12.05	221.88	251.91	48.15	821.21	1.38	1,364.65	
Additions / Transfer	-	-	1,044.97	594.17	103.90	2,329.88	-	4,072.92	
Disposals	-	-	10.55	0.50	1.60	1.85	-	14.50	
As At March 31, 2021	8.07	12.05	1,256.30	845.58	150.45	3,149.24	1.38	5,423.07	73.94
Depreciation									
As At April 01, 2019	-	1.49	17.38	13.50	6.35	36.91	0.11	75.74	
Depreciation For The Year	-	1.42	21.74	15.72	8.86	64.34	0.13	112.21	
Disposals	-	-	4.78	1.88	0.26	7.97	-	14.89	
As At March 31, 2020	-	2.91	34.34	27.34	14.95	93.28	0.24	173.06	
As At April 01, 2020	-	2.91	34.34	27.34	14.95	93.28	0.24	173.06	
Depreciation For The Year	-	1.42	78.68	58.43	38.02	376.45	0.14	553.14	
Disposals	-	-	0.74	0.05	0.02	0.17	-	0.98	
As At March 31, 2021	-	4.33	112.28	85.72	52.95	469.56	0.38	725.22	
Net Book Value									
As At March 31, 2021	8.07	7.72	1,144.02	759.86	97.50	2,679.68	1.00	4,697.85	73.94
As At March 31, 2020	8.07	9.14	187.54	224.57	33.20	727.93	1.14	1,191.59	4,072.23

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3. INTANGIBLE ASSETS

(₹ in Crore)

	Computer Software	Brand / Trademark	Total	Intangible Assets Under Development
Cost				
As At April 01, 2019	520.02	186.50	706.52	42.36
Additions / Transfer	1.67	-	1.67	
Disposals	4.79	-	4.79	
As At March 31, 2020	516.90	186.50	703.40	23.86
As At April 01, 2020	516.90	186.50	703.40	
Additions / Transfer	23.87	-	23.87	
Disposals	0.07	-	0.07	
As At March 31, 2021	540.70	186.50	727.20	-
Depreciation				
As At April 01, 2019	128.34	-	128.34	
Depreciation For The Year	51.47	-	51.47	
Disposals	1.75	-	1.75	
As At March 31, 2020	178.06	-	178.06	-
As At April 01, 2020	178.06	-	178.06	
Depreciation For The Year	51.33	-	51.33	
Disposals	0.04	-	0.04	
As At March 31, 2021	229.35	-	229.35	
Net Book Value				
As At March 31, 2021	311.35	186.50	497.85	-
As At March 31, 2020	338.84	186.50	525.34	23.86

4 NON-CURRENT FINANCIAL ASSETS - INVESTMENT

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Equity Instruments		
Fully Paid Up Equity Shares		
Quoted		
100 Equity Shares of Future Supply Chain Solutions Limited of ₹ 10/- each *	0.00	0.00
Unquoted		
Subsidiary Companies		
41,44,211 Equity Shares of Travel News Services (India) Private Limited of ₹ 10/- each	65.41	65.41
15,10,000 Equity Shares of Future 7-India Convenience Limited of ₹ 10/- each (Formerly Known as SHME Food Brands Limited)	15.01	15.01
Joint Venture Company		
2,50,000 Equity Shares of Future Retail LLC of RO 1/- each	4.57	4.57
Less : Provision for Diminution in value of investment	(4.57)	(4.57)
Fully Paid Up Preference Shares		
Unquoted		
Subsidiary Company		
34,00,000 7% Cumulative Redeemable Preference Shares of Travel News Services (India) Private Limited ₹ 100/- each	34.00	34.00
	114.42	114.42

Note:

Investment Carried At Fair Value Through Other Comprehensive Income

*Aggregate Value of Quoted Investment ₹ 0.001 Crore (2020 ₹ 0.001 Crore)

Aggregate Value of Unquoted Investment ₹ 114.42 Crore (2020 ₹ 114.42)



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5 NON-CURRENT FINANCIAL ASSETS - DEPOSITS

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Unsecured, Considered Good	366.74	447.21
	366.74	447.21

6 NON-CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Bank Balances Other Than Cash and Cash Equivalents		
Deposit With Banks	0.47	0.39
	0.47	0.39

7 OTHER NON-CURRENT ASSETS

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Capital Advances		
Others Unsecured, Considered Good	36.88	32.73
	36.88	32.73
Others		
Others Unsecured, Considered Good*	1,455.20	1,554.06
	1,455.20	1,554.06
	1,492.08	1,586.79

(* Includes Advance to Suppliers, Prepaid Expenses, Balances with Statutory Authorities etc.)

8 INVENTORIES

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Stock-in-Trade	3,994.71	5,231.45
Goods-in-Transit of ₹ 44.47 Crore (2020: ₹ 126.18 Crore)		
Packing Materials And Others	1.18	1.45
	3,995.89	5,232.90

9 TRADE RECEIVABLES

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good (Refer Note No. 31)	405.12	687.98
Unsecured, Considered Doubtful	16.42	8.84
	421.54	696.82
Less: Allowance for Credit Losses	16.42	8.84
	405.12	687.98

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

10 CASH AND CASH EQUIVALENTS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Balances with Banks	16.85	51.01
Cheques on Hand	0.32	0.75
Cash on Hand	15.24	35.52
	32.42	87.28

11 BANK BALANCES OTHER THAN THE ABOVE

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Deposit With Banks*	36.26	60.85
	36.26	60.85

*Held as margin money or security against the borrowings, guarantees and other commitments

12 CURRENT FINANCIAL ASSETS - DEPOSITS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Unsecured, Considered Good	3,875.62	3,943.17
Unsecured, Considered Doubtful	-	-
	3,875.62	3,943.17
Less: Provision for Doubtful	-	-
	3,875.62	3,943.17

13 CURRENT FINANCIAL ASSETS-OTHERS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Others	53.68	46.56
	53.68	46.56

14 OTHER CURRENT ASSETS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Other Advances#		
Unsecured, Considered Good	1,597.14	1,603.39
Unsecured, Considered Doubtful	-	-
	1,597.14	1,603.39
Less: Provision for Doubtful	-	-
	1,597.14	1,603.39

Includes Advance to Suppliers, Prepaid Expenses, Statutory Authorities, etc.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

15 EQUITY SHARE CAPITAL

	As at March 31, 2021		As at March 31, 2020	
	Number	(₹ in Crore)	Number	(₹ in Crore)
Authorised				
Equity Shares of ₹ 2/- each	12,50,00,00,000	2,500.00	12,50,00,00,000	2,500.00
	12,50,00,00,000	2,500.00	12,50,00,00,000	2,500.00
Issued *				
Equity Shares of ₹ 2/- each	54,23,88,450	108.48	52,75,02,810	105.50
	54,23,88,450	108.48	52,75,02,810	105.50
Subscribed and Paid up *				
Equity Shares of ₹ 2/- each	54,22,84,079	108.46	52,73,98,439	105.48
	54,22,84,079	108.46	52,73,98,439	105.48

* Pursuant to the provisions of the Companies Act, 2013, the issue of 104,371 Equity Shares are kept in abeyance corresponding to their status in Future Enterprises Limited

(i) Reconciliation of Number of Equity Shares

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	Number of Shares	Number of Shares
Opening Balance Equity Shares of ₹ 2/- each	52,73,98,439	50,25,98,439
Add : Shares issued against warrants	1,48,03,960	2,48,00,000
Add : Shares Issued Under Employee Stock Option Scheme	81,680	-
Closing Balance (Equity Shares of ₹ 2/- each)	54,22,84,079	52,73,98,439

(ii) Terms/Rights Attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- each at the Balance Sheet Date. Each holder is entitled to one vote per share in case of voting by show of hands and one vote per share 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. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting.

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

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

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Future Corporate Resources Private Limited	5,81,49,315	10.72	17,40,53,954	33.00
Future Coupons Private Limited (f/k/a Future Coupons Limited)	5,32,70,247	9.82	3,84,66,287	7.29
Vistra ITCL India Limited	6,52,32,692	12.03	-	-
IDBI Trusteeship Services Limited	3,84,37,744	7.09	-	-
Bennett, Coleman And Company Limited	3,05,03,593	5.63	3,05,03,593	5.78

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Nature and Purpose of Reserves:

a) Securities Premium Reserve

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

16 OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
(₹ in Crore)		
Retained Earnings		
Opening Balance	(958.46)	626.60
Profit/(Loss) For The Year	(3,180.03)	33.84
Transition Impact of Lease (Ind As 116)	-	(1,394.45)
Other Comprehensive Income For The Year		
Fair Value Changes On Investment	0.00	(0.01)
Cash Flow Hedges Reserve	94.06	(209.62)
Re-measurement Gain on Defined Benefit Plans	4.93	(14.82)
Closing Balance	(4,039.50)	(958.46)
Equity Share Warrants		
Opening Balance	746.10	-
Received During the Year	1.50	1,998.51
Issue During the Year	(747.60)	(1,252.40)
Closing Balance	-	746.10
Capital Reserve		
Opening Balance	(124.20)	(124.20)
Change During the Year	-	-
Closing Balance	(124.20)	(124.20)
Securities Premium Reserve		
Opening Balance	4,478.80	3,232.61
Issue of Equity Shares	745.67	1,247.44
Share Issue Expenses	-	(1.25)
Closing Balance	5,224.47	4,478.80
Share Options Outstanding Account		
Opening Balance	31.14	16.42
Employee Stock Option Expense	(0.25)	14.72
Exercise of Stock Options	(0.97)	-
Closing Balance	29.92	31.14
TOTAL OTHER EQUITY	1,090.69	4,173.38



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

17 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Secured (Refer Note No. 46)		
Loan from Banks	311.25	394.95
Bonds	3,675.24	3,769.30
Non-Convertible Debentures	398.62	198.50
	4,385.10	4,362.75

18 NON-CURRENT FINANCIAL LIABILITIES - OTHERS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Lease Liability	911.58	1,711.29
	911.58	1,711.29

19 NON-CURRENT LIABILITIES - PROVISIONS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits	63.43	72.66
	63.43	72.66

20 CURRENT FINANCIAL LIABILITIES - BORROWINGS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Secured (Refer Note No. 46)		
Loan from Bank	979.05	1,079.73
Working Capital Loans and Others	5,465.42	3,320.19
	6,444.47	4,399.92

21 TRADE PAYABLES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Due to Micro and Small Enterprises	55.96	51.63
Due to Others	4,058.95	5,439.01
	4,114.91	5,490.64

22 CURRENT-OTHER FINANCIAL LIABILITIES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long-Term Borrowings	365.94	126.76
Interest Accrued But Not Due on Borrowings (Refer Note No. 52)	364.16	61.04
Security Deposits	4.27	6.44
Lease Liability	828.21	511.48
Others	0.10	0.11
	1,562.68	705.83

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

23 CURRENT PROVISIONS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits	15.52	11.14
	15.52	11.14

24 OTHER CURRENT LIABILITIES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Advance From Customers	89.75	162.23
Other Payables	98.72	84.16
	188.47	246.39

25 REVENUE FROM OPERATIONS

	(₹ in Crore)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Sale of Products	6,669.17	21,324.68
Less: Goods and Service Tax	560.89	1,910.10
Other Operating Revenue	152.76	703.74
	6,261.04	20,118.32

26 OTHER INCOME

	(₹ in Crore)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest Income	7.93	34.11
Excess Provisions/Liabilities Written Back	-	2.13
Lease Rent Concessions	154.04	-
Miscellaneous Income	14.39	47.36
	176.36	83.60

27 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

	(₹ in Crore)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening Inventories		
Stock-In-Trade	5,231.45	5,063.56
Closing Inventories		
Stock-In-Trade	3,994.71	5,231.45
	1,236.74	(167.89)



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28 EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries, Wages and Bonus	510.14	844.81
Contribution to Provident and Other Funds	32.50	64.52
Employee Stock Option Expense	(0.25)	14.72
Staff Welfare Expenses	14.98	26.17
	557.36	950.22

29 FINANCE COSTS

(₹ in Crore)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest Expense	1,432.47	972.88
Other Borrowing Costs	9.87	20.33
	1,442.34	993.21

30 OTHER EXPENSES

(₹ in Crore)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Power and Fuel	195.65	347.67
Repairs and Maintenance	20.61	58.17
Insurance	12.55	16.13
Rates and Taxes	25.91	75.23
Rent Including Lease Rentals	33.06	109.85
Advertisement and Marketing	409.85	451.93
Corporate Social Responsibility Expenses	13.70	7.33
Allowance for Credit Losses	7.58	8.84
Loss on Disposal/Discard of Fixed Assets (Net)	12.42	92.99
Exchange Fluctuation Loss/(Gain) (Net)	(3.80)	0.78
Provision for Diminution in Investment	-	4.57
Miscellaneous Expenses	539.88	1,094.88
	1,267.40	2,268.37

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31. 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. In order to optimize the interest cost, treasury performs a comprehensive corporate interest rate risk management by balancing the borrowings from commercial paper, short term loan, working capital loan and non fund facilities from banks. 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)	
	2020-21	2019-20
Bonds	3,675.24	3,769.30
Trade Payables	1.33	13.67
Trade Receivable	5.69	7.98

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 ₹ 421.54 Crore and ₹ 696.82 Crore as of March 31, 2021 and March 31, 2020 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.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Credit Risk Exposure

Change in the loss allowance measured using life-time expected credit loss model:

	(₹ in Crore)	
	2020-21	2019-20
Opening Balance	8.84	5.55
Provided During The Year	7.58	8.84
Amounts Written off	-	5.55
Closing Balance	16.42	8.84

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

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)	
	2020-21	2019-20
Short Term Borrowings	6,444.47	4,399.92
Trade Payables	4,114.91	5,490.64
Other Financial Liabilities (Excluding Lease Liability)	734.47	194.35

(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:

	As At March 31, 2021			As At March 31, 2020		
	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	405.12	-	-	687.98	-	-
Cash and Bank Balances	68.68	-	-	148.13	-	-
Deposits	4,242.35	-	-	4,390.37	-	-
Other Financial Assets	54.15	-	-	46.95	-	-
At FVTOCI						
Investments	0.00	0.00	-	0.00	0.00	-
Financial Liabilities						
At Amortised Cost						
Borrowings	7,154.33	-	-	5,120.13	-	-
Trade Payables	4,114.91	-	-	5,490.64	-	-
Other Financial Liabilities	734.47	-	-	194.35	-	-
At FVTOCI						
Borrowings	3,675.24	3,675.24	-	3,769.30	3,769.30	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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.

32. 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. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	(₹ in Crore)	
	March 31, 2021	March 31, 2020
Gross Debt	11,195.51	8,889.43
Trade Payables	4,114.91	5,490.64
Other Payables	267.43	330.19
Less: Cash and Cash Equivalents	32.42	87.28
Net Debt	15,545.43	14,622.98
Equity	108.46	105.48
Other Equity	1,090.69	4,173.38
Total Capital	1,199.15	4,278.86
Capital and Net Debt	16,744.58	18,901.84
Gearing Ratio	92.84%	77.36%

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 borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021 and March 31, 2020.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

33. 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)	
	2020-21	2019-20
Defined Benefit Obligation at the beginning of the year	50.85	37.75
Service Cost	6.58	6.17
Interest Expense	3.25	2.67
Remeasurement-Actuarial (gains)/losses	(4.93)	14.75
Benefits Paid	(9.16)	(10.50)
Defined Benefit Obligation at the end of the year	46.59	50.85

ii Change in Fair Value of Plan Assets

	(₹ in Crore)	
	2020-21	2019-20
Fair Value of Plan Assets at the beginning of the year	-	1.05
Remeasurement-Return on plan assets excluding amounts included in Interest Income	-	0.08
Contributions	-	(1.06)
Actuarial Gain/ (Loss) on Plan Assets	-	(0.07)
Fair Value of Plan Assets at the end of the year	-	-

iii Net Defined Benefit Liability/ (Assets)

	(₹ in Crore)	
	2020-21	2019-20
Defined Benefit Obligation	46.59	50.85
Fair Value of Plan Assets	-	-
Surplus /(Deficit)	46.59	50.85
Net Defined Benefit Liability/ (Assets)	46.59	50.85

iv Total Expenses Recognised in the Statement of Profit and Loss

	(₹ in Crore)	
	2020-21	2019-20
Current Service cost	6.58	6.17
Net interest on the net defined benefit liability/asset	3.25	2.60
Total Expenses Recognised in the Statement of Profit And Loss	9.83	8.77

v Remeasurement Effects Recognised in Other Comprehensive Income (OCI)

	(₹ in Crore)	
	2020-21	2019-20
Actuarial (Gains)/ Losses	-	-
(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit Liability/ (Asset)	-	0.07
Total (Gain) / Loss included in OCI	-	0.07

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

vi Reconciliation of Amounts in Balance Sheet

	(₹ in Crore)	
	2020-21	2019-20
Defined Benefit Obligation at the beginning of the year	50.85	36.71
Total expenses recognised in Profit and Loss Account	9.83	8.77
Total Remeasurement included in OCI	(4.93)	14.82
Benefits paid	(9.16)	(9.44)
Defined Benefit Obligation at the end of the year	46.59	50.85

vii Reconciliation of Amounts in Statement of Other Comprehensive Income

	(₹ in Crore)	
	2020-21	2019-20
OCI Income at the beginning of year	10.01	(4.80)
Total Remeasurement included in OCI	(4.93)	14.82
OCI (Income) / Expense at the end of the year	5.08	10.01

viii Expected Maturity Profile of Defined benefit Obligation

	(₹ in Crore)	
	2020-21	2019-20
Year 1	4.70	3.53
Year 2	3.81	3.28
Year 3	3.32	3.60
Year 4	3.32	3.65
Year 5	2.90	4.17
Year 6 - 10	21.33	22.07

ix Financial Assumptions

	(₹ in Crore)	
	2020-21	2019-20
Discount Rate	6.80%	6.63%
Expected Rate of Salary Increase	4.00%	0% for first year, 5% thereafter

x Demographic Assumptions

	(₹ in Crore)	
	2020-21	2019-20
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate	Service < 5 Years :36% Service > 5 Years : 2%	Service < 5 Years :36% Service > 5 Years : 2%
Retirement age	58 Years	58 Years

xi Sensitivity Analysis

	(₹ in Crore)	
	2020-21	2019-20
Discount Rate		
a. Discount Rate -100 basis point	52.48	58.14
b. Discount Rate +100 basis point	41.67	44.84
Salary Increase Rate		
a. Rate -100 basis point	41.83	45.48
b. Rate +100 basis point	52.15	57.16



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

34. INCOME TAX EXPENSE

i Reconciliation of Tax Expenses

	(₹ in Crore)	
	2020-21	2019-20
Profit/(Loss) Before Tax	(3,159.94)	33.84
Applicable tax rate	34.94%	34.94%
Computed expected tax expense	-	11.83
Adjustment of tax relating to earlier periods	20.11	-
Carried forward losses utilized	-	(11.83)
Tax expense charged to the Statement of Profit and Loss	20.11	-

ii Amount for Which Deferred Tax Asset is Not Recognised

	(₹ in Crore)	
	2020-21	2019-20
Unused tax losses / depreciation	1,662.37	442.01
Other items giving rise to temporary differences	27.59	29.28
Accelerated depreciation for tax purpose	(111.35)	(174.07)
Deferred tax asset / (liability)	1,578.61	297.22

35. SEGMENT REPORTING

The Company is primarily engaged in the business of "Retail", which in terms of Ind AS 108 on "Segment Reporting" constitutes a single reporting segment.

36. RELATED PARTY DISCLOSURES

Disclosure as required by Ind AS 24 and Companies Act, 2013 "Related Party Disclosures" are given below:

1. List of Related Parties

A Subsidiary Company

- (i) Travel News Services (India) Private Limited (TNSIPL) (ii) TNSI Retail Private Limited (TRPL) (iii) Welcome Retail Private Limited (WRPL) (iv) Future 7-India Convenience Limited (f.k.a SHME Food Brands Limited) (F7ICL).

B Joint Venture Company

- Future Retail LLC (JV Company Registered on May 01, 2018 in Sultanate of Oman) (Under liquidation)

C Other Related Parties

- (i) Aadhaar Wholesale Trading And Distribution Limited (AWTDL) (ii) Apollo Design Apparel Parks Limited (ADAPL) (iii) Birthright Games & Entertainment Private Limited (BGEPL) (iv) Bloom Foods & Beverages Private Limited (v) FLFL Travel Retail Bhubaneswar Private Limited (FTRBPL) (vi) FLFL Travel Retail Guwahati Private Limited (FTRGPL) (vii) FLFL Travel Retail Lucknow Private Limited (FTRLPL) (viii) FLFL Travel Retail West Private Limited (FTRWPL) (ix) Fonterra Future Diary Private Limited (FFDPL) (x) Future Consumer Limited (FCL) (xi) Future Coupons Private Limited (f.k.a Future Coupons Limited) (FCPL) (xii) Future Corporate Resources Private Limited (FCRPL) (xiii) Future Enterprises Limited (FEL) (xiv) Future Entertainment Private Limited (FEPL) (xv) Future Food and Products Limited (FFPL) (xvi) Future Generali India Insurance Company Limited (FGIICL) (xvii) Future Generali India Life Insurance Company Limited (FGILICL) (xviii) Future Ideas Company Limited (FICL) (xix) Future Lifestyle Fashions Limited (FLFL) (xx) Future Market Networks Limited (FMNL) (xxi) Future Media (India) Limited (FMIL) (xxii) Future Sharp Skills Limited (FSSL) (xxiii) Future Specialty Retail Limited (FSRL) (xxiv) Future Supply Chain Solutions Limited (FSCSL) (xxv) Galaxy Cloud Kitchens Limited (GCKL) (xxvi) Goldmohur Design & Apparel Park Limited (GDAPL) (xxvii) Hain Future

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Natural Products Private Limited (HFNPL) (xxviii) Holii Accessories Private Limited (HAPL) (xxix) Leanbox Logistics Solutions Private Limited (LLSPL) (xxx) Praxis Home Retail Limited (PHRL) (xxxi) Rachika Trading Limited (RTL) (xxxii) Retail Light Techniques India Limited (RLTIL) (xxxiii) Riddhi Siddhi Mall Management Private Limited (RSMMP) (xxxiv) The Nilgiri Dairy Farm Private Limited (TNDFPL) (xxxv) Work Store Limited (WSL)

D Key Managerial Personnel(s)

- Mr. Kishore Biyani – Chairman
- Mr. Rakesh Biyani – Managing Director
- Ms. Gagan Singh – Independent Director
- Mr. Ravindra Dhariwal – Independent Director
- Mr. Shailendra Bhandari – Independent Director
- Ms. Sridevi Badiga – Independent Director
- Mr. Rahul Garg - Non Executive Director
- Mr. C. P. Toshniwal – Chief Financial Officer
- Mr. Virendra Samani – Company Secretary

E Relatives of Key Managerial Personnel(s)

- Mrs. Bhavika Samani

2. Transaction with Related Parties

Sale of Goods and Services to Subsidiary Companies ₹ 0.19 Crore (2020 ₹ 4.36 Crore) , Joint Ventures ₹ Nil Crore (2020 ₹ 4.85 Crore) ,Other Related Parties ₹ 252.53 Crore (2020 ₹ 254.19 Crore). Purchase of Goods and Services from Subsidiary Companies ₹ 1.75 Crore (2020 ₹ 0.00 Crore) ,Other Related Parties ₹ 1,515.40 Crore (2020 ₹ 7,272.38 Crore), Sale of Fixed Assets to Other Related Parties ₹ Nil (2020 ₹ 17.48 Crore). KMP/Relatives ₹ 0.02 Crore (2020 ₹ 0.02 Crore). Equity Share Warrant Money ₹ 1.50 Crore (2020 ₹ 746.10 Crore) Managerial Remuneration to KMP ₹ 8.47 Crore (2020 ₹ 10.77 Crore). Sitting Fees to KMP ₹ 0.92 Crore (2020 ₹ 2.65 Crore). Investment in Subsidiaries ₹ Nil (2020 ₹ 15.00 Crore). Receivable (Net) from Subsidiaries ₹ 8.82 Crore (2020 ₹ 7.42 Crore), from Joint Ventures ₹ 3.48 Crore (2020 ₹ 4.61 Crore) , from Other Related Parties ₹ Nil (2020 ₹ 3199.29 Crore). Payable (Net) to Other Related Parties ₹ 1514.26 Crore (2020 ₹ 990.28) , KMP/Relatives ₹ 0.03 Crore (2020 ₹ Nil)

3. Significant Related Party Transactions

- A Sale of Goods and Services includes FEL ₹ 208.52 Crore (2020 ₹ Nil) TNSIPL ₹ 0.10 Crores (2020 : ₹ 1.70 Crore),TRPL ₹ 0.10 Crore (2020 : ₹ 0.67 Crore), FRLLC ₹ Nil (2020 : ₹ 4.94 Crore), FLFL ₹ 28.17 Crore (2020 : ₹ 125.83 Crore) FCRPL ₹ 0.29 Crore (2020: ₹ 2.64 crore), FMIL ₹ 3.44 Crore (2020 : ₹ 41.26 Crore).
- B Purchases of Goods and Services includes FEL ₹ 681.92 Crore (2020: ₹ 3472.03 Crore), FSCSL ₹ 217.38 Crore (2020 : ₹ 604.37 Crore), FCL ₹ 382.81 Crore (2020: ₹ 2589.16 Crore) FCRPL ₹ 2.92 Crore (2020: ₹ 68.41 Crores).
- C. Investment includes F7ICL ₹ Nil (2020 : ₹ 15.00 Crore)
- D Managerial Remuneration includes Mr. Kishore Biyani ₹ 2.17 Crore (2020 : ₹ 3.86 Crore), Mr. Rakesh Biyani ₹ 3.75 Crore (2020 : ₹ 3.94 Crore). Key Managerial Personnel Remuneration includes Mr. C. P. Toshniwal ₹ 2.26 Crore (2020 : ₹ 2.53 Crore), Mr. Virendra Samani ₹ 0.28 Crore (2020 : ₹ 0.45 Crore)



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

37. JOINT VENTURE COMPANY INFORMATION

S. No.	Name of the Company	Description of Interest	Country of Incorporation	Percentage of Interest as on July 31, 2021
1	Future Retail LLC *	Equity	Sultanate of Oman	50.00%

Company's Interest in the Joint Venture

(₹ in Crore)

S. No.	Name of the Company	As on	Assets	Liabilities	Year ended on	Income	Expenditure
1	Future Retail LLC*	July 31, 2020	9.10	11.26	July 31, 2020	0.93	3.94

* Under liquidation

38. EARNINGS PER SHARE

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

(₹ in Crore)

	Units	2020-21	2019-20
Profit/(Loss) attributable to equity holders	₹ in Crore	(3,180.03)	33.84
Weighted average number of Equity Shares for Basic EPS	No. in Crore	54.03	50.85
Weighted average number of Equity Shares for Diluted EPS	No. in Crore	54.03	52.24
Nominal Value per Equity Share	₹	2	2
Earnings Per Equity Share (Basic)	₹	(58.86)	0.67
Earnings Per Equity Share (Diluted)	₹	(58.86)	0.65

39. EMPLOYEE STOCK OPTION SCHEME

Originally the Company had received approval of the Board and Shareholders for issuance of 90,00,000 Equity Shares of ₹ 2 each for offering to eligible employees of the Company under Employee Stock Option Scheme (FRL ESOP - 2016). During the year, the Company has not granted any options (in 2019-20 NIL options were granted). Out of the total 14,47,298 options granted during the year 2018-19, total 60,000 options (in 2019-20 - 1,50,000 options) were cancelled during the year under review. Post cancellation of 3,02,450 options, now (i). 10,60,000 option are exercisable at ₹ 392 each, and (ii). 50,000 options are exercisable at ₹ 300 each, plus all applicable taxes as may be levied in this regard. The options granted, would vest over a maximum period of 3 years or such other period as may be decided by the Nomination and Remuneration Committee and / or Human Resources Department from the date of grant based on specified criteria.

Stock Option activity during the previous year

No of Options

	2020-21	2019-20
Outstanding at the beginning of the year	12,51,680	14,01,680
Granted during the year	-	-
Forfeited / cancelled during the year	60,000	1,50,000
Exercised during the year	81,680	-
Expired during the year	-	-
Outstanding at the end of the year	11,10,000	12,51,680
Exercisable at the end of the year	6,66,000	3,74,180

Weighted average fair value of options granted

-On December 6, 2016 : ₹ 116.82

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- On December 15, 2016 : ₹ 119.02
- On July 05, 2018 : ₹ 282.39
- On February 04, 2019 : ₹ 219.24

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

1.	Date of Grant	February 4, 2019	July 5, 2018	December 15, 2016	December 6, 2016
2.	Risk Free Interest Rate	7.20%	7.81%	6.30%	6.30%
3.	Expected Life	3.65 Years	3.65 Years	2.75 Years	2.78 Years
4.	Expected Volatility	38.07%	33.91%	43.00%	43.00%
5.	Dividend Yield	0.00%	0.00%	0.00%	0.00%
6.	Price of the underlying share in market at the time of the option grant (₹)	440.43	559.38	127.3	125.10

40. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT AS DEFINED UNDER THE MSMED ACT, 2006

	(₹ in Crore)	
	2020-21	2019-20
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	38.53	15.64
- Interest due on above	2.19	0.32
Total	40.72	15.96
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	0.36	0.21
The amount of interest accrued and remaining unpaid at the end of each accounting year	2.55	0.53
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	5.62	3.07

41. CONTINGENT LIABILITIES

Claims Against the Company Not Acknowledged as Debts, In respect of Value Added Tax ,Entry Tax and APMC Tax ₹ 20.21 Crore (2020: ₹ 23.06 Crore), Letter of Credit ₹ 25.11 Crore (2020 : ₹ 542.93 Crore), Others ₹ 14.01 Crore (2020: ₹ 14.01 Crore) and Other money for which the Company is Contingently Liable, Bank Guarantee Given ₹ 20.88 Crore (2020 : ₹ 61.49 Crore) and Corporate Guarantees Given ₹ 1,515.19 Cr and OMR 8,00,000 (2020: ₹ 1747.00 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.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

42. Pursuant to the levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from June 1, 2007 by the Finance Act, 2010, the Company based on legal advice, challenged the levy through Retailers Association of India and its retrospective application. The Hon'ble Supreme Court had passed an interim order dated October 14, 2011. In compliance of this order Company has made an aggregate deposit of ₹ 45.89 Crore in respect of the liability for such service tax for the period from June 1, 2007 up to September 30, 2011. From October 1, 2011, the Company is accounting and paying for such service tax regularly as per directives of the Supreme Court. Accordingly the Company has not made provision of ₹ 85.61 Crore for the period June 1, 2007 to September 30, 2011 which would be appropriately recognised on final determination.

43. CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 5.20 crore (2020: ₹ 13.46 Crore)

44. PAYMENT TO THE AUDITOR

	(₹ in Crore)	
	2020-21	2019-20
Statutory Audit Fees	0.76	0.95
Certification & Consultation Fees	0.06	0.25
Total	0.82	1.20

45. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITIES

As per Section 135 of the Companies Act, 2013 read with relevant rules thereon, the Company was required to spend ₹ 10.09 Crore (2020 : ₹ 11.62 Crore) on Corporate Social Responsibility (CSR) activities during FY 2020-21. The Company spent ₹ 13.70 Crore for the year under review. Excess amount of ₹ 3.62 crore will be available for the set off in succeeding year.

46. SECURITY CLAUSE IN RESPECT TO SECURED BORROWINGS

A Long Term Borrowings

- i ₹ 118.29 Crore (2020 : ₹ 119.56 Crore) are secured by First Pari-Passu charge on moveable Fixed Assets of the Company.
- ii ₹ 150.00 Crore (2020: ₹ 150.00 Crore) are secured by First Pari-Passu charge on all present and future tangible moveable Fixed Assets of the Company.
- iii ₹ 107.00 Crore (2020: ₹ 103.82 Crore) are secured by First Pari-Passu charge on tangible moveable Fixed Assets both present and future of the Company and post dated cheques for instalments due under term loan.
- iv ₹ 151.03 Crore (2020: ₹ 151.18 Crore) are secured by First Pari-Passu charge on moveable Fixed Assets both current and future of the Company.
- v ₹ 94.99 crore (2020 : ₹ Nil) are secured by First PariPassu charge on current assets (excluding card receivables), Second pari-passu charge on Card Receivables, Second paripasu charge on tangible moveable fixed assets of the Company.
- vi ₹ 57.98 crore (2020 : ₹ Nil) are secured by First paripasu charge on the entire current assets of the company (present and future), excluding card receivables.
- vii Term Loans from Banks of ₹ 359.01 Crore are secured by personal guarantee of promoter directors.
- viii Term Loans from Banks are repayable as follows: ₹ 365.94 crore in FY 2021-22, ₹ 122.04 crore in FY 2022-23, ₹ 113.52 crore in FY 2023-24 and ₹ 77.79 crore in FY 2024-25.
- ix Weighted average rate of Interest on Term Loans is 9.81% (2019: 10.77%).

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- x Company has issued 5.6% US Senior Secured notes 2025 of 500 MN USD to with a maturity period of 5 years. Interest is payable on half yearly basis @ 5.6 %. and are secured by First Pari-Passue on Tangible movable fixed assets.
 - xi ₹ 199.00 Crore (2020: ₹ 199.00 Crore) are secured by First Pari-Passu charge on Company's specific immovable property and tangible movable fixed assets, carries coupon rate of 10.65% per annum and are redeemable as per terms of issuance in two installments as ₹ 100.00 Crore in FY 2022-23 and ₹ 99.00 Crore in FY 2023-24.
 - xii ₹ 200.00 crore (2020 : ₹ Nil) are secured by First Pari-Passu charge on Company's specific immovable property and tangible movable fixed assets, carries coupon rate of 9.95% per annum and are redeemable as per terms of issuance in FY 2023-24.
 - xiii Installments falling due in respect of all the above Loans upto 31.03.2022 aggregating ₹ 365.94 Crore have been grouped under Current Maturities of Long-Term Borrowings.
- B** Short Term Borrowings includes Working Capital Loans and others are secured by (a) First Pari-Passu Charge on Current Assets (excluding card receivables) of the Company (b) Second Pari-Passu Charge on Card Receivables (c) Second paripasu charge on tangible movable fixed assets of the Company (d) Secured by Corporate Guarantee of Future Enterprises Limited. Average Interest Rate 10.42 % (2020: 10.20%).
- C** ₹ NIL (2020 : ₹ 335.00 crore) Commercial Paper carries weighted average interest (2020 :9.69%)p.a.

47. LEASES

The Company has entered into lease arrangements for its warehouses, office premises etc. These leasing arrangements which are non-cancellable range between 3 to 25 years on an average and are usually renewable by mutual consent on mutually agreeable terms.

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustments to retained earnings, on the date of initial application. Consequently, the Company has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2020 is 11.50%

Changes in the carrying value of right of use assets with change during the period (net), depreciation and closing balance as on March 31, 2021 ₹ 1645.83 Crore (March 2020 : ₹ 1655.52 Crore)

The aggregate depreciation expense on ROU assets is included under depreciation and amortization in statement of Profit & Loss.

The following is the break-up of current and non-current lease liabilities.

	(₹ in Crore)	
	As At March 31, 2021	As At March 31, 2020
Current lease liabilities	828.21	511.48
Non-current lease liabilities	911.58	1,711.29
Total	1,739.79	2,222.77

Changes in the carrying value of Lease liability with change during the period (net), Finance cost accrued and Payment of lease liability and its closing balance as on March 31, 2021 ₹ 1,739.79 Crore (2020 : ₹ 2,222.77 Crore.)

The Company does not face a significant liquidity risk with regards to its lease Liabilities as the current assets are sufficient to meet obligations to lease liabilities as and when they fall due.



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- 48 The outbreak of Covid-19 pandemic has created economic disruption throughout the world including India. Consequently the revenue and profitability for the year end of March 2021 have been adversely impacted. The second wave across India has raised concern over economic growth and business conditions, while the restrictions are currently more localized and for shorter duration as compared to the previous year. Moreover, increasing pace of Inoculation and efforts by the government are likely to help mitigate some of the adverse impact.

In assessing the recoverability of the Receivables, Inventories and other financial and non-financial assets, the Company closely monitoring the development and possible effect on the financial condition, liquidity, operations, and is actively working to minimize the impact of this unprecedented situations. The impact of the pandemic may differ from that estimated as on the date. The Company will continue to closely monitor any material changes to future economic conditions. As the situation is continuously evolving, the eventual impact may differ from the estimates made in financial statements.

49. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENT UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

S No.	Name	Relation	Amount as at March 31, 2021 (Including Interest Accrued)	Maximum outstanding during the year	Amount as at March 31, 2020 (Including Interest Accrued)	Maximum outstanding during the Previous year
A	Corporate Guarantee Given					
I	Future Enterprises Limited for various borrowing facilities.		1,495.19	Not Applicable	1,727.00	Not Applicable
II	Travel News Services (India) Private Limited for issuing of Bank Guarantee	Subsidiary	18.00		18.00	
III	TNSI Retail Private Limited for issuing of Bank Guarantee	Subsidiary	2.00		2.00	
IV	Future Retail LLC	Joint Venture	OMR 800,000		OMR 800,000	

50. DETAILS OF MISCELLANEOUS EXPENSES

	(₹ in Crore)	
	2020-21	2019-20
Common Area Maintenance Charges	148.92	158.40
Credit Card Charges	25.21	73.30
House Keeping Charges	42.91	99.30
Legal and Professional Charges	47.90	119.81
Security Service Charges	50.22	102.53
Travelling and Conveyance Expenses	4.77	31.49
Other Expenses	219.97	510.05
Total	539.88	1,094.88

51. The Board of Directors of the Company at its meeting held on August 29, 2020 has inter-alia, considered and approved the Composite Scheme of Arrangement between the companies involved and their respective Shareholders and Creditors, mainly comprising of : (i) merger of Future Retail Limited ("the Company" or Transferor Company 4"), and other 18 Transferor Companies with Future Enterprises Limited ("FEL" or "Transferee Company"); (ii) Transfer

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

and vesting of the Logistics & Warehousing Undertaking from Resultant FEL as a going concern on a slump sale basis to Reliance Retail Ventures Limited (“RRVL”); (iii) Transfer and vesting of the Retail & Wholesale Undertaking from Resultant FEL as a going concern on a slump sale basis to Reliance Retail and Fashion Lifestyle Limited, a wholly owned subsidiary of RRVL (“RRVL WOS”); and (iv) Preferential allotment of equity shares and warrants of Resultant FEL to RRVL WOS (“The Composite Scheme of Arrangement”/ Scheme”), pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

The combination contemplated under the Scheme has been approved by Competition Commission of India on November 20, 2020. Further Stock Exchanges have issued observation letter without any adverse observation on January 20, 2021. Subsequently, the Scheme application has been filed with National Company Law Tribunal Mumbai (NCLT) on January 26, 2021 for seeking directions from NCLT for convening the meeting of the Shareholders and Creditors of the Transferor Companies and Transferee Company. NCLT has heard the said application and the intervention application filed by Amazon.com Investment Holdings LLC. (Amazon) and has reserved the order on the said application.

Amazon has initiated arbitration against the Company and its promoters on October 05, 2020 before Singapore International Arbitration Centre (SIAC). After completion of Emergency Arbitration hearing held pursuant to application of Amazon, Emergency Arbitrator has passed an interim order on October 25, 2020 (EA Order) inter alia restraining the Company and promoters to take any steps in furtherance of the resolution passed on August 29, 2020. However, based on the legal advice received by the Company, it has contended that the EA Order would not be enforceable against the Company, in view of the fact that the Company is not a signatory to the arbitration agreement under which arbitration has been initiated.

The Company has filed a suit before Hon’ble Delhi High Court making a prayer to injunct Amazon from tortuously interfering with the Scheme. The Hon’ble Single Judge of the Delhi High Court has passed a Judgment in the Interim Application, wherein it has prima facie held that there is no arbitration agreement between Amazon and the Company; Company’s Resolution dated August 29, 2020 approving the Scheme is neither void nor contrary to any statutory provision nor the Articles of Association of the Company. The said Judgement further prima facie held that Amazon’s representations to various regulatory authorities amounted to unlawful interference with the Scheme and a civil wrong actionable by both the Company and Reliance. However, no injunction was granted in favour of the Company and all the Statutory Authorities were directed to take the decision on the applications and objections raised in accordance with the law. The Hon’ble Court also prima facie held that conflation of the two shareholders agreements will be in violation of FEMA FDI Rules. An Appeal was preferred by Amazon against certain observations contained in this Judgment.

In another application of Amazon under Section 17(2) of Arbitration & Conciliation Act, 1996 to enforce EA Order, Hon’ble Delhi High Court vide its interim order dated February 2, 2021 directed the parties to maintain status quo (Status Quo Order). The Company challenged this Order before the Hon’ble Division Bench of Delhi High Court in an appeal. The Learned Division Bench has stayed the aforesaid Status Quo Order on February 8, 2021. Amazon has preferred a Special Leave Petition before Hon’ble Supreme Court against the order of the Hon’ble Division Bench on February 13, 2021. The Hon’ble Supreme Court ruled that the proceedings before NCLT will be allowed to go on but will not culminate in any final order of sanction of the Scheme.

On March 18, 2021 a detailed interim order was passed by the Single Judge of the Delhi High Court (“Detailed Order”) inter-alia confirming the directions in the Status Quo Order passed by Hon’ble Delhi High Court in the application under Section 17(2) of Arbitration & Conciliation Act, 1996, granting further reliefs in favour of Amazon and inter-alia restricting all respondents from taking any further action in violation of the EA Order. An appeal was filed by the Company, as well as other respondents, before the Hon’ble Division Bench against the Detailed Order. On March 22, 2021 the Hon’ble Division Bench was pleased to pass a common order in both the appeals, staying the enforcement of the Detailed Order .



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amazon filed Special Leave Petitions before the Hon'ble Supreme Court against the order of the Hon'ble Division Bench passed on March 22, 2021. On April 19, 2021 the Hon'ble Supreme Court stayed the proceedings before the Single Judge and the Division Bench of the Delhi High Court and directed parties to complete the pleadings and listed all the three SLPs for final disposal on May 04, 2021. Post summer vacation at Supreme Court, SLPs are now being heard and argued before Supreme Court. Supreme Court may consider issuing order in the matter after completion of the submissions by all the parties.

Further in relation to the Arbitration Proceedings, a Tribunal has been constituted by SIAC on January 05, 2021 and the Company has filed two applications before the Tribunal, first being an application under Section 16 of Arbitration & Conciliation Act, 1996 ("Arbitration Act") challenging the jurisdiction of the Tribunal; and second being an Application under Rule 10 of Schedule I of SIAC Rules for vacation of the EA Order. As per the scheduled finalised by the Tribunal, the hearing commenced from 12th July, 2021 and continued till 16th July, 2021. The decision of Tribunal is awaited on both applications.

- 52.** Pursuant to RBI guidelines vide circular DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 on 'Resolution Framework for COVID-19-related Stress', the lenders of the Company has invoked One Time Restructuring (OTR) with regard to credit facilities availed by the Company from Banks and other Institutions on October 29, 2020. The aforesaid OTR has been implemented by execution of the documents by the Company and eligible lenders on April 26, 2021. Accordingly as per the agreed terms of OTR the repayment of Long Term and Short Term obligation is extended, overdue working capital limits is converted in Working Capital Term Loan (WCTL), and interest due till September, 2021 on various credit facilities has been converted into Funded Interest Term Loan (FITL). The terms of repayment of the NCDs and interest due thereon, which are not part of the OTR has also been separately extended on the similar lines in consultation with the debenture trustees and the concerned debenture holders.

As per our report of even date attached

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W

Ashok A.Trivedi
Partner
Membership No.: 042472

Mumbai
July 29,2021

For and on behalf of Board of Directors

Kishore Biyani
Chairman

C.P. Toshniwal
Chief Financial Officer

Rakesh Biyani
Managing Director

Virendra Samani
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To
The Members of
FUTURE RETAIL LIMITED

Report on the Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of FUTURE RETAIL LIMITED ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of

Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

EMPHASIS OF MATTER:

We draw attention to Note no.44 of the statement, which describes management's assessment of the impact of the COVID 19 pandemic on the financial results of the company.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.



Sr No	Key Audit Matter	Auditor's Response
1	<p>Revenue Recognition</p> <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</p>	<p><u>Principal Audit Procedures</u></p> <p>We assessed the appropriateness of the revenue recognition accounting policies, including those relating to rebates and discounts by comparing with new revenue accounting standard.</p> <p>Tested the relevant information technology system's access and change management controls which govern revenue recognition interfaces between different systems and key management controls over revenue recognition to assess the completeness of the revenue entries being recorded in the accounting system.</p> <p>We performed substantive testing by selecting samples of rebate and discount transactions recorded during the year and comparing the parameters used in the calculation of the rebate and discounts with the relevant source documents (including schemes) to assess whether the methodology adopted in the calculation of the rebates and discounts was in accordance with the terms and conditions defined in the corresponding schemes.</p> <p>Performed analytical procedures for reasonableness of revenues.</p>
2	<p>Valuation of Inventory</p> <p>We identified this matter as key in our audit due to the materiality of the value of inventories, and the numerous SKUs and high volume of movement in the inventory.</p>	<p><u>Principal Audit Procedures</u></p> <p>Assessment of the design, implementation and operational effectiveness of the relevant controls in place in the inventory management and measurement process.</p> <p>Evaluation of the inventory costing methodology and valuation policy established by management, including compliance with the applicable accounting standard.</p> <p>Assessment of the inventory costing methodology and valuation policy maintained and applied in the IT system.</p> <p>Obtained an understanding of management's estimate of business impact of COVID 19 pandemic on provision on inventories.</p> <p>Assessing the analysis and assessment made by the management with respect to slow moving and obsolete inventory.</p> <p>Verification of the determination of net realizable value on a representative sample basis</p>
3	<p>Accounting for Lease Concessions under Amendments to Ind AS 116</p> <p>The Company has adopted the amendments to Ind AS 116 for the first time in the current year and consequently recognized ₹ 210.28 Crores as part of other income in the statement of profit and loss for the year ended March'21.</p> <p>The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116.</p>	<p><u>Principal Audit Procedures</u></p> <p>Assessing the design and implementation of the key controls established by the Company on significant estimates such as the revised lease term, lease payments and the discount rates.</p> <p>Our procedures to assess management's key modelling estimates and the completeness/accuracy of the underlying lease data included:</p> <ul style="list-style-type: none"> - assessing the discount rates used to calculate the lease obligation, - assessing the accuracy of the lease data by testing the lease data captured by management for a sample of leases through the inspection of lease documentation; - assessing the completeness of the commercial arrangements for the waivers by testing lease payments and comparing the same with the original agreements with revised negotiations and

Sr No	Key Audit Matter	Auditor's Response
	<p>Additionally, the Company has renegotiated future lease rentals and escalations, thereby remeasuring the lease liability using the revised lease payments resulting in a decrease in the lease liability and a corresponding adjustment to the Right-of-use asset. The large volume of leases, the diverse nature thereof and the significance and impact of the estimates made led us to consider this matter to be a key matter to this audit.</p>	<p>– For a representative sample of rent concessions received as a consequence of covid-19 related renegotiations, verification of the correct accounting in accordance with the regulation in force. 3) Evaluating whether the disclosures included in the notes to the financial statements are in conformity with the applicable standard</p>

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash

flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India . The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit



conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets (net) of ₹ 195.02 crores as at March 31, 2021, total revenues of ₹137.38 and net cash inflows amounting to ₹1.70 crores for the year ended on that date as considered in the consolidated financial statements. whose financial statements have not been audited by us. These financial statements have been audited by respective 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 subsidiary and jointly controlled entities, is based solely on the reports of their respective auditors.

The consolidated financial statements also include the Group's share of loss after tax of ₹ NIL for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of one jointly controlled entity, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of jointly controlled entity, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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 matter with respect to our reliance on the work done and the report of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account 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.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and its subsidiaries and jointly controlled entities and the reports of the statutory auditors of one of its subsidiary company and two jointly controlled entities, none of the directors of the Group companies is disqualified as on March 31, 2021 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Holding Company and its subsidiary companies and jointly controlled entities. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors)



Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.
- 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 and its subsidiary companies and jointly controlled entities.

For NGS & Co. LLP

Chartered Accountants
Firm Registration No. 119850W

Ashok A. Trivedi

Partner

Membership No. 042472
UDIN:21042472AAAAEO6106

Mumbai
July 29, 2021

ANNEXURE – A TO THE AUDITOR’S REPORT

Report on the Internal Financial Controls under Clause (1) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Art”)

In conjunction with our audit of the Consolidated Ind AS financial statement of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of FUTURE RETAIL LIMITED (“the Holding Company”) and its subsidiary companies and jointly controlled entities which are companies, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Holding Company, its subsidiary companies and its jointly controlled entities which are companies, 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.

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) 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 Ind as financial statement, 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 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 and to the best of our information and according to explanation given and based on the consideration of report of other auditors, as referred to in other matters paragraph, the Holding Company, its subsidiary companies and its jointly controlled entities, which are companies, 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, 2021, based on the internal control over financial reporting criteria established by the Holding 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 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 insofar as it relates to subsidiary companies and jointly controlled entities, is based on the corresponding reports of the auditors of such company.

For NGS & Co. LLP

Chartered Accountants
Firm Registration No. 119850W

Ashok A. Trivedi

Partner

Membership No. 042472

UDIN:21042472AAAAEO6106

Mumbai
July 29, 2021

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

	Note No.	As at March 31, 2021	(₹ in crore) As at March 31, 2020
ASSETS			
1. Non-Current Assets			
Property, Plant and Equipment	2	4,702.39	1,198.22
Capital Work-in-Progress	2	74.48	4,072.79
Goodwill	2	75.37	75.37
Other Intangible Assets	2	497.86	525.36
Intangible Assets Under Development	2	-	23.86
Right-of-Use Assets		1,750.59	1,847.23
Financial Assets			
Investments	3	0.00	0.00
Deposits	4	381.03	460.76
Other Financial Assets	5	5.00	4.42
Other Non-Current Assets	6	1,515.23	1,611.98
Total Non-Current Assets		9,001.95	9,819.99
2. Current Assets			
Inventories	7	4,002.43	5,246.44
Financial Assets			
Trade Receivables	8	410.42	695.25
Cash and Cash Equivalents	9	37.07	90.56
Bank Balances Other Than The Above	10	36.31	65.64
Deposits	11	3,866.88	3,945.41
Other Financial Assets	12	61.37	51.37
Other Current Assets	13	1,608.83	1,623.16
Total Current Assets		10,023.31	11,717.83
Total Assets		19,025.26	21,537.82
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	108.46	105.48
Other Equity	15	985.28	4,077.75
Total Equity		1,093.74	4,183.23
Liabilities			
1. Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	4,385.11	4,362.75
Lease Liability		1,008.40	1,923.62
Other Financial Liabilities	17	11.18	12.62
Provisions	18	65.74	74.51
Deffered Tax Liability	33	4.65	2.79
Other Non-Current Liabilities	19	0.39	0.89
Total Non-Current Liabilities		5,475.47	6,377.18
2. Current Liabilities			
Financial Liabilities			
Borrowings	20	6,444.47	4,399.91
Trade Payables	21		
Due to Micro and Small Enterprises		56.28	52.53
Due to Others		4,100.28	5,475.60
Other Financial Liabilities	22	1,640.75	786.11
Provisions	23	21.67	13.50
Other Current Liabilities	24	192.60	249.76
Total Current Liabilities		12,456.05	10,977.41
Total Equity and Liabilities		19,025.26	21,537.82
The accompanying notes are an integral part of the financial Statements	1-46		

As per our report of even date attached

For and on behalf of Board of Directors

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W

Kishore Biyani
Chairman

Rakesh Biyani
Managing Director

Ashok A.Trivedi
Partner
Membership No.: 042472

C.P. Toshniwal
Chief Financial Officer

Virendra Samani
Company Secretary

Mumbai
July 29,2021

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021**

(₹ in Crore)

	Note No.	Year Ended March 31, 2021	Year Ended March 31, 2020
INCOME			
Revenue From Operations	25	6,303.94	20,331.72
Other Income	26	256.93	86.68
Total Income		6,560.87	20,418.40
EXPENSES			
Purchase of Stock-In-Trade		3,777.82	15,173.26
Change in Inventories of Stock-In-Trade	27	1,243.74	(161.97)
Employee Benefits Expense	28	575.60	977.51
Finance Costs	29	1,471.02	1,025.82
Depreciation and Amortization Expense	2	1,382.81	1,098.72
Other Expenses	30	1,278.37	2,287.22
Total Expenses		9,729.36	20,400.56
Profit (Loss) Before Share of Loss from Joint Venture		(3,168.49)	17.84
Share of Loss From Joint Venture		-	(3.76)
Profit/(Loss) Before Tax		(3,168.49)	14.08
Total Tax Expense	33	21.03	2.79
(1) Current Tax		0.19	0.09
(2) Deferred Tax		0.73	2.70
(3) Earlier Year Tax		20.11	-
Profit/(Loss) For The Year		(3,189.52)	11.29
Attributable To :			
Equity Holders of the Parent		(3,189.52)	11.57
Non-Controlling Interest		-	(0.28)
Other Comprehensive Income For The Year			
Items that will not be reclassified to profit or loss			
Fair Value Changes On Investment		94.06	(209.62)
Foreign Exchange Gain / (Loss) on Bond		4.93	(15.05)
Re-measurement Gains on Defined Benefit Plans		0.00	(0.01)
Total Comprehensive Income For The Year		98.99	(224.67)
Attributable To :			
Equity Holders of The Parent		98.99	(224.67)
Total Comprehensive Income For The Year		(3,090.53)	(213.38)
Earnings Per Equity Share of Face Value of ₹ 2/- each	37		
Basic		(59.03)	0.23
Diluted		(59.03)	0.22
The accompanying notes are an integral part of the financial Statements	1-46		

As per our report of even date attached

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W

Ashok A.Trivedi
Partner
Membership No.: 042472

Mumbai
July 29,2021

For and on behalf of Board of Directors

Kishore Biyani
Chairman

C.P. Toshniwal
Chief Financial Officer

Rakesh Biyani
Managing Director

Virendra Samani
Company Secretary

STATEMENT OF THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	(₹ in Crore)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) Before Tax	(3,168.49)	17.82
Adjustments For:		
Depreciation and Amortization Expense	1,382.81	1,098.72
Expense on Employee Stock Option Scheme	(0.25)	14.72
Finance Costs	1,471.02	1,025.82
Loss on Disposal/Discard of Fixed Assets (Net)	12.42	92.99
Interest and Other Income	(221.88)	(36.29)
Dimunition in Value of Investment	-	0.58
Allowance for Credit Losses	7.58	8.84
Operating Profit (Loss) Before Working Capital Changes	(516.79)	2,223.19
Adjustments For:		
Trade Receivables	277.25	(381.62)
Inventories	1,244.01	(161.47)
Deposits	158.26	(3,728.90)
Other Financial Assets and Other Assets	101.19	(2,061.19)
Trade Payables	(1,371.57)	1,896.93
Other Financial Liabilities, Other Liabilities and Provisions	(13.68)	636.48
Cash Generated Used In Operations	(121.33)	(1,576.57)
Share in Loss of Joint Ventures and Associate Company	-	3.76
Taxes Paid	8.32	(182.53)
Net Cash Used In Operating Activities	(113.01)	(1,755.33)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	(73.91)	(4,441.01)
Purchase of Investment	-	(0.00)
Interest Received	11.60	36.29
Net Cash Used In Investing Activities	(62.31)	(4,404.72)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds From Issue of Equity Shares	0.08	1,244.76
Proceeds From Application of Warrant Money	1.50	746.10
Proceeds From Borrowings	2,160.97	5,999.06
Interest Paid	(1,222.46)	(442.64)
Payment of Lease Liability	(818.26)	(1,504.54)
Net Cash From Financing Activities	121.83	6,042.73
Net (Decrease)/Increase In Cash and Cash Equivalents	(53.49)	(117.32)
Net (Decrease)/Increase In Cash And Cash Equivalents	(53.49)	(117.32)
Cash and Cash Equivalents (Opening Balance)	90.56	207.89
Cash and Cash Equivalents (Closing Balance)	37.07	90.56

As per our report of even date attached

For NGS & Co. LLP
 Chartered Accountants
 Firm Registration No. : 119850W

Ashok A.Trivedi
 Partner
 Membership No.: 042472

Mumbai
 July 29,2021

For and on behalf of Board of Directors

Kishore Biyani
 Chairman

C.P. Toshniwal
 Chief Financial Officer

Rakesh Biyani
 Managing Director

Virendra Samani
 Company Secretary

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**

(₹ in Crore)

	Year Ended March 31, 2021	Year Ended March 31, 2020
(A) EQUITY SHARE CAPITAL		
Opening Balance	105.48	100.52
Issue of Equity Shares Under Employee Stock Option Scheme	0.02	-
Issued Against Conversion of Warrants	2.96	4.96
Closing Balance	108.46	105.48
(B) OTHER EQUITY		
Retained Earnings		
Opening Balance	(1,054.26)	620.86
Profit/(Loss) For The Year	(3,189.52)	11.54
Adjustment on account of subsidiary	-	0.16
Share issue expenses of subsidiary	0.27	-
Other Comprehensive Income for the Year		
Cash Flow Hedges Reserve	94.06	(209.62)
Re-measurement Gain on Defined Benefit Plans	4.93	(15.05)
Fair Value Changes On Investment	0.00	(0.01)
Transition Impact of Lease (IND AS 116)	-	(1,462.14)
Closing Balance	(4,145.06)	(1,054.26)
Equity Share Warrants		
Opening Balance	746.10	-
Received During the Year	1.50	1,998.50
Issue During the Year	(747.60)	(1,252.40)
Closing Balance	-	746.10
Capital Reserve		
Opening Balance	(124.20)	(124.20)
Change During the Year	-	-
Closing Balance	(124.20)	(124.20)
Securities Premium Reserve		
Opening Balance	4,478.79	3,232.61
Add : Premium received during the year	745.67	1,247.44
Add: Share issue Expenses	-	(1.25)
Closing Balance	5,224.46	4,478.79
Share Options Outstanding Account		
Opening Balance	31.14	16.42
Employee Stock Option Expense	(0.25)	14.72
Exercise of Stock Options	(0.97)	-
Closing Balance	29.92	31.14
Capital Reserve on Consolidation	0.16	0.16
Non - Controlling Interest		
Opening Balance	-	0.28
Add : received during the year	-	(0.28)
Closing Balance	-	-
TOTAL OTHER EQUITY	985.28	4,077.75

As per our report of even date attached

For and on behalf of Board of Directors

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W

Kishore Biyani
Chairman

Rakesh Biyani
Managing Director

Ashok A.Trivedi
Partner
Membership No.: 042472

C.P. Toshniwal
Chief Financial Officer

Virendra Samani
Company Secretary

Mumbai
July 29,2021

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Overview

Future Retail Limited ('The Company or Parent ') is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956 on February 7, 2007. The Company, its Subsidiaries and Joint Venture collectively refer to as a 'Group.

The Group is engaged in the business of retailing of fashion, household and consumer products through departmental and neighbourhood stores under various formats.

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

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on July 29, 2021.

1.2 Basis of Preparation of consolidated financial statements

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 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.

Investments in 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.

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 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



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 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.

Effective April 1, 2018, the Company adopted Ind AS 115 Revenue from Contracts with Customers” using the cumulative-catchup transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

Sale of Products

Revenue from sale of products 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 products. It also includes excise duty and excludes value added tax / sales tax and GST (Goods and Service Tax). It is measured at fair value of consideration received or receivable, net of returns and allowances.

Rendering of Services

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

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.

Dividend Income

Dividend income is recognised when the Group’s right to receive such dividend is established.

1.6 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. The cost of property, plant and equipment acquired in a business combination is recorded at fair value on the date of acquisition.

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 derecognized.

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

Building	: 30 years
Plant and Equipment	: 15 years
Office Equipment*	: 3 to 6 years
Furniture and Fixture	: 10 years

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Leasehold Improvement* : Lease term or 15 years, whichever is lower
Vehicle : 8 years

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

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

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

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

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

1.7 Intangible Assets

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

An item of Intangible Asset is derecognized 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 derecognized.

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

1.8 Goodwill

Goodwill on acquisition of Subsidiaries 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.

1.9 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition-related costs are generally recognised in statement of profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 'Income Taxes' (Ind AS 12") and Ind AS 19 'Employee Benefits' (Ind AS 19") respectively.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Company then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase.

If the gain remains after this reassessment and review, the Company recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognizes the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in statement of profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to statement of profit or loss where such treatment would be appropriate if that interest were disposed off.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognized in accordance with Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' (Ind AS 37") and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 18 'Revenue' (Ind AS 18").

1.10 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Buildings (leased stores). The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets 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 (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

1.11 Current versus Non-Current Classification

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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
- 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:



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- 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 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 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 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 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 Joint Venture

Investments in 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.

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.

Derivative financial instruments: The Company uses derivative financial instruments, such as call spread options, interest rate swap etc. forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive Income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts recognised as other compressive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

c) Hedge Accounting

The company designates certain hedging instrument, which includes derivatives and non derivative in respect of foreign currency, interest rate as either cash flow hedge or fair value hedge. Hedge of foreign currency risk on firm commitment are accounted as cash flow hedge. At the inception of hedge relationship, the entity documents the relationship between hedging instruments and hedging items, along with its risk management objectives and its strategy for undertaking various hedge transactions.

(i) Fair value hedge

Change in fair value of designated portion of derivatives that qualify as fair value hedges are recognized in the statement of profit and loss account immediately, together with change in fair value of assets



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

/ liability that are attributable to hedged risk. Change in fair value of designated portion of hedging instrument and change in the hedged items attributable to hedge risk are recognized in the statement of profit and loss account in the line items relating to hedged instruments.

Hedge accounting is discontinued when the instruments expired or is sold, terminated or exercised or when no longer qualify for hedged accounting.

(ii) Cash Flow Hedge

The Effective portion of change in fair value of derivatives that are designated and qualify as cash flow is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to ineffective portion is recognised immediately in profit and loss.

Hedge accounting is discontinued when the instruments expired or is sold, terminated or exercised or when no longer qualify for hedged accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and Loss account. When the forecast transaction is no longer expected to be occur, the gain or loss accumulated in equity is recognised immediately in profit and loss.

(ii) Derecognition of Financial Instruments

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

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

1.14 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.

1.15 Foreign Currency

(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 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).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.16 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 year in which they occur in the statement of profit and loss.

1.17 Customer Acquisition Cost

Company has incurred cost for acquisition of customers under Future Pay Wallet Program. The cost incurred on acquisition of customers has been amortized over period of 5 years. The useful life of the customer and method of amortization will be reviewed at the end of each financial year and adjusted prospectively.

1.18 Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months from reporting date are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives and the expected cost of bonus etc. are recognised as an expense at the undiscounted amount in statement of profit and loss for the period in which the related service is rendered.

Post-employment defined contribution benefits

Payment to defined contribution plans such as provident fund, employee state insurance etc. are recognised as expense when employees have rendered services entitling them to such contributions. Company has no further payment obligations once the contributions have been paid.

Post-employment defined benefit benefits

Cost of post-employment benefit plans such as gratuity 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 projected unit credit method, with actuarial valuation techniques at the end of each annual reporting period. Service cost (including current service cost, past service cost) and interest expense are recognised in the statement of profit and loss. Gains and losses through re-measurements of the net defined benefit liability are recognised in other comprehensive income. The effect of any plan amendments are recognised in statement of profit and loss.

1.19 Share-Based Payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments/ option at the grant date.

The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options outstanding reserve.

1.20 Taxation

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.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 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 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts:

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is disclosed where an inflow of economic benefits is probable.

1.23 Impairment

(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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 which 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.

1.24 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.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

	Freehold Land	Leasehold Improvement	Building	Plant and Equip-ments	Furniture and Fix-tures	Office Equipment	Vehicle	Total	Capital Work-in-Progress
Cost :									
As At April 1st, 2020	8.07	227.77	12.05	254.14	824.41	49.69	1.38	1,377.51	4,072.79
Additions / Acquisitions	-	1,045.07	-	594.38	2,329.99	103.92	-	4,073.36	-
Disposals / Transfers	-	10.55	-	0.50	1.91	1.60	-	14.55	-
As At March 31, 2021	8.07	1,262.29	12.05	848.02	3,152.50	152.02	1.38	5,436.32	74.48
Accumulated Depreciation :									
As At April 1st, 2020	-	39.48	1.49	28.01	94.53	15.53	0.24	179.28	-
Depreciation Charged For The Year	-	79.90	1.42	58.80	377.04	38.37	0.14	555.66	-
Disposals / Transfers	-	0.74	-	0.05	0.21	0.02	-	1.02	-
As At March 31, 2021	-	118.64	2.91	86.76	471.36	53.88	0.38	733.93	-
Net Book Value									
As At March 31, 2021	8.07	1,143.65	9.14	761.26	2,681.14	98.13	1.00	4,702.39	74.48
As At March 31, 2020	8.07	188.30	10.56	226.13	729.88	34.16	1.15	1,198.22	4,072.79

INTANGIBLE ASSETS

(₹ in Crore)

	Computer Software	Brands / Trademarks	Goodwill	Total	Intangible Assets under Development
Cost					
As At April 1st, 2020	517.02	186.50	75.37	778.89	23.86
Additions / Acquisitions	23.87	-	-	23.87	-
Disposals / Transfers	0.08	-	-	0.08	-
As At March 31, 2021	540.80	186.50	75.37	802.68	-
Accumulated Amortisation					
As At April 1st, 2020	178.16	-	-	178.16	-
Amortisation For The Year	51.32	-	-	51.32	-
Disposals / Transfers	0.04	-	-	0.04	-
As At March 31, 2021	229.44	-	-	229.44	-
Net Book Value					
As At March 31, 2021	311.36	186.50	75.37	573.23	-
As At March 31, 2020	338.85	186.50	75.37	600.72	23.86

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3 NON-CURRENT FINANCIAL ASSETS-INVESTMENTS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Quoted Fully Paid Up Equity Shares		
100 Equity Shares of Future Supply Chain Solutions Limited of ₹10/- each *	0.00	0.00
Joint Venture Company		
Unquoted Fully Paid Up Equity Shares		
2,50,000 Equity share of Future Retail LLC of RO 1.00 (One Rials Omani) each	-	-
	0.00	0.00

Note:

*Investment Carried At Fair Value Through Other Comprehensive Income

*Aggregate Value of Quoted Investment ₹ 0.001 Crore (2020 ₹ 0.001 Crore)

4 NON-CURRENT FINANCIAL ASSETS - DEPOSITS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Unsecured, Considered Good	381.03	460.76
	381.03	460.76

5 NON-CURRENT FINANCIAL ASSETS - OTHERS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Bank Balances Other Than Cash and Cash Equivalents		
Deposit With Banks	5.00	4.42
	5.00	4.42

6 OTHER NON-CURRENT ASSETS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Capital Advances		
Others Unsecured, Considered Good	36.88	33.05
	36.88	33.05
Others		
Others Unsecured, Considered Good*	1,478.35	1,578.93
	1,515.23	1,611.98

(* Includes Advance to Suppliers, Prepaid Expenses, Balances with Statutory Authorities etc.)

7 INVENTORIES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Stock-in-Trade	4,001.18	5,244.60
Packing Materials and Others	1.25	1.84
	4,002.43	5,246.44



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

8 TRADE RECEIVABLES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good	410.42	695.25
Unsecured, Considered Doubtful	16.42	8.84
	426.84	704.09
Less: Allowance For Credit Losses	(16.42)	(8.84)
	410.42	695.25

9 CASH AND CASH EQUIVALENTS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Balances with Banks	21.30	54.12
Cheques on Hand	0.32	0.75
Cash on Hand	15.45	35.69
	37.07	90.56

10 BANK BALANCES OTHER THAN THE ABOVE

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Deposit With Banks*	36.31	65.64
	36.31	65.64

*Held as margin money or security against the borrowings, guarantees and other commitments

11 CURRENT FINANCIAL ASSETS - DEPOSITS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Security Deposits		
Unsecured, Considered Good	3,866.88	3,945.41
	3,866.88	3,945.41

12 CURRENT FINANCIAL ASSETS-OTHERS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Others	61.37	51.37
	61.37	51.37

13 OTHER CURRENT ASSETS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Other Advances#		
Unsecured, Considered Good	1,608.83	1,623.16
	1,608.83	1,623.16

Includes advance to suppliers, prepaid expenses, statutory authorities, etc.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
14 SHARE CAPITAL

	As at March 31, 2021		As at March 31, 2020	
	Number	(₹ in Crore)	Number	(₹ in Crore)
Authorised				
Equity Shares of ₹ 2/- each	12,50,00,00,000	2,500.00	12,50,00,00,000	2,500.00
	12,50,00,00,000	2,500.00	12,50,00,00,000	2,500.00
Issued *				
Equity Shares of ₹ 2/- each	54,23,88,450	108.48	52,75,02,810	105.50
	54,23,88,450	108.48	52,75,02,810	105.50
Subscribed and Paid up *				
Equity Shares of ₹ 2/- each	54,22,84,079	108.46	52,73,98,439	105.48
	54,22,84,079	108.46	52,73,98,439	105.48

* Pursuant to the provisions of the Companies Act, 2013, the issue of 104,371 Equity Shares are kept in abeyance corresponding to their status in Future Enterprises Limited

(i) Reconciliation of Number of Equity Shares

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	Number of Shares	Number of Shares
Opening Balance Equity Shares of ₹ 2/- each	52,73,98,439	50,25,98,439
Add : Shares issued against warrants	1,48,03,960	2,48,00,000
Add : Shares Issued Under Employee Stock Option Scheme	81,680	-
Closing Balance (Equity Shares of ₹ 2/- each)	54,22,84,079	52,73,98,439

(ii) Terms/Rights Attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- each at the Balance Sheet Date. Each holder is entitled to one vote per share in case of voting by show of hands and one vote per share 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. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting.

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

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

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Future Corporate Resources Private Limited	5,81,49,315	10.72	17,40,53,954	33.00
Future Coupons Private Limited (f/k/a Future Coupons Limited)	5,32,70,247	9.82	3,84,66,287	7.29
Vistra ITCL India Limited	6,52,32,692	12.03	-	-
IDBI Trusteeship Services Limited	3,84,37,744	7.09	-	-
Bennett, Coleman And Company Limited	3,05,03,593	5.63	3,05,03,593	5.78



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Nature and Purpose of Reserves:

a) Securities Premium Reserve

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

15 OTHER EQUITY

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Retained Earnings		
Opening Balance	(1,054.26)	620.86
Profit/(Loss) For The Year	(3,189.52)	11.54
Adjustment on account of subsidiary	-	0.16
Share issue expenses of subsidiary	0.27	-
Other Comprehensive Income For The Year		
Cash Flow Hedges Reserve	94.06	(209.62)
Re-measurement Gain on Defined Benefit Plans	4.93	(15.05)
Fair Value Changes On Investment	0.00	(0.01)
Transition Impact of Lease (IND AS 116)	-	(1,462.14)
Closing Balance	(4,145.06)	(1,054.26)
Equity Share Warrants		
Opening Balance	746.10	-
Received During the Year	1.50	1,998.50
Issue During the Year	(747.60)	(1,252.40)
Closing Balance	-	746.10
Capital Reserve		
Opening Balance	(124.20)	(124.20)
Change During the Year	-	-
Closing Balance	(124.20)	(124.20)
Securities Premium Reserve		
Opening Balance	4,478.79	3,232.61
Add : Premium received during the year	745.67	1,247.44
Add: Share issue Expenses	-	(1.24)
Closing Balance	5,224.46	4,478.79
Share Options Outstanding Account		
Opening Balance	31.14	16.42
Employee Stock Option Expense	(0.25)	14.72
Exercise of Stock Options	(0.97)	-
Closing Balance	29.92	31.14
Capital Reserve on Consolidation	0.16	0.16
Non - Controlling Interest		
Opening Balance	-	0.28
Add : Change during the year	-	(0.28)
Closing Balance	-	-
TOTAL OTHER EQUITY	985.28	4,077.75

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

16 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Secured		
Loan from Banks	311.25	394.95
Bonds	3,675.24	3,769.30
Non-Convertible Debentures	398.62	198.50
	4,385.11	4,362.75

17 NON-CURRENT - OTHER FINANCIAL LIABILITIES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Deposits Payables	7.76	11.01
Other Payables	3.42	1.61
	11.18	12.62

18 NON-CURRENT LIABILITIES - PROVISIONS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits	65.74	74.51
	65.74	74.51

19 OTHER NON-CURRENT LIABILITIES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Other Payable	0.39	0.89
	0.39	0.89

20 CURRENT FINANCIAL LIABILITIES - BORROWINGS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Secured		
Loan From Banks	979.05	1,079.73
Working Capital Loans and Others	5,465.42	3,320.18
	6,444.47	4,399.91

21 TRADE PAYABLES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Due to Micro and Small Enterprises	56.28	52.53
Due to Others	4,100.28	5,475.60
	4,156.56	5,528.13



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

22 CURRENT-OTHER FINANCIAL LIABILITIES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long-Term Borrowings	365.94	126.76
Interest accrued but not due on borrowings	364.16	61.04
Lease Liability	901.45	577.07
Security Deposits	5.12	7.25
Others	4.08	13.99
	1,640.75	786.11

23 CURRENT PROVISIONS

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Provision For Employee Benefits	21.20	13.22
Provision for expenses	0.47	0.28
	21.67	13.50

24 OTHER CURRENT LIABILITIES

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Advance From Customers	89.75	162.23
Other Payables	102.85	87.52
	192.60	249.76

25 REVENUE FROM OPERATIONS

	(₹ in Crore)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Sale of Products	6,713.37	21,523.44
Less: Goods and Service Tax	560.89	1,910.10
Other Operating Revenue	151.46	718.38
	6,303.94	20,331.72

26 OTHER INCOME

	(₹ in Crore)	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest Income	11.60	36.29
Excess Provisions/Liabilities Written Back	-	2.13
Lease Rent Concessions	210.28	-
Miscellaneous Income	35.05	48.26
	256.93	86.68

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

27 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in Crore)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening Inventories		
Stock-In-Trade	5,244.99	5,082.63
Closing Inventories		
Stock-In-Trade	4,001.25	5,244.60
	1,243.74	(161.97)

28 EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries, Wages and Bonus	527.14	869.95
Contribution to Provident and Other Funds	33.47	66.24
Employee Stock Option Expense	(0.25)	14.72
Staff Welfare Expenses	15.24	26.60
	575.60	977.51

29 FINANCE COSTS

(₹ in Crore)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest Expense	1,461.05	1,005.39
Other Borrowing Costs	9.97	20.43
	1,471.02	1,025.82

30 OTHER EXPENSES

(₹ in Crore)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Power and Fuel	196.54	350.42
Repairs and Maintenance	20.90	58.88
Insurance	12.76	16.28
Rates and Taxes	26.01	75.34
Rent including Lease Rentals	30.78	122.21
Advertisement and Marketing	410.00	452.45
Corporate Social Responsibility Expenses	13.70	7.33
Allowance For Credit Losses	7.58	8.84
Loss on Disposal / Discard of Fixed Assets (Net)	12.42	92.99
Exchange Fluctuation Loss / (Gain) (Net)	(3.80)	0.78
Provision for Diminution of investment	-	0.56
Miscellaneous Expenses	551.48	1,101.14
	1,278.37	2,287.22



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

31. 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 Company 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. In order to optimize the interest cost, treasury performs a comprehensive corporate interest rate risk management by balancing the borrowings from commercial paper, short term loan, working capital loan and non fund facilities from banks.

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 analyzes foreign currency risk from financial instruments as of:

	(₹ in Crore)	
	2020-21	2019-20
Bonds	3,675.24	3,769.30
Trade Payables	5.60	19.63
Trade Receivable	6.08	7.98

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 ₹ 428.84 Crore as of March 31, 2021 and ₹ 704.09 Crore as of March 31, 2020 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
Credit Risk Exposure

Change in the loss allowance measured using life-time expected credit loss model:

	(₹ in Crore)	
	2020-21	2019-20
Opening Balance	8.84	5.68
Provided During The Year	7.58	8.84
Amounts Written off	-	5.68
Closing Balance	16.42	8.84

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

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)	
	2020-21	2019-20
Short-Term Borrowings	6,444.47	4,399.91
Trade Payables	4,156.56	5,528.13
Other Financial Liabilities (excluding Lease Liability)	739.30	209.04

(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:

	As At March 31, 2021			As At March 31, 2020		
	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	410.42	-	-	695.25	-	-
Cash and Bank Balances	73.38	-	-	156.20	-	-
Deposits	4,247.92	-	-	4,406.17	-	-
Other Financial Assets	61.37	-	-	55.78	-	-
At FVTOCI						
Investments	0.00	0.00	-	0.00	0.00	-
Financial Liabilities						
At Amortised Cost						
Borrowings	7,154.33	-	-	4,993.36	-	-
Trade Payables	4,156.56	-	-	5,528.13	-	-
Other Financial Liabilities	750.47	-	-	221.66	-	-
At FVTOCI						
Borrowings	3,675.24	3,675.24	-	3,769.30	3,769.30	-



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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.

32. 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.

(₹ in Crore)

	March 31, 2021	March 31, 2020
Gross Debt	11,195.52	8,889.41
Trade Payables	4,156.56	5,528.13
Other Payables	566.34	338.65
Less: Cash and Cash Equivalents	37.07	90.56
Net Debt	15,881.35	14,659.91
Equity	108.46	105.48
Other Equity	985.28	4,077.75
Total Capital	1,093.74	4,183.23
Capital and Net Debt	16,975.09	18,843.14
Gearing Ratio	93.56%	77.80%

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

33. INCOME TAX EXPENSE

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

	(₹ in Crore)	
	March 31, 2021	March 31, 2020
Profit Before Tax	(3,168.49)	14.08
Tax Expense		
Current Tax	0.19	0.09
Deferred Tax	0.73	2.70
Earlier Year Tax	20.11	-
Tax Expense charged to Profit and Loss Account	21.03	2.79
Profit After Tax	(3,189.52)	11.29

(ii) Amount for Which Deferred Tax Asset is Not Recognised

	(₹ in Crore)	
	March 31, 2021	March 31, 2020
Unused Tax Losses	1,662.37	442.01
Accelerated Depreciation for Tax Purpose	27.59	29.28
Other items giving rise to temporary differences	(111.35)	(174.07)
Deferred tax asset	1,578.61	297.22

34. SEGMENT REPORTING

The Group is primarily engaged in the business of "Retail", which in terms of Ind AS 108 on "Segment Reporting" constitutes a single reporting segment.

35. RELATED PARTY DISCLOSURES

Disclosure as required by Ind AS 24 and Companies Act, 2013 "Related Party Disclosures" are given below:

1 List of Related Parties

A Joint Venture Group

- Future Retail LLC (JV Company Registered on May 01, 2018 in Sultanate of Oman) (Under liquidation)

B Other Related Parties

(i) Aadhaar Wholesale Trading And Distribution Limited (AWTDL) (ii) Apollo Design Apparel Parks Limited (ADAPL) (iii) Birthright Games & Entertainment Private Limited (BGEPL) (iv) Bloom Foods & Beverages Private Limited (v) FLFL Travel Retail Bhubaneswar Private Limited (FTRBPL) (vi) FLFL Travel Retail Guwahati Private Limited (FTRGPL) (vii) FLFL Travel Retail Lucknow Private Limited (FTRLPL) (viii) FLFL Travel Retail West Private Limited (FTRWPL) (ix) Fonterra Future Diary Private Limited (FFDPL) (x) Future Consumer Limited (FCL) (xi) Future Coupons Private Limited (f.k.a Future Coupons Limited) (FCPL) (xii) Future Corporate Resources Private Limited (FCRPL) (xiii) Future Enterprises Limited (FEL) (xiv) Future Entertainment Private Limited (FEPL) (xv) Future Food and Products Limited (FFPL) (xvi) Future Generali India Insurance Company Limited (FGIICL) (xvii) Future Generali India Life Insurance Company Limited (FGILICL) (xviii) Future Ideas Company Limited (FICL) (xix) Future Lifestyle Fashions Limited (FLFL) (xx) Future Market Networks Limited (FMNL) (xxi) Future Media (India) Limited (FMIL) (xxii) Future Sharp Skills Limited (FSSL) (xxiii) Future Specialty Retail Limited (FSRL) (xxiv) Future Supply Chain Solutions Limited (FSCSL) (xxv) Galaxy Cloud Kitchens Limited (GCKL) (xxvi) Goldmohur Design & Apparel Park Limited (GDAPL) (xxvii) Hain Future Natural Products Private Limited (HFNPPL) (xxviii) Holii Accessories Private Limited (HAPL) (xxix) Leanbox Logistics Solutions Private Limited (LLSPL) (xxx) Praxis Home Retail Limited (PHRL) (xxxii) Rachika Trading Limited (RTL) (xxxii) Retail Light Techniques India Limited



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(RLTIL) (xxxiii) Riddhi Siddhi Mall Management Private Limited (RSMMP) (xxxiv) The Nilgiri Dairy Farm Private Limited (TNDP) (xxxv) Work Store Limited (WSL)

C Key Managerial Personnel(s)

- Mr. Kishore Biyani – Chairman
- Mr. Rakesh Biyani – Managing Director
- Ms. Gagan Singh – Independent Director
- Mr. Ravindra Dhariwal – Independent Director
- Mr. Shailendra Bhandari – Independent Director
- Ms. Sridevi Badiga – Independent Director
- Mr. Rahul Garg - Non Executive Director
- Mr. C. P. Toshniwal – Chief Financial Officer
- Mr. Virendra Samani – Company Secretary

D Relatives of Key Managerial Personnel(s)

- Mrs. Bhavika Samani

2 Transaction with Related Parties

Sale of Goods and Services to Joint Ventures ₹ Nil Crore (2020 ₹ 4.85 Crore) ,Other Related Parties ₹ 252.53 Crore (2020 ₹ 254.19 Crore). Purchase of Goods and Services from Other Related Parties ₹ 1515.40 Crore (2020 ₹ 7272.38 Crore), Sale of Fixed Assets to Other Related Parties ₹ Nil (2020 ₹ 17.48 Crore). KMP/Relatives ₹ 0.02 Crore (2020 ₹ 0.02 Crore). Equity Share Warrant Money ₹ 1.50 Crore (2020 ₹ 746.10) Managerial Remuneration to KMP ₹ 8.47 Crore (2020 ₹ 10.77 Crore). Sitting Fees to KMP ₹ 0.92 Crore (2020 ₹ 2.65 Crore). Receivable (Net) from Joint Ventures ₹ 3.48 Crore (2020 ₹ 4.61 Crore) , from Other Related Parties ₹ Nil (2020 ₹ 3199.29 Crore). Payable (Net) to Other Related Parties ₹ 1514.26 Crore (2020 ₹ 990.28) , KMP/Relatives ₹ 0.03 Crore (2020 ₹ Nil)

3 Significant Related Party Transactions

- A. Sale of Goods and Services includes FEL ₹ 208.52 Crore (2020 ₹ Nil) , FRLLC ₹ Nil (2020 : ₹4.94 Crore), FLFL ₹ 28.17 Crore (2020 : ₹ 125.83 Crore) FCRPL ₹ 0.29 Crore (2020: ₹ 2.64 crore), FMIL ₹ 3.44 Crore (2020 : ₹ 41.26 Crore)
- B. Purchases of Goods and Services includes FEL ₹ 681.92 Crore (2020: ₹ 3472.03 Crore), FSCSL ₹ 217.38 Crore (2020 : ₹ 604.37 Crore), FCL ₹ 382.81 Crore (2020: ₹ 2589.16 Crore) FCRPL ₹ 2.92 Crore (2020: ₹ 68.41 Crores).
- C. Managerial Remuneration includes Mr. Kishore Biyani ₹ 2.17 Crore (2020 : ₹ 3.86 Crore), Mr. Rakesh Biyani ₹ 3.75 Crore (2020 : ₹ 3.94 Crore). Key Managerial Personnel Remuneration includes Mr. C. P. Toshniwal ₹ 2.26 Crore (2020 : ₹ 2.53 Crore) , Mr. Virendra Samani ₹ 0.28 Crore (2020 : ₹ 0.45 Crore)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

36. INTEREST IN OTHER ENTITIES

Subsidiary Companies :

S. No.	Name of the Group	Description of Interest	Country of Incorporation	Percentage of Interest as on March 31, 2021	Percentage of Interest as on March 31, 2020
1	Travel News Services (India) Private Limited	Equity	India	100%	100%
2	TNSI Retail Private Limited	Equity	India	100%	100%
3	Welcome Retail Private Limited	Equity	India	51%	51%
4	Future 7-India Convenience Limited	Equity	India	100%	100%

Joint Venture Group Information :

S. No.	Name of the Company	Description of Interest	Country of Incorporation	Percentage of Interest as on July 31, 2021	Percentage of Interest as on December 31, 2019
1	Future Retail LLC#	Equity	Sultanate of Oman	50%	50%

Group's Interest in the Joint Venture:

	(₹ in Crore)	
	As At March 31, 2021	As At March 31, 2020
Assets	9.10	35.54
Liabilities	11.26	33.87
Income	0.93	11.49
Expenditure	(3.94)	(19.02)

Under liquidation

37. EARNINGS PER SHARE

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

	Units	(₹ in Crore)	
		2020-21	2019-20
Profit attributable to equity holders	₹	(3,189.52)	11.54
Weighted average number of Equity Shares for Basic EPS	No. in Crore	54.03	52.66
Weighted average number of Equity Shares for Diluted EPS	No. in Crore	54.03	54.14
Nominal Value per Equity Share	₹	2.00	2.00
Earnings Per Equity Share (Basic)	₹	(59.03)	0.23
Earnings Per Equity Share (Diluted)	₹	(59.03)	0.22

38. Claims Against the Group Not Acknowledged as Debts, In respect of Income Tax, Value Added Tax, Entry Tax & APMC Tax ₹ 39.69 Crore (2020 : ₹ 45.18 Crore), Letter of Credit ₹ 25.11 Crore (2020 : ₹ 542.93 Crore), Others ₹ 18.04 Crore (2020 : ₹ 42.27 Crore) and Other money for which the Group is Contingently Liable, Bank Guarantee Given ₹ 20.88 Crore (2020 : ₹ 61.49) and Corporate Guarantees Given ₹ 1515.19 Crore (2020 : ₹ 1747.00 Crore) and OMR 8 lakhs.

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.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

39. FOR DISCLOSURES MANDATED BY SCHEDULE III OF COMPANIES ACT 2013, BY WAY OF ADDITIONAL INFORMATION, REFER BELOW:

(₹ in Crore)

Name of the Entities in the Group	2020-21									
	Net Assets (Total Assets minus Total Liabilities)		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income			
	As a % of Consolidated Net Assets	Amount (₹ in Crore)	As a % of Consolidated Profit	Amount (₹ in Crore)	As a % of Consolidated Profit	Amount (₹ in Crore)	As a % of Consolidated Profit	Amount (₹ in Crore)	As a % of Consolidated Profit	Amount (₹ in Crore)
Future Retail Limited	109.62%	1,199.15	100%	(3180.03)	100%	98.99	100%	(3081.04)		
Subsidiaries										
TNSI News Services (India) Private Limited	(0.91%)	(9.99)	0%	(3.91)	0%	-	0%	(3.91)		
TNSI Retail Private Limited	(1.05%)	(11.50)	0%	(2.27)	0%	-	0%	(2.27)		
Welcome Retail Private Limited	(3.36%)	(36.72)	0%	13.99	0%	0.00	0%	13.99		
Future 7-India Convenience Limited	(1.11%)	(12.14)	1%	(17.30)	0%	-	1%	(17.30)		
Subtotal		1,128.80		(3,189.52)		98.99		(3,090.53)		
Intercompany Elimination and Consolidation Adjustments	(3.20%)	(35.06)	0%	0.00	0%	0	0%	0.00		
Total		1,093.74		(3,189.52)		98.99		(3,090.53)		
Non - Controlling Interest	-	-						0.00		
Joint Ventures (Investment as per Equity Method)										
Future Retail LLC	-	-		-		-		-		
Grand Total		1,093.74		(3,189.52)		98.99		(3,090.53)		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

40. Pursuant to the levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from June 1, 2007 by the Finance Act, 2010, the Company based on legal advice, challenged the levy through Retailers Association of India and its retrospective application. The Hon'ble Supreme Court had passed an interim order dated October 14, 2011. In compliance of this order Company has made an aggregate deposit of ₹ 45.89 Crore in respect of the liability for such service tax for the period from June 1, 2007 up to September 30, 2011. From October 1, 2011, the Company is accounting and paying for such service tax regularly as per directives of the Supreme Court. Accordingly the Company has not made provision of ₹ 85.61 Crore for the period June 1, 2007 to September 30, 2011 which would be appropriately recognised on final determination.

41. CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 5.20 Crore (2020 : ₹ 13.46 Crore).

42. PAYMENT TO THE AUDITOR

	(₹ in Crore)	
	2020-21	2019-20
Statutory Audit Fees	0.76	0.95
Certification & Consultation Fees	0.06	0.25
Total	0.82	1.20

43. LEASES

The Company has entered into lease arrangements for its Stores. These leasing arrangements which are non-cancellable range between 3 to 25 years on an average and are usually renewable by mutual consent on mutually agreeable terms.

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustments to retained earnings, on the date of initial application. Consequently, the Company has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2020 have not been retrospectively adjusted and therefore will continue to be reported under accounting policies included as part of our Annual Report for the year ended March 31, 2020.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 11.50%

Changes in the carrying value of right of use assets with change during the period (net), depreciation and closing balance as on March 31, 2021 ₹ 1750.59 Crore (March 2020 : ₹ 1847.23 Crore)

The aggregate depreciation expense on ROU assets is included under depreciation and amortization in statement of Profit & Loss.

The following is the break-up of current and non-current lease liabilities

	(₹ in Crore)	
	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	901.45	577.07
Non-current lease liabilities	1,008.40	1,923.62
Total	1,909.85	2,500.69



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Changes in the carrying value of Lease liability with change during the period (net), Finance cost accrued and Payment of lease liability and its closing balance as on March 31, 2021 ₹ 1909.85 Crore (2020 : ₹ 2500.69 Crore.)

The Company does not face a significant liquidity risk with regards to its lease Liabilities as the current assets are sufficient to meet obligations to lease liabilities as and when they fall due.

44. The outbreak of Covid-19 pandemic has created economic disruption throughout the world including India. Consequently the revenue and profitability for the year end of March 2021 have been adversely impacted. The second wave across India has raised concern over economic growth and business conditions, while the restrictions are currently more localized and for shorter duration as compared to the previous year. Moreover, increasing pace of Inoculation and efforts by the government are likely to help mitigate some of the adverse impact.

In assessing the recoverability of the Receivables, Inventories and other financial and non-financial assets, the Company closely monitoring the development and possible effect on the financial condition, liquidity, operations, and is actively working to minimize the impact of this unprecedented situations. The impact of the pandemic may differ from that estimated as on the date. The Company will continue to closely monitor any material changes to future economic conditions. As the situation is continuously evolving, the eventual impact may differ from the estimates made in financial statements.

45. The Board of Directors of the Company at its meeting held on August 29, 2020 has inter-alia, considered and approved the Composite Scheme of Arrangement between the companies involved and their respective Shareholders and Creditors, mainly comprising of : (i) merger of Future Retail Limited ("the Company" or Transferor Company 4"), and other 18 Transferor Companies with Future Enterprises Limited ("FEL" or "Transferee Company"); (ii) Transfer and vesting of the Logistics & Warehousing Undertaking from Resultant FEL as a going concern on a slump sale basis to Reliance Retail Ventures Limited ("RRVL"); (iii) Transfer and vesting of the Retail & Wholesale Undertaking from Resultant FEL as a going concern on a slump sale basis to Reliance Retail and Fashion Lifestyle Limited, a wholly owned subsidiary of RRVL ("RRVL WOS"); and (iv) Preferential allotment of equity shares and warrants of Resultant FEL to RRVL WOS ("The Composite Scheme of Arrangement"/ Scheme), pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

The combination contemplated under the Scheme has been approved by Competition Commission of India on November 20, 2020. Further Stock Exchanges have issued observation letter without any adverse observation on January 20, 2021. Subsequently, the Scheme application has been filed with National Company Law Tribunal Mumbai (NCLT) on January 26, 2021 for seeking directions from NCLT for convening the meeting of the Shareholders and Creditors of the Transferor Companies and Transferee Company. NCLT has heard the said application and the intervention application filed by Amazon.com Investment Holdings LLC. (Amazon) and has reserved the order on the said application.

Amazon has initiated arbitration against the Company and its promoters on October 05, 2020 before Singapore International Arbitration Centre (SIAC). After completion of Emergency Arbitration hearing held pursuant to application of Amazon, Emergency Arbitrator has passed an interim order on October 25, 2020 (EA Order) inter alia restraining the Company and promoters to take any steps in furtherance of the resolution passed on August 29, 2020. However, based on the legal advice received by the Company, it has contended that the EA Order would not be enforceable against the Company, in view of the fact that the Company is not a signatory to the arbitration agreement under which arbitration has been initiated.

The Company has filed a suit before Hon'ble Delhi High Court making a prayer to injunct Amazon from tortuously interfering with the Scheme. The Hon'ble Single Judge of the Delhi High Court has passed a Judgment in the Interim Application, wherein it has prima facie held that there is no arbitration agreement between Amazon and the Company; Company's Resolution dated August 29, 2020 approving the Scheme is neither void nor contrary to any statutory provision nor the Articles of Association of the Company. The said Judgement further prima facie held that Amazon's representations to various regulatory authorities amounted to unlawful interference with the Scheme and a civil wrong actionable by both the Company and Reliance. However, no injunction was granted in favour of the Company and all the Statutory Authorities were directed to take the decision on the applications

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

and objections raised in accordance with the law. The Hon'ble Court also prima facie held that conflation of the two shareholders agreements will be in violation of FEMA FDI Rules. An Appeal was preferred by Amazon against certain observations contained in this Judgment.

In another application of Amazon under Section 17(2) of Arbitration & Conciliation Act, 1996 to enforce EA Order, Hon'ble Delhi High Court vide its interim order dated February 2, 2021 directed the parties to maintain status quo (Status Quo Order). The Company challenged this Order before the Hon'ble Division Bench of Delhi High Court in an appeal. The Learned Division Bench has stayed the aforesaid Status Quo Order on February 8, 2021. Amazon has preferred a Special Leave Petition before Hon'ble Supreme Court against the order of the Hon'ble Division Bench on February 13, 2021. The Hon'ble Supreme Court ruled that the proceedings before NCLT will be allowed to go on but will not culminate in any final order of sanction of the Scheme.

On March 18, 2021 a detailed interim order was passed by the Single Judge of the Delhi High Court ("Detailed Order") inter-alia confirming the directions in the Status Quo Order passed by Hon'ble Delhi High Court in the application under Section 17(2) of Arbitration & Conciliation Act, 1996, granting further reliefs in favour of Amazon and inter-alia restricting all respondents from taking any further action in violation of the EA Order. An appeal was filed by the Company, as well as other respondents, before the Hon'ble Division Bench against the Detailed Order. On March 22, 2021 the Hon'ble Division Bench was pleased to pass a common order in both the appeals, staying the enforcement of the Detailed Order .

Amazon filed Special Leave Petitions before the Hon'ble Supreme Court against the order of the Hon'ble Division Bench passed on March 22, 2021. On April 19, 2021 the Hon'ble Supreme Court stayed the proceedings before the Single Judge and the Division Bench of the Delhi High Court and directed parties to complete the pleadings and listed all the three SLPs for final disposal on May 04, 2021. Post summer vacation at Supreme Court, SLPs are now being heard and argued before Supreme Court. Supreme Court may consider issuing order in the matter after completion of the submissions by all the parties.

Further in relation to the Arbitration Proceedings, a Tribunal has been constituted by SIAC on January 05, 2021 and the Company has filed two applications before the Tribunal, first being an application under Section 16 of Arbitration & Conciliation Act, 1996 ("Arbitration Act") challenging the jurisdiction of the Tribunal; and second being an Application under Rule 10 of Schedule I of SIAC Rules for vacation of the EA Order. As per the scheduled finalised by the Tribunal, the hearing commenced from 12th July, 2021 and continued till 16th July, 2021. The decision of Tribunal is awaited on both applications.

46. Pursuant to RBI guidelines vide circular DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 on 'Resolution Framework for COVID-19-related Stress', the lenders of the Company has invoked One Time Restructuring (OTR) with regard to credit facilities availed by the Company from Banks and other Institutions on October 29, 2020. The aforesaid OTR has been implemented by execution of the documents by the Company and eligible lenders on April 26, 2021. Accordingly as per the agreed terms of OTR the repayment of Long Term and Short Term obligation is extended, overdue working capital limits is converted in Working Capital Term Loan (WCTL), and interest due till September, 2021 on various credit facilities has been converted into Funded Interest Term Loan (FITL). The terms of repayment of the NCDs and interest due thereon, which are not part of the OTR has also been separately extended on the similar lines in consultation with the debenture trustees and the concerned debenture holders.

As per our report of even date attached

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W

Ashok A.Trivedi
Partner
Membership No.: 042472

Mumbai
July 29,2021

For and on behalf of Board of Directors

Kishore Biyani
Chairman

C.P. Toshniwal
Chief Financial Officer

Rakesh Biyani
Managing Director

Virendra Samani
Company Secretary

**FORM AOC - 1****Statement containing salient features of the financial statement of subsidiaries /
associate companies / joint ventures**

[Pursuant to first proviso to subsection (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part "A": Subsidiary companies

(₹ in Crore)

Name of the Subsidiaries	Travel News Services (India) Private Limited (TNSI)	TNSI Retail Private Limited*	Welcome Retail Private Limited*	Future 7-India Convenience Limited
Date of Acquisition / becoming subsidiary	May 11, 2018	May 11, 2018	May 11, 2018	February 28, 2019
Reporting period for the subsidiary	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Reporting currency	INR	INR	INR	INR
Share Capital	4.14	18.94	0.05	1.51
Reserves & Surplus	(35.82)	(30.44)	(36.77)	(13.65)
Total Assets	119.41	20.69	54.92	13.24
Total Liabilities**	151.08	32.19	91.64	25.38
Investments	2.73	Nil	Nil	Nil
Turnover	34.80	12.82	9.20	0.00
Profit before Taxation	(5.13)	(2.27)	16.13	(17.30)
Provision for Taxation	(1.22)	-	2.14	-
Profit after Taxation	(3.91)	(2.27)	13.99	(17.30)
Proposed Dividend	Nil	Nil	Nil	Nil
% of Shareholding	100	100	51	100

(*) Subsidiaries of TNSI

(**) Excluding Share Capital and Reserves & Surplus

(#) Includes investment made in its subsidiary companies.

Note: The subsidiaries have commenced their operations and no subsidiary is under liquidation or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of Companies Act, 2013 related to Associate & Joint Ventures

(₹ in Crore)

Name of Joint Venture	Future Retail LLC#
Latest audited Balance Sheet Date	July 31, 2020
Shares of Joint Venture held by the Company on the year end	
• No. of shares	2,50,000
• Amount of investment in Joint Venture	4.57
• Extend of Holding (%)	50
Description of how there is significant influence	Due to Join venture Agreement
Reason why the joint venture is not consolidated	Under liquidation
Networth attributable to shareholding as per latest audited Balance Sheet	(2.16)
Profit/Loss for the year	
Considered in consolidation	-
Not considered in consolidation	(3.00)

Under liquidation

As per our report of even date attached

For NGS & Co. LLP

Chartered Accountants

Firm Registration No. : 119850W

Ashok A.Trivedi

Partner

Membership No.: 042472

For and on behalf of Board of Directors

Kishore Biyani

Chairman

C. P. Toshniwal

Chief Financial Officer

Rakesh Biyani

Managing Director

Virendra Samani

Company Secretary

Mumbai

July 29,2021

FUTURE RETAIL 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 Directors' Report for the year ended March 31, 2021.

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

1. Behram Kabrajee, Head-Sourcing, Quality Assurance & Technical, 60, October 31, 2015, 34, B.Com, 1,03,53,849, Future Enterprises Ltd.; 2. C. P. Toshniwal, Chief Financial Officer, 55, May 02, 2016, 31, CA & CS, 2,25,73,404, Future Lifestyle Fashions Ltd.; 3. Dhananjay Sengupta, CEO - Small Format, 56, October 31, 2015, 34, MBA, 1,02,71,467, Future Enterprises Ltd.; 4. Kishore Biyani, Executive Chairman, 60, May 2, 2016, 40, B.Com & PG Diploma in Management, 2,17,42,172, Future Group CEO; 5. Krishna Thingbaijam, Head - Design, 51, October 31, 2015, 26, Fashion Designer, 1,01,93,626, Future Enterprises Ltd.; 6. Manish Agarwal, CEO-East, Future Group, 51, October 31, 2015, 29, CA, 1,18,47,199, Future Enterprises Ltd.; 7. Pankaj Patel, Head Legal, 48, October 31, 2015, 21, LLb, LLM, 1,03,50,920, Future Enterprises Ltd.; 8. Rakesh Biyani, Managing Director, 49, May 2, 2016, 25, B.Com, Advance Management Programme (Harvard Business School), 3,75,44,286, Future Group, 9. Sadashiv Nayak, CEO-Food Business, Future Group and Interim CEO-Future Consumer Ltd., 50, October 31, 2015, 25, B.E. Electronics & Communications & PGDBM, 1,41,17,549, Future Enterprises Ltd.; 10. Vineet Jain*, CEO - Delhi & NCR, Future Group, 45, October 31, 2015, 24, ICWAI, 1,26,82,898, Future Enterprises Ltd.

"*" denotes employed for 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; and

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 29, 2021

Kishore Biyani
Chairman



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