

Ref: FLFL/BM/ RESULT/ 2022-23

16 August 2022

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

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

Scrip Code : 536507
Debt – Scrip Code: 957150

Scrip Code : FLFL

Dear Sir/Madam,

Sub: Audited Financial Results for the quarter and year ended on 31 March 2022 and Auditors' Report thereon

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

1. Standalone Audited Financial Results of the Company for the quarter and year ended on 31 March 2022;
2. Consolidated Audited Financial Results of the Company and its subsidiaries for the quarter and year ended on 31 March 2022;

The above Audited Financial Results (Standalone and Consolidated) have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held today.

3. Auditors' Reports on the aforesaid Financial Results (Standalone and Consolidated) of the Company issued by M/s. NGS & Co. LLP, the Statutory Auditors of the Company.

The Company hereby declares that M/s. NGS & Co. LLP, the Statutory Auditors of the Company have issued the Audit Reports with unmodified opinion on the aforesaid Audited Financial Results.

The meeting of the Board of Directors commenced at 12:30 pm and concluded at 2:50 pm.

Kindly take the above information on your records

Thanking you,

Yours faithfully,

For Future Lifestyle Fashions Limited


Sanjay Kumar Mutha
Company Secretary

Encl: As above

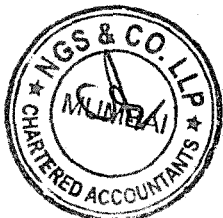
Statement of Audited Standalone Financial Results for the Quarter and Year ended March 31, 2022

(₹ in crore, unless otherwise stated)

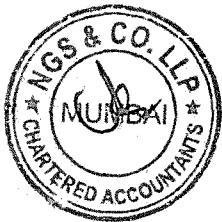
Sr. No.	Particulars	Quarter ended			Year ended	
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
		Audited	Unaudited	Unaudited	Audited	Audited
1	Income					
	a) Revenue from operations	586.32	1,194.31	776.00	2,838.31	2,160.51
	b) Other income	(291.67)	15.06	11.44	(255.47)	49.99
	Total income	294.65	1,209.37	787.44	2,582.84	2,210.50
2	Expenses					
	a) Purchases of stock-in-trade	534.83	791.87	553.68	1,813.54	1,007.76
	b) Changes in inventories of stock-in-trade -(Increase)/Decrease	240.65	12.62	(18.84)	478.98	524.05
	c) Employee benefits expense	50.28	73.39	40.82	234.86	173.14
	d) Finance Costs	63.60	80.66	85.76	314.28	338.62
	e) Depreciation and amortisation expense	118.33	160.61	140.88	609.09	581.88
	f) Other expenses	229.32	178.02	120.72	650.89	455.80
	Total expenses	1,237.01	1,297.17	923.03	4,101.64	3,081.25
3	(Loss) before Exceptional Item and Tax	(942.36)	(87.80)	(135.59)	(1,518.80)	(870.75)
	Exceptional Items	(774.02)	-	-	(774.02)	-
	(Loss) before tax	(1,716.38)	(87.80)	(135.59)	(2,292.82)	(870.75)
4	Tax expenses	156.09	-	0.16	156.09	0.82
5	Net Loss after tax	(1,872.47)	(87.80)	(135.75)	(2,448.91)	(871.57)
6	Other comprehensive income (net of tax)	(26.74)	0.36	(1.46)	(25.81)	(0.64)
7	Total comprehensive income for the period / year	(1,899.21)	(87.44)	(137.21)	(2,474.72)	(872.21)
8	Paid Up Equity Share Capital (Face Value ₹ 2 per Share)	40.35	40.35	40.35	40.35	40.35
9	Other Equity				(1,784.70)	697.78
10	Earning per share (Face Value ₹ 2 per Share)					
	a) Basic in ₹	(94.12)	(4.33)	(6.80)	(122.65)	(43.23)
	b) Diluted in ₹	(94.12)	(4.33)	(6.80)	(122.65)	(43.23)
11	Additional disclosure as per Clause 52 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :					
	Net Worth (Excluding Capital Reserve and DRR) (₹ in Crore)	(2,221.34)	(317.30)	261.14	(2,221.34)	261.14
	Debtenture Redemption Reserve (DRR) (₹ in Crore)	50.00	50.00	50.00	50.00	50.00
	Debt Equity Ratio	(0.99)	10.99	2.27	(0.99)	2.27
	Debt Service Coverage Ratio	(14.08)	1.69	1.06	(3.81)	0.15
	Interest Service Coverage Ratio	(24.13)	1.90	1.06	(4.36)	0.15
	Current Ratio	0.60	0.74	0.90	0.60	0.90
	Long term debt to working capital	(0.64)	(2.03)	(0.92)	(0.64)	(3.54)
	Bad debts to accounts receivable ratio (%)	23.96	1.26	1.09	23.96	1.09
	Current Liability Ratio (%)	105.87	69.42	55.56	105.87	55.56
	Total debts to total assets ratio (%)	40.03	31.98	27.54	40.03	27.54
	Debtors turnover	12.91	18.90	14.40	15.41	10.10
	Inventory turnover	2.25	1.95	1.15	1.64	0.82
	Operating Margin (%)	(79.95)	11.59	10.26	(11.98)	(0.01)
	Net Profit Margin (%)	(323.92)	(7.32)	(17.68)	(87.19)	(40.37)

Notes :-

- The above Financial Results were reviewed and recommended by the Audit Committee and were thereafter approved by the Board of Directors of the Company at its meeting held on August 16, 2022.
- The Covid-19 pandemic has adversely affected the operations of the Company including its ability to be consistent with the suppliers and sales and which in turn also has impacted liquidity position of the Company. While the Company continues to work with all the stakeholders, the situation still continues to be evolving. The Company has adopted several cost reduction measures to address the liquidity crunch to maintain sufficient operational cashflows
To address the liquidity crunch and to maintain the sufficient working capital, the Company has adopted several measures including the invoking One Time Restructuring (OTR) of the loans of the Company on November 02, 2020 as per the RBI guidelines, which has been implemented by all the lenders of the Company on April 30, 2021. The Company has also received approvals from the Debenture Trustee i.e. Cent Bank Financial Services Ltd. for the restructuring of the Non- Convertible Debentures (NCDs) including the deferment of the Repayment Period of the Principal amount of NCDs and conversion of the amount of the due coupons in November 2020 and November 2021 in to Funded Interest Term Loan (FITL).
Subsequently, the Company has been unable to service the obligations towards the repayment of the amount of the principal due on Loans/ Working Capital facilities availed by the Company from the banks as agreed under the OTR. Basis the same, the Lead bank and State Bank of India have classified the accounts of the Company in the system as Non-Performing Assets (NPAs) on May 31, 2022.
The Company would be taking necessary steps to further restructure its debts and fulfil other commitments as agreed with the Lenders under the OTR. In the meanwhile, the Lenders have allowed the Company to carry on its day-to-day operations of the Company under the Holding on Operations in the account including monitoring and release of the operational payments under the said arrangement. The Lead Bank has approved the Holding on Operations in the account with 10% cutback / retention and the Company has served the monthly interest on all facilities from the retention amount till July 2022 in line with the terms of sanction.

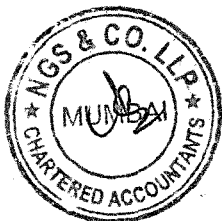


- 3 As on March 31, 2022, 34 "Central" stores and 78 "Brand Factory" stores of the Company were non-operational. These stores have been contributing approx. 64% of total revenue from operations of the Company for FY 2021. Subsequent to the reporting period, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held August 09, 2022 have approved the proposal to sale, lease, rent or dispose of the Specified Assets or in any other manner as it may deem fit, at a price which shall be at least equal to book value at the relevant point of time, subject to requisite approvals of lenders, debenture holders, shareholders and other contractual approvals, if any. Hence, the Specified Assets have been categorised as held for sale, in the books of accounts.
- 4 Under the OTR arrangements, the Company has debt servicing obligations aggregating to ₹ 505.08 Crores within the next twelve months, comprising of repayment of the principal amount of Long-Term debts amounting to ₹ 360.01 Crores and short-term borrowings of ₹ 145.07 Crores. The Company has incurred loss before tax during the quarter ended March 31, 2022 amounting to ₹ 1716.38 Crores (including exceptional item) primarily owing to provision for diminution of Investments, doubtful provision for receivables, the lower sales volumes, finance costs and depreciation. The Company's current liabilities exceeded its current assets (including asset held for sale) by ₹ 1180.66 Crores as at the year end date. Also, the Company has defaulted on repayment of principal amount on loans from banks/financial institution and unlisted debts securities as on March 31, 2022 amounting to ₹ 63.30 Crores. The Lead bank and State Bank of India have classified the accounts of the Company in the system as Non- Performing Assets (NPAs) on May 31, 2022. Since then, the Company has repaid the debt amount to the extent of ₹ 76.67 Crores. The Company has been regular in servicing of interest on all facilities till date. To address the liquidity crunch and to maintain the sufficient working capital, the Company has adopted several measures including cost optimisation. The Company would be taking necessary steps to further restructure its debts under the proposed resolution plan. Further, the Company has initiated the process for the monetisation of some of the assets, to repay the debts and to manage the working capital requirements as part of the same plan. The success of the above measures adopted by the Company is dependent on the effective implementation of its operating plans and timely identification of the prospective buyers for monetisation of its assets which is dependent of many internal / external factors. The management is confident that they will be able to arrange sufficient liquidity by monetization of its assets, increase in operations and other strategic initiatives. Accordingly, the financial results are prepared on a going concern basis.
- 5 Exceptional items for the quarter and year ended March 31, 2022 includes provision for diminution of Investments aggregating to ₹ 480.64 crore held in the equity shares in Future Trendz Limited, FLFL Travel Retail Bhubaneswar Private Limited, FLFL Travel Retail Guwahati Private Limited, FLFL Travel Retail West Private Limited, FLFL Travel Retail Lucknow Private Limited and FLFL Lifestyle Brands Limited, provision for impairment for Intercompany Deposits and interest receivable thereon aggregating to ₹ 282.51 crore, given to FLFL Lifestyle Brands Limited and provision for impairment of Loan of ₹ 10.87 crore given to FLFL Employee Welfare Trust, in terms of the applicable accounting standards and prudent practice.
- 6 The Bank of India (Lead Bank) has intimated to the Company that bankers have appointed their empanelled auditors to carry out forensic audit of the accounts of the Company for the period 01.04.2017 to 31.05.2022, in compliance with the extant Guidelines issued by Reserve Bank of India
- 7 The Board of Directors of the Company at its meeting held on September 20, 2021 has, inter-alia, approved the Composite Scheme of Arrangement between Future Trendz Limited ("Transferor Company 1" / "FTL"), Future Specialty Retail Limited ("Transferor Company 2" / "FSRL") and Future Lifestyle Fashions Limited ("Transferee Company" / "FLFL") and their respective shareholders ("The Composite Scheme of Arrangement" / "Scheme"), pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013. The Company has submitted draft Scheme with BSE Limited and National Stock Exchange of India Limited. For obtaining Observation letter on the draft Scheme. The Company is awaiting Observation letter from Stock Exchanges, to further proceed with the filing of the Scheme with National Company Law Tribunal.
- 8 The Board of Directors of the Company at its meeting held on August 29, 2020 approved the Composite Scheme of Arrangement ("Scheme") which involves: (i) merger of Future Lifestyle Fashions Limited ("Company") and other 18 Transferor Companies with Future Enterprises Limited ("FEL") (ii) 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"); (iii) Transfer and vesting of 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 (iv) Preferential allotment of equity shares and warrants of FEL to RRVL WOS, pursuant to section 230 to 232 and other relevant provisions of the Companies Act, 2013. As in most of the Secured Creditors meetings of various companies involved in the Scheme, the voting was not in favour of the Scheme, hence, the Scheme could not be implemented.
- 9 Subsequent to the reporting period, the pledge of investments in the securities of FLFL Lifestyle Brands Limited, SSI Retail Limited, Holii Accessories Limited, Clarks Reliance Footwear Private Limited and FLFL Athleisure Limited, held by the Company and provided as security in favour of the Debenture Trustee to secure 4,500 Non-Convertible Debentures of INR 10 Lakh each, issued by FLFL Lifestyle Brands Limited ("FLBL NCDs") has been invoked. Consequently, FLFL Lifestyle Brands Limited ceased to be an Associate Company and FLFL Athleisure Limited ceased to be a wholly owned Subsidiary of the Company with effect from May 02, 2022. Accordingly, the Company has recognised its obligation towards FLBL NCDs as unsecured creditors, which would be diluted by various monetisation happening at FLBL level and for other investments invoked by the trustee of the NCD holders, as explained here below. Investments invoked by the Debenture Trustee are held in trust. Monetisation of such investments and also investments held by FLBL would be initiated and proceed from monetisation, as and when takes place, would be appropriated against the obligation towards FLBL NCDs. Subsequent to the reporting period, Debenture Trustee has recovered ₹ 150.14 crore from monetisation of one of the investments held by FLBL.
- 10 The NCDs issued by the Company are secured by the way of First Pari-Passu charge on entire fixed assets of the Company. Fixed Asset cover available to discharge the principal amount of NCDs, as on March 31, 2022 is 2.84 x, as compared to minimum fixed asset cover of 1.15 times as mentioned in the Debenture Trust Deed dated February 28, 2018. Fixed assets includes Asset held for sale while computing ratio.
- 11 Figures for the corresponding previous period / year have been regrouped / reclassified wherever necessary. Figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between audited figures in respect of the full financial years ended on those dates and the published reviewed year-to-date figures upto the third quarter of the respective financial year.
- 12 The Company has only one business segment i.e. "Fashion". There is no separate reportable segment as per IND AS 108 - Operating Segments.



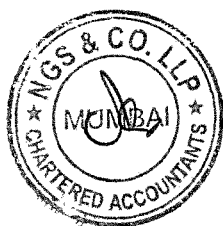
13 Audited Standalone Statement of Assets and Liabilities as at March 31, 2022

Particulars	As at	As at
	31-03-2022	31-03-2021
	Audited	Audited
ASSETS		
Non-current assets		
Property, Plant and Equipment	647.01	2,149.68
Capital work-in-progress	58.64	60.83
Other Intangible assets	10.74	12.53
Financial Assets		
Investments	0.08	503.89
Security Deposits	178.21	101.95
Others financial assets	0.43	0.40
Deferred tax assets (net)	-	156.09
Non-current tax assets (net)	14.44	10.37
Other non-current assets	17.84	56.53
Total Non - Current Assets	927.39	3,052.27
Current assets		
Inventories	1,398.52	1,877.50
Financial Assets		
Investments	34.06	39.90
Trade receivables	184.23	213.82
Cash and cash equivalents	52.68	40.63
Bank balances other than the above	4.97	5.24
Security Deposits	64.85	78.52
Loans	1.54	237.30
Others financial assets	1.15	36.62
Other current assets	1,005.54	490.16
	2,747.54	3,019.69
Assets held for sale (Refer Note no 3)	642.42	-
Total Current Assets	3,389.96	3,019.69
Total Assets	4,317.35	6,071.96
EQUITY AND LIABILITIES		
Equity		
Equity Share capital	40.35	40.35
Other Equity	(1,784.70)	697.78
Total equity	(1,744.35)	738.13
Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings	1,167.64	1,067.33
Other financial liabilities	312.17	882.43
Provisions	11.28	10.68
Total Non - Current Liabilities	1,491.09	1,960.44
Current liabilities		
Financial Liabilities		
Borrowings	560.57	564.13
Trade payables		
Dues of micro enterprises and small enterprises	102.58	80.45
Dues of creditors other than micro enterprises and small enterprises	2,462.43	1,911.55
Other financial liabilities	1,374.52	720.25
Provisions	26.49	50.43
Other current liabilities	44.02	46.58
Total Current Liabilities	4,570.61	3,373.39
Total Equity and Liabilities	4,317.35	6,071.96



14 Cash Flow statement for the year ended March 31, 2022


Particulars	Year Ended	
	31-03-2022	31-03-2021
Cash flows from operating activities		
(Loss) for the year	(2,448.91)	(871.57)
Adjustments to Reconcile Net Profit to Net Cash Generated by Operating Activities		
Income tax expense	156.09	0.82
Finance costs	314.28	338.62
Interest income	(36.81)	(41.97)
Loss on disposal/discard of property, plant and equipment	11.21	41.47
(Gain) on derecognition and remeasurements of lease	(152.83)	(10.34)
Expected credit loss allowance	70.82	0.27
Depreciation and amortisation of property, plant and equipment and intangible assets	609.09	581.88
Exceptional Items	774.02	-
Net loss on financial liability measured at FVTPL	450.00	-
Net loss on derivative liability	17.36	-
Expense recognised in respect of equity-settled share-based payments	(7.77)	(2.58)
Bad Debts	0.19	0.74
Cash Generated from operations before working capital changes	(243.26)	37.34
Movements in working capital:		
(Increase) in trade and other receivables	(549.98)	0.06
Decrease in inventories	478.97	524.05
Decrease in other assets	(52.91)	35.32
Increase / (Decrease) in trade payables	573.06	(313.89)
(Decrease) in provisions	(24.29)	(8.31)
Increase in other liabilities	454.71	39.49
Cash generated from operations	636.30	314.06
Direct taxes paid	(4.07)	(0.65)
Net cash generated by Operating Activities	632.23	313.41
Cash flows from investing activities		
Inter corporate deposit received back	0.01	0.85
Interest received	36.60	41.03
Payments for property, plant and equipment and intangible assets	(11.37)	(68.67)
Proceeds from disposal of property, plant and equipment and intangible assets	1.85	1.00
Payment to acquire financial assets - Investment	(1.65)	(1.83)
Rent Income received	3.08	8.96
Realisation of deposits/restricted deposits with banks	0.24	5.45
Net cash generated by investing activities	28.76	(13.21)
Cash flows from financing activities		
Proceed from Borrowings	55.74	304.87
Interest paid	(211.53)	(209.88)
Payment of Lease liability	(493.15)	(366.12)
Net cash (used in) financing activities	(648.94)	(271.13)
Net increase / (Decrease) in cash and cash equivalents	12.05	29.07
Cash and cash equivalents at the beginning of the year	40.63	11.56
Cash and cash equivalents at the end of the year	52.68	40.63

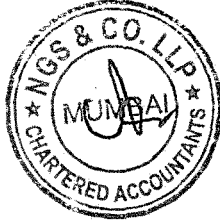


15 Formulae for computation of ratios are as follows :-

Ratios	Formulae
Debt Equity Ratio (no. of times)	$(\text{Long term borrowings} + \text{Current maturities of Long term borrowings} + \text{Short term borrowings}) / \text{Equity (Equity includes total shareholder's funds)}$
Debt Service Coverage Ratio (no. of times)	$(\text{Earnings before interest, tax and depreciation \& amortisation expenses}) / (\text{Interest expenses} + \text{Repayment of long term borrowings during the period})$
Interest Service Coverage Ratio (no. of times)	$(\text{Earnings before interest, tax and depreciation \& amortisation expenses}) / \text{Interest expenses}$
Current Ratio (no. of times)	$\text{Current Ratio (no. of times)} = \text{Current assets (excluding Assets held for sale)} / \text{Current liabilities}$
Long term debt to working capital (no. of times)	$(\text{Long term borrowings} + \text{Current maturities of Long term borrowings}) / \text{Current Assets Less Current Liabilities (Excluding Current Maturities of Non-Current Borrowings)}$
Bad debts to accounts receivable ratio (%)	$\text{Provision for doubtful debts} / \text{Trade receivables}$
Current Liability Ratio (%)	$\text{Total Current liabilities} / \text{Total liabilities}$
Total debts to total assets ratio (%)	$(\text{Long term borrowings} + \text{Current maturities of Long term borrowings} + \text{Short term borrowings}) / \text{Total assets}$
Debtors turnover (no. of times)	$\text{Revenue from operations} / \text{Average trade receivables (Ratios for the quarter / nine months have been annualised)}$
Inventory turnover (no. of times)	$\text{Cost of Goods sold} / \text{Average Inventory of Finished Goods (Ratios for the quarter / nine months have been annualised)}$
Operating Margin (%)	$\text{Profit before depreciation, interest, tax, exceptional items less other income} / \text{Revenue from operations}$
Net Profit Margin (%)	$\text{Profit after tax} / \text{Revenue from operations}$

Place :- Mumbai
Date :- August 16, 2022


Vis: Ruprasad M
Managing Director



Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**To The Board of Directors of
Future Lifestyle Fashions Limited**

Report on the Audit of the Standalone Financial Results

Opinion

We have audited the accompanying Statement of standalone financial results of Future Lifestyle Fashions Limited ("the Company") for the quarter and year ended March 31, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2022:

- i. are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss, other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2022.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* 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 results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

B - 46, 3rd Floor, Pravasi Estate, V N Road, Goregaon (E), Mumbai - 400 063.

Tel.: +91. 22. 4908 4401 | Email: info@ngsco.in

www.ngsco.in



Material Uncertainty related to Going Concern

We draw attention to Note 2 and 4 of the Statement which states that the entire net worth of the company has been eroded due to losses incurred in the previous year and its current liabilities exceeded its current assets which indicates a material uncertainty exists, that may cast a significant doubt on the company's ability to continue as a going concern. We were informed that the Company is in the process of implementing business revival plans which in the opinion of the management would enable the Company to have sustainability and turnaround of its business operations. The Company's ability to generate positive cash flows depends on the successful implementation of such business revival plans. Pending the resolution of the above uncertainties, the Company has prepared the aforesaid statement on a going concern basis.

Our conclusion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

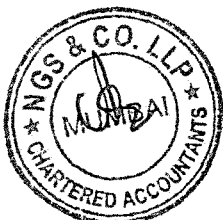
This Statement of standalone financial results has been prepared on the basis of standalone financial statements.

The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.



Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 standalone financial results.

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 results, 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 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 with reference to financial statements 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 financial results 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 results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Statement.

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.

Other Matter

The figures of the financial results as reported for the quarter ended March 31, 2022 and the corresponding quarter ended in the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the end of third quarter of the relevant financial year. Also, the figures up to the end of the third quarter of the current and previous financial year had only been subjected to limited review by us.

For **NGS & CO. LLP.**

Chartered Accountants

Firm Registration No.: 119850W



Ashok A. Trivedi

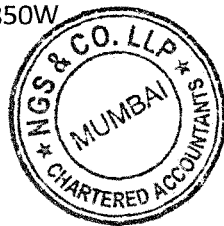
Partner

Membership No. 042472

Mumbai

August 16, 2022

UDIN: 22042472APAYNZ9840



Statement of Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2022

(₹ in crore, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year Ended	
		31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
		Audited	Unaudited	Unaudited	Audited	Audited
1	Income					
	a) Revenue from operations	607.42	1,255.38	831.62	2,993.93	2,276.72
	b) Other income	(291.61)	14.92	11.82	(255.79)	50.36
	Total income	315.81	1,270.30	843.44	2,738.14	2,327.08
2	Expenses					
	a) Purchases of stock-in-trade	585.76	835.57	601.70	1,948.39	1,053.66
	b) Changes in inventories of stock-in-trade -(Increase)/Decrease	204.62	10.72	(30.28)	461.23	561.65
	c) Employee benefits expense	50.28	75.98	46.15	246.00	190.09
	d) Finance Costs	64.40	82.96	92.70	321.55	349.68
	e) Depreciation and amortisation expense	118.99	161.31	145.06	613.43	598.41
	f) Other expenses	414.30	213.22	128.72	913.03	491.92
	Total expenses	1,438.35	1,379.76	984.05	4,503.63	3,245.42
3	Loss Before Exceptional Items	(1,122.54)	(109.46)	(140.61)	(1,765.49)	(918.34)
	Exceptional Item	(667.75)	-	-	(674.90)	-
4	Loss before Non-controlling interest/Share in Net Loss of Associates and Joint Ventures	(1,790.29)	(109.46)	(140.61)	(2,440.39)	(918.34)
	Share in Net Loss of Associates and Joint Ventures	(0.32)	(2.67)	(8.38)	(35.54)	(22.02)
5	Loss before tax	(1,790.61)	(112.13)	(148.99)	(2,475.93)	(940.36)
6	Tax expenses	89.30	(0.46)	0.01	72.97	(7.01)
7	Net Loss after tax	(1,879.91)	(111.67)	(149.00)	(2,548.90)	(933.35)
8	Other comprehensive income (net of tax)	(26.74)	0.36	(1.26)	(25.81)	(0.44)
9	Total comprehensive income for the period / year	(1,906.65)	(111.31)	(150.26)	(2,574.71)	(933.79)
10	Loss for the period Attributable to:					
	Owners of the Group	(1,879.91)	(111.67)	(149.00)	(2,548.90)	(933.35)
	Non-controlling interests	-	-	-	-	-
11	Total Comprehensive Income for the period Attributable to:					
	Owners of the Group	(1,906.65)	(111.31)	(150.26)	(2,574.71)	(933.79)
	Non-controlling interests	-	-	-	-	-
12	Paid Up Equity Share Capital (Face Value ₹ 2 per Share)	40.35	40.35	40.35	40.35	40.35
13	Other Equity				(1,921.55)	660.88
14	Earning per share (Face Value ₹ 2 per Share)					
	a) Basic in ₹	(94.49)	(5.52)	(7.45)	(127.60)	(46.28)
	b) Diluted in ₹	(94.49)	(5.52)	(7.45)	(127.60)	(46.28)
15	Additional disclosure as per Clause 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :					
	Net Worth (Excluding Capital Reserve and DRR) (₹ in Crore)	(2,358.18)	(446.64)	224.25	(2,358.18)	224.25
	Debt Redemption Reserve (DRR) (₹ in Crore)	50.00	50.00	50.00	50.00	50.00
	Debt Equity Ratio	(0.92)	59.12	2.44	(0.92)	2.44
	Debt Service Coverage Ratio	(14.64)	1.45	1.01	(4.10)	0.08
	Interest Service Coverage Ratio	(24.95)	1.62	1.05	(4.68)	0.09
	Current Ratio	0.59	0.76	0.92	0.59	0.92
	Long term debt to working capital	(0.59)	(2.08)	(4.84)	(0.59)	(4.84)
	Bad debts to accounts receivable ratio (%)	145.20	19.86	6.43	145.20	6.43
	Current Liability Ratio (%)	108.74	72.19	57.14	108.74	57.14
	Total debts to total assets ratio (%)	38.72	32.21	27.50	38.72	27.50
	Debtors turnover	11.43	11.91	8.06	14.20	5.56
	Inventory turnover	2.12	1.99	1.17	1.63	0.83
	Operating Margin (%)	(216.53)	9.55	9.09	(41.74)	(0.90)
	Net Profit Margin (%)	(294.73)	(8.72)	(16.91)	(81.51)	(40.34)

Notes :-

- The above Financial Results were reviewed and recommended by the Audit Committee and were thereafter approved by the Board of Directors of the Company at its meeting held on August 16, 2022.
- The Covid-19 pandemic has adversely affected the operations of the Company including its ability to be consistent with the suppliers and sales and which in turn also has impacted liquidity position of the Company. While the Company continues to work with all the stakeholders, the situation still continues to be evolving. The Company has adopted several cost reduction measures to address the liquidity crunch to maintain sufficient operational cashflows
To address the liquidity crunch and to maintain the sufficient working capital, the Company has adopted several measures including the invoking One Time Restructuring (OTR) of the loans of the Company on November 02, 2020 as per the RBI guidelines, which has been implemented by all the lenders of the Company on April 30, 2021. The Company has also received approvals from the Debenture Trustee i.e. Cent Bank Financial Services Ltd. for the restructuring of the Non- Convertible Debentures (NCDs) including the deferment of the Repayment Period of the Principal amount of NCDs and conversion of the amount of the due coupons in November'2020 and November'2021 in to Funded Interest Term Loan (FITL).



Subsequently, the Company has been unable to service the obligations towards the repayment of the amount of the principal due on Loans/ Working Capital facilities availed by the Company from the banks as agreed under the OTR. Basis same, the Lead bank and State Bank of India have classified the accounts of the Company in the system as Non- Performing Assets (NPAs) on May 31, 2022.

The Company would be taking necessary steps to further restructure its debts and fulfil other commitments as agreed with the Lenders under the OTR. In the meanwhile, the Lenders have allowed the Company to carry on its day-to-day operations of the Company under the Holding on Operations in the account including monitoring and release of the operational payments under the said arrangement. The Lead Bank has approved the Holding on Operations in the account with 10% cutback / retention and the Company has served the monthly interest on all facilities from the retention amount till July 2022 in line with the terms of sanction.

- 3 As on March 31, 2022, 34 "Central" stores and 78 "Brand Factory" stores of the Company were non-operational. These stores have been contributing approx. 64% of total revenue from operations of the Company for FY 2021.

Subsequent to the reporting period, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held August 09, 2022 have approved the proposal to sale, lease, rent or dispose of the Specified Assets or in any other manner as it may deem fit, at a price which shall be at least equal to book value at the relevant point of time, subject to requisite approvals of lenders, debenture holders, shareholders and other contractual approvals, if any. Hence, the Specified Assets have been categorised as held for sale, in the books of accounts.

- 4 Under the OTR arrangements, the Company has debt servicing obligations aggregating to ₹ 505.08 Crores within the next twelve months, comprising of repayment of the principal amount of Long-Term debts amounting to ₹ 360.01 Crores and short-term borrowings of ₹ 145.07 Crores. The Company has incurred loss before tax during the quarter ended March 31, 2022 amounting to ₹ 1716.38 Crores (including exceptional item) primarily owing to provision for diminution of Investments, doubtful provision for receivables, the lower sales volumes, finance costs and depreciation. The Company's current liabilities exceeded its current assets (including asset held for sale) by ₹ 1180.66 Crores as at the year end date. Also, the Company has defaulted on repayment of principal amount on loans from banks/financial institution and unlisted debts securities as on March 31, 2022 amounting to ₹ 63.30 Crores. The Lead bank and State Bank of India have classified the accounts of the Company in the system as Non- Performing Assets (NPAs) on May 31, 2022. Since then, the Company has repaid the debt amount to the extent of ₹ 76.67 Crores. The Company has been regular in servicing of interest on all facilities till date.

To address the liquidity crunch and to maintain the sufficient working capital, the Company has adopted several measures including cost optimisation. The Company would be taking necessary steps to further restructure its debts under the proposed resolution plan. Further, the Company has initiated the process for the monetisation of some of the assets, to repay the debts and to manage the working capital requirements as part of the same plan.

The success of the above measures adopted by the Company is dependent on the effective implementation of its operating plans and timely identification of the prospective buyers for monetisation of its assets which is dependent of many internal / external factors. The management is confident that they will be able to arrange sufficient liquidity

by monetization of its assets, increase in operations and other strategic initiatives. Accordingly, the financial results are prepared on a going concern basis.

- 5 Exceptional items for the quarter and year ended March 31, 2022 includes provision for diminution of Investments aggregating to ₹ 374.37 crore held in the equity shares in Future Trendz Limited, FLFL Travel Retail Bhubaneswar Private Limited, FLFL Travel Retail Guwahati Private Limited, FLFL Travel Retail West Private Limited, FLFL Travel Retail Lucknow Private Limited and FLFL Lifestyle Brands Limited provision for impairment for Intercompany Deposits and interest receivable their on aggregating to ₹ 282.51 crore, given to FLFL Lifestyle Brands Limited and provision for impairment of Loan of ₹ 10.87 crore given to FLFL Employee Welfare Trust and ₹ 7.15 crore impairment of Intangible asset in Future Speciality Retail Limited, in terms of the applicable accounting standards and prudent practice

- 6 The Bank of India (Lead Bank) has intimated to the Company that bankers have appointed their empanelled auditors to carry out forensic audit of the accounts of the Company for the period 01.04.2017 to 31.05.2022, in compliance with the extant Guidelines issued by Reserve Bank of India

- 7 The Board of Directors of the Company at its meeting held on September 20, 2021 has, inter-alia, approved the Composite Scheme of Arrangement between Future Trendz Limited ("Transferor Company 1"/ "FTL"), Future Speciality Retail Limited ("Transferor Company 2"/ "FSRL") and Future Lifestyle Fashions Limited ("Transferee Company"/ "FLFL") and their respective shareholders ("The Composite Scheme of Arrangement"/ "Scheme"), pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013. The Company has submitted draft Scheme with BSE Limited and National Stock Exchange of India Limited. For obtaining Observation letter on the draft Scheme. The Company is awaiting Observation letter from Stock Exchanges, to further proceed with the filing of the Scheme with National Company Law Tribunal.

- 8 The Board of Directors of the Company at its meeting held on August 29, 2020 approved the Composite Scheme of Arrangement ("Scheme") which involves: (i) merger of Future Lifestyle Fashions Limited ("Company") and other 18 Transferor Companies with Future Enterprises Limited ("FEL") (ii) 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"); (iii) Transfer and vesting of 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 (iv) Preferential allotment of equity shares and warrants of FEL to RRVL WOS, pursuant to section 230 to 232 and other relevant provisions of the Companies Act, 2013. As in most of the Secured Creditors meetings of various companies involved in the Scheme, the voting was not in favour of the Scheme, hence, the Scheme could not be implemented.

- 9 Subsequent to the reporting period, the pledge of investments in the securities of FLFL Lifestyle Brands Limited, SSIP Retail Limited, Holli Accessories Limited, Clarks Reliance Footwear Private Limited and FLFL Athleisure Limited, held by the Company and provided as security in favour of the Debenture Trustee to secure 4,500 Non-Convertible Debentures of INR 10 Lakh each, issued by FLFL Lifestyle Brands Limited ("FLBL NCDs") has been invoked. Consequently, FLFL Lifestyle Brands Limited ceased to be an Associate Company and FLFL Athleisure Limited ceased to be a wholly owned Subsidiary of the Company with effect from May 02, 2022.

Accordingly, the Company has recognised its obligation towards FLBL NCDs as unsecured creditors, which would be diluted by various monetisation happening at FLBL level and for other investments invoked by the trustee of the NCD holders, as explained here below.

Investments invoked by the Debenture Trustee are held in trust. Monetisation of such investments and also investments held by FLBL would be initiated and proceed from monetisation, as and when takes place, would be appropriated against the obligation towards FLBL NCDs. Subsequent to the reporting period, Debenture Trustee has recovered ₹ 150.14 crore from monetisation of one of the investments held by FLBL.



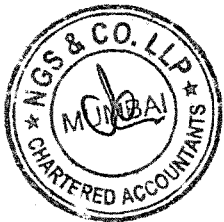
- 10 The NCDs issued by the Company are secured by the way of First Pari-Passu charge on entire fixed assets of the Company. Fixed Asset cover available to discharge the principal amount of NCDs, as on March 31, 2022 is 2.84 x, as compared to minimum fixed asset cover of 1.15 times as mentioned in the Debenture Trust Deed dated February 28, 2018. Fixed assets includes Asset held for sale while computing ratio.
- 11 Figures for the corresponding previous period / year have been regrouped / reclassified wherever necessary. Figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between audited figures in respect of the full financial years ended on those dates and the published reviewed year-to-date figures upto the third quarter of the respective financial year.
- 12 Audited Consolidated Statement of Assets and Liabilities as at March 31, 2022

Particulars	As at	As at
	31-03-2022	31-03-2021
	Audited	Audited
ASSETS		
Non-current assets		
Property, Plant and Equipment	657.07	2,162.47
Capital work-in-progress	58.64	60.84
Other Intangible assets	10.86	21.35
Goodwill on Consolidation	-	140.30
Financial Assets		
Investments	0.03	290.14
Security Deposits	179.28	103.02
Others financial assets	0.45	0.42
Deferred tax assets (net)	20.49	93.52
Non-current tax assets (net)	14.52	10.40
Other non-current assets	17.90	56.63
Total Non - Current Assets	959.24	2,939.09
Current assets		
Inventories	1,481.37	1,942.14
Financial Assets		
Investments	31.75	38.21
Trade receivables	210.80	409.36
Cash and cash equivalents	56.71	44.52
Bank balances other than the above	4.97	5.24
Security Deposits	64.85	78.52
Loans	1.54	237.30
Others financial assets	1.15	36.62
Other current assets	1,008.46	495.71
	2,861.60	3,287.62
Assets held for sale (Refer Note no 3)	642.42	-
Total Current Assets	3,504.02	3,287.62
Total Assets	4,463.26	6,226.71
EQUITY AND LIABILITIES		
Equity		
Equity Share capital	40.35	40.35
Convertible non-participating preference share capital	0.01	0.01
Other Equity	(1,921.55)	660.88
Total equity	(1,881.19)	701.24
Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings	1,167.64	1,067.33
Other financial liabilities	312.17	889.03
Provisions	11.28	11.28
Total Non - Current Liabilities	1,491.09	1,967.64
Current liabilities		
Financial Liabilities		
Borrowings	560.57	603.94
Trade payables		
Dues of micro enterprises and small enterprises	336.49	149.65
Dues of creditors other than micro enterprises and small enterprises	2,373.94	1,902.94
Other financial liabilities	1,388.17	730.61
Provisions	141.46	117.06
Other current liabilities	52.73	53.46
Current Tax liabilities(Net)	-	0.17
Total Current Liabilities	4,853.36	3,557.83
Total Equity and Liabilities	4,463.26	6,226.71



13 Cash Flow statement for the year ended March 31, 2022

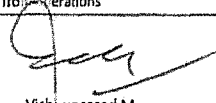
Particulars	Year Ended	
	31-03-2022	31-03-2021
Cash flows from operating activities		
(Loss) for the year	(2,548.89)	(933.35)
Adjustments to Reconcile Net Profit to Net Cash Generated by Operating Activities		
Income tax expense	72.97	(7.01)
Finance costs	321.55	349.68
Interest income	(36.81)	(42.34)
Loss on disposal/discard of property, plant and equipment	11.58	41.71
(Gain) on derecognition and remeasurements of lease	(152.83)	(10.34)
Expected credit loss allowance	308.74	16.26
Depreciation and amortisation of property, plant and equipment and intangible assets	613.43	598.41
Exceptional Items	674.90	-
Net loss on financial liability measured at FVTPL	450.00	-
Net loss on derivative liability	17.36	-
Share of (Profit)/Loss of Associates and Joint Ventures	35.54	22.02
Expense recognised in respect of equity-settled share-based payments	(7.77)	(2.58)
Bad Debts	0.19	0.74
Cash Generated from operations before working capital changes	(240.04)	33.20
Movements in working capital:		
(Increase) in trade and other receivables	(616.30)	4.95
Decrease in inventories	460.77	561.65
Decrease in other assets	(52.85)	35.42
Increase / (Decrease) in trade payables	657.94	(336.70)
(Decrease) in provisions	23.45	(28.78)
Increase in other liabilities	454.71	34.12
Cash generated from operations	687.68	303.86
Direct taxes paid	(4.29)	(0.73)
Net cash generated by Operating Activities	683.39	303.13
Cash flows from investing activities		
Inter corporate deposit received back	0.01	0.85
Interest received	36.60	41.40
Payments for property, plant and equipment and intangible assets	(11.80)	(69.00)
Proceeds from disposal of property, plant and equipment and intangible assets	1.85	0.99
Payment to acquire financial assets - Investment	(3.71)	(1.21)
Rent income received	3.08	8.96
Realisation of deposits/restricted deposits with banks	0.25	5.45
Net cash generated by investing activities	26.28	(12.56)
Cash flows from financing activities		
Proceed from Borrowings	15.93	329.78
Interest paid	(218.08)	(220.17)
Payment of Lease liability	(495.32)	(368.10)
Net cash (used in) financing activities	(697.47)	(258.49)
Net increase in cash and cash equivalents	12.20	32.08
Cash and cash equivalents at the beginning of the year	44.52	12.44
Cash and cash equivalents at the end of the period	56.72	44.52



14 Formulae for computation of ratios are as follows

Ratios	Formulae
Debt Equity Ratio (no. of times)	$(\text{Long term borrowings} + \text{Current maturities of Long term borrowings} + \text{Short term borrowings}) / \text{Equity (Equity includes total shareholder's funds)}$
Debt Service Coverage Ratio (no. of times)	$(\text{Earnings before interest, tax and depreciation \& amortisation expenses}) / (\text{Interest expenses} + \text{Repayment of long term borrowings during the period})$
Interest Service Coverage Ratio (no. of times)	$(\text{Earnings before interest, tax and depreciation \& amortisation expenses}) / \text{Interest expenses}$
Current Ratio (no. of times)	$\text{Current assets (excluding Assets held for sale)} / \text{Current liabilities}$
Long term debt to working capital (no. of times)	$(\text{Long term borrowings} + \text{Current maturities of Long term borrowings}) / \text{Current Assets Less Current Liabilities (Excluding Current Maturities of Non-Current Borrowings)}$
Bad debts to accounts receivable ratio (%)	$\text{Provision for doubtful debts} / \text{Trade receivables}$
Current Liability Ratio (%)	$\text{Current liabilities} / \text{Total liabilities}$
Total debts to total assets ratio (%)	$(\text{Long term borrowings} + \text{Current maturities of Long term borrowings} + \text{Short term borrowings}) / \text{Total assets}$
Debtors turnover (no. of times)	$\text{Revenue from operations} / \text{Average trade receivables (Ratios for the quarter / nine months have been annualised)}$
Inventory turnover (no. of times)	$\text{Cost of Goods sold} / \text{Average Inventory of Finished Goods (Ratios for the quarter / nine months have been annualised)}$
Operating Margin (%)	$\text{Profit before depreciation, interest, tax, exceptional items less other income} / \text{Revenue from operations}$
Net Profit Margin (%)	$\text{Profit after tax and before exceptional items and share in Net loss of Associate and Joint Ventures} / \text{Revenue from operations}$

Place :- Mumbai
Date :- August 16, 2022


Vishu Prasad M
Managing Director



Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated Financial Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**To The Board of Directors of
Future Lifestyle Fashions Limited**

Report on the Audit of Consolidated Financial Results

Opinion

We have audited the accompanying Statement of consolidated financial results of Future Lifestyle Fashions Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its Jointly Controlled entities for the quarter and year ended March 31, 2022 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate financial statements of the Subsidiaries and Jointly Controlled Entities referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2022:

i. Includes the financial results of the following entities:

Parent Company:

a) Future Lifestyle Fashions Limited

Subsidiaries:

- a) Future Speciality Retail limited (through Future Trendz Limited)
b) FLFL Athleisure Limited

Jointly Controlled Entities:

- a) FLFL Lifestyle Brands Limited
b) FLFL Travel Retail West Private Limited
c) FLFL Travel Retail Bhubaneshwar Private Limited
d) FLFL Travel Retail Guwahati Private Limited
e) FLFL Travel Retail Lucknow Private Limited
f) Clarks Future Footwear Private Limited
g) Holii Accessories Limited (formerly known as Holii Accessories Private Limited)

B - 46, 3rd Floor, Pravasi Estate, V N Road, Goregaon (E), Mumbai - 400 063.

Tel.: +91. 22. 4908 4401 | Email: info@ngsco.in

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- ii. are presented in accordance with the requirements of Regulations 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss, other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2022.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

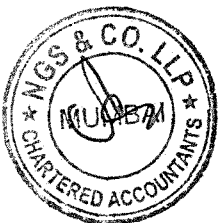
Material Uncertainty related to Going Concern

We draw attention to Note 2 and 4 of the Statement which states that the entire net worth of the company has been eroded due to losses incurred in the previous year and its current liabilities exceeded its current assets which indicates a material uncertainty exists, that may cast a significant doubt on the company's ability to continue as a going concern. We were informed that the Company is in the process of implementing business revival plans which in the opinion of the management would enable the Company to have sustainability and turnaround of its business operations. The Company's ability to generate positive cash flows depends on the successful implementation of such business revival plans. Pending the resolution of the above uncertainties, the Company has prepared the aforesaid statement on a going concern basis.

Our conclusion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

This Statement of the consolidated financial results has been prepared on the basis of the consolidated financial statements.



The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net loss and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") prescribed

under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors 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 responsible for overseeing the financial reporting process of the Group and of its jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 results.



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 results, 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 omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to financial statements 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 results 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 results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



Materiality is the magnitude of misstatements in the consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial results 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 consolidated financial results.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1 / 44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

The accompanying Statement includes the unaudited financial results/statements and other financial information in respect of one subsidiary, whose Financial Statements reflect total assets of Rs. 4.74 Crores as at March 31, 2022, total revenue of Rs. 19.36 Crores and Rs.205.51 Crores, total net loss after tax of Rs 178.01 and Rs.276.37 Crores for the quarter ended March 31, 2022 and for the year ended March 31, 2022, respectively, and net cash outflow of Rs. 0.66 Crores for the year ended March 31, 2022, as considered in the statement, in respect of one subsidiary, whose financial statements have not been audited by any auditor.

These unaudited financial statements have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint ventures is based solely on such unaudited financial statements

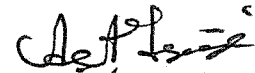
The accompanying Statement includes the unaudited financial results/statements and other financial information in respect of Two Jointly Controlled Entities, whose financial statement include Groups share of loss of Rs. 0.32 crores and Rs.34.95 crores for the quarter ended March 31,2022 and for the year ended March 31, 2022 respectively, as considered in the statement, in respect of two jointly controlled entities, whose financial statements have not been audited by us. This unaudited financial results/statement/financial information have been furnished to us by the management and our opinion and conclusion on the statement, in so far as it relates to the amount and disclosures included in respect of these jointly controlled entities, 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 conclusion on the Statement is not modified in respect of the above matter.

The figures of the consolidated financial results as reported for the quarter ended March 31, 2022 and the corresponding quarter ended in the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the end of third quarter of the relevant financial year. Also, the figures up to the end of the third quarter of the current and previous financial year had only been subjected to limited review by us.

For **NGS & CO. LLP.**
Chartered Accountants
Firm Registration No.: 119850W



Ashok A. Trivedi

Partner

Membership No. 042472

Mumbai

August 16, 2022

UDIN: 22042472APAXDE2147

