

14th February, 2022

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

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

Scrip Code: 540064

Symbol: FRETAIL

Scrip Code of Debt: 958809, 958810 & 959518

Dear Sir / Madam,

Ref. : Outcome of Board Meeting held on 14th February, 2022

Sub. : Un-audited Financial Results for the Quarter and Nine months ended 31st December, 2021 and Limited Review Report thereon

Pursuant to Regulation 33 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), we enclose herewith the following:

- Un-audited Financial Results (Standalone & Consolidated) of the Company for the Quarter and Nine months ended 31st December, 2021;

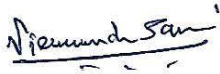
The above Un-audited Financial Results (Standalone and Consolidated) have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held today.

- Limited Review Report on the aforesaid Un-audited Financial Results (Standalone and Consolidated) duly issued by M/s. NGS & Co. LLP, the Statutory Auditors of the Company.

The Meeting of the Board of Directors commenced at 04:35 PM and concluded at 06:45 PM.

Thanking you,

Yours faithfully,
For **Future Retail Limited**



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

Statement of Unaudited Standalone Financial Results for the Quarter and Nine Months Ended December 31, 2021

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		
		31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	a) Revenue from Operations	2,786.40	2,346.62	1,486.30	6,538.76	4,258.78	6,281.04
	b) Other Income	6.33	1.95	26.84	8.65	166.13	176.36
	Total Income	2,791.73	2,348.57	1,513.14	6,547.40	4,424.89	6,457.40
2	Expenses						
	a) Purchases of Stock-in-Trade	2,206.91	1,732.60	846.69	4,936.07	2,504.47	3,765.30
	b) Changes in Inventories of Stock-in-Trade - (Increase) / Decrease	100.07	273.51	302.53	589.30	838.83	1,236.74
	c) Employee Benefits Expense	208.33	166.80	162.20	633.40	394.65	557.36
	d) Finance Costs	339.77	359.74	396.75	1,049.23	1,022.58	1,442.35
	e) Depreciation and Amortisation Expense	388.69	403.00	353.94	1,206.36	948.51	1,328.17
	g) Other Expenses	616.15	542.55	292.16	1,579.16	795.57	1,267.40
	Total Expenses	3,869.92	3,468.20	2,354.27	9,892.52	6,504.61	9,587.32
3	Profit / (Loss) Before Tax (1-2)	(1,078.19)	(1,119.63)	(841.13)	(3,345.12)	(2,079.72)	(3,159.92)
4	Tax Expense - Earlier Year	-	-	-	-	-	20.11
5	Profit / (Loss) for the Period (3-4)	(1,078.19)	(1,119.63)	(841.13)	(3,345.12)	(2,079.72)	(3,180.03)
6	Other Comprehensive Income	(2.38)	4.52	21.55	(39.90)	100.95	98.99
7	Total Comprehensive Income for the Period (5+6)	(1,080.57)	(1,115.11)	(819.58)	(3,385.02)	(1,978.77)	(3,081.04)
8	Paid up Equity Share Capital (Face value of ₹ 2/- per share)	108.46	108.46	108.46	108.46	108.46	108.46
9	Other Equity						1,090.69
10	Earning Per Equity Share						
	a) Basic (in ₹)	(19.88)	(20.65)	(15.51)	(61.69)	(38.54)	(58.86)
	b) Diluted (in ₹)	(19.88)	(20.65)	(15.51)	(61.69)	(38.54)	(58.86)

Notes:

- The above financial results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors of the Company at its meeting held on February 14, 2022. A limited review of the above results has been carried out by the Statutory Auditors.
- The Company have been actively monitoring the impact of the global health pandemic on its financial condition, liquidity, operations, suppliers, industry and workforce. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant and external information available up to the date of approval of these financial statements. In assessing the recoverability of assets such as inventories, trade receivables, financial assets and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its asset. The Company has used the principles of prudence in applying judgements, estimates and assumptions based on the current conditions. The Company will continue to closely monitor any material changes, to future economic conditions. The extent to which COVID-19, impacts the operations will depend on future developments which remain uncertain. The Company continues to take various precautionary measures to ensure health and safety of its customers, employees and their families from COVID-19.
- Scheme of Arrangement:**
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 which involves: (i) merger of Future Retail Limited ("FRL" or "the Company" or "Transferor Company 4") and other 18 Transferor Companies with Future Enterprises Limited ("FEL" or "Transferee Company") and their respective Shareholders and Creditors; (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 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 (iv) Preferential allotment of equity shares and warrants of 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 ("CCI") on November 20, 2020. Further the stock exchanges have issued an observation letter without any adverse observation on January 20, 2021. Pursuant to this, the scheme application has been filed with National Company Law Tribunal Mumbai ("NCLT") on January 26, 2021 for convening the meeting of the shareholders and creditors of the Transferor Companies and Transferee Company ("Company Application"). Amazon.com Investment Holdings LLC. ("Amazon") had filed an intervention application in the Company Application. After hearing the parties, the NCLT reserved its orders.

Thereafter, on September 28, 2021 the NCLT passed an order ("NCLT Order") inter alia directing all Transferor Companies and Transferee Company companies involved in the Scheme to convene and hold the meetings of their respective shareholders, secured creditors and unsecured creditors as per the schedule provided in the NCLT Order.

Pursuant to the directions contained in the NCLT Order, the Company scheduled the meeting of its shareholders on November 10, 2021 and its secured and unsecured creditors on November 11, 2021 to seek their approvals on the Scheme. In view of the aforesaid, a request was received from the secured lenders seeking additional time to obtain their internal approvals in respect of the consent to be granted at the meetings scheduled on November 10, 2021 and November 11, 2021.

Accordingly, an application was filed on November 02, 2021 by the companies involved in the Scheme before the NCLT seeking extension of time to hold these meetings ("Application for Extension"). Thereafter, the Application for Extension was listed on November 08, 2021 before NCLT. During the hearing on November 08, 2021, Amazon intervened and sought dismissal of the Company Application and the Application for Extension. Additionally, certain creditors also filed an application to seek an inclusion of themselves in the list of creditors. After hearing the parties, the NCLT directed the parties to file their written submissions. In the meantime, until the NCLT passed its order, directed the parties that no meeting shall be conducted.

The Hon'ble Supreme Court's order is reserved on the matter of allowing FRL to seek directions from NCLT with regard to dates for convening and holding shareholders' and creditors' meeting for approving the Scheme of Arrangement with Reliance Group. This order is awaited.

Arbitration Dispute between Amazon.com Investment Holdings LLC. ("Amazon"), Future Retail Limited ("FRL") and Future Coupons Private Limited ("FCPL") and other FRL promoters:

Amazon had initiated arbitration proceedings against Future Coupons Private Limited ("FCPL"), FRL and its promoters ("Promoters") on October 5, 2020 before Singapore International Arbitration Centre ("SIAC"). On the same day, Amazon had also filed an application seeking emergency reliefs ("CAER"). After completion of the CAER the Emergency Arbitrator ("EA") passed an interim order on October 25, 2020 ("EA Order") inter alia restraining the Respondents therein i.e. FCPL, FRL and Promoters from taking any steps in furtherance of the resolution passed by FRL on August 29, 2020. However, based on the legal advice received by FRL, it had contended that the EA Order would not be enforceable under Indian Laws.

Thereafter, on November 06, 2020, FRL filed a suit before Hon'ble Delhi High Court seeking a relief 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 filed in the suit, on December 21, 2020 ("Judgment"), wherein the Single Judge of the Delhi High Court has prima facie held the following:

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

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CIN : L51909MH2007PLC268269



FUTURE RETAIL

- (a) That there is no arbitration agreement between Amazon and FRL;
 (b) That FRL's Resolution dated August 29, 2020 approving the scheme is neither void nor contrary to any statutory provision nor the Articles of Association of FRL;
 (c) That conflation of the two shareholders agreements (i.e. FCPL SHA and FRL SHA) will be in violation of FEMA FDI Rules;
 (d) That Amazon's representations to various regulatory authorities amounted to unlawful interference with the Scheme and a civil wrong actionable by both FRL and Reliance in case they suffer any loss and
 (e) Even though an Injunction was not granted and all the Statutory Authorities were directed to take the decision on the objections in accordance with the law.

Thereafter, an appeal was preferred by Amazon ("Amazon's Appeal") against certain observations contained in the Judgment, which is currently pending before the Division Bench of the Delhi High Court. On January 13, 2021 even though notice has been issued in Amazon's Appeal, no stay has been granted by the Division Bench of the Delhi High Court on the said Judgment.

There had been further multiple application and suits filed by all related parties to the matter viz. Amazon, FCPL and FRL claiming certain reliefs or for enforcement of their rights or orders of the Tribunal.

FRL had informed in its intimation to stock exchanges that FRL intended to pursue all available avenues to conclude the deal to protect the interests of its stakeholders and workforce. Accordingly, FRL filed a special leave petition against the Status Quo Order dated February 02, 2021 and the Detailed Order dated March 18, 2021 passed in the Enforcement Petition filed by Amazon, before the Supreme Court of India. On September 09, 2021 the Supreme Court of India, passed an order by consent of the parties, inter alia directing that the NCLT, CCI and SEBI to not pass any final order, for a period of four weeks, which was extended from time to time.

In the meanwhile, the Arbitral Tribunal was constituted on January 05, 2021 and in March 2021, FRL had filed 2 (two) applications before the Arbitral Tribunal i.e. (i) An application under Section 16 of the Arbitration and Conciliation Act, 1996 ("Act") for challenging the jurisdiction of the Arbitral Tribunal qua FRL ("Jurisdiction Application"); and (ii) An application for vacating the EA Order ("Vacation Application").

Thereafter, the Arbitral Tribunal directed the parties to file their respective pleadings.

The Jurisdiction Application and the Vacation Application were heard by the Arbitral Tribunal between July 12, 2021 to July 16, 2021 and dismissed by a Partial Award dated October 20, 2021 and Decision dated October 21, 2021 respectively.

Being aggrieved by the said Decision, FRL filed an Arbitration Appeal (Arb. A (Comm) No. 64 of 2021) inter alia seeking a stay of the said Decision, before the Delhi High Court. This application for stay in the Arbitration Appeal was dismissed by the Single Judge of the Delhi High Court by order dated October 29, 2021 ("S.37 Order"). Being aggrieved by the S. 37 Order, FRL filed a Special Leave Petition i.e. SLP No. (C) 18080 of 2021 before the Supreme Court of India.

Thereafter, between November 01, 2021 to November 05, 2021 the Arbitral Tribunal concluded the hearing on evidence and scheduled the hearing on the determination of the quantum of damages on January 05, 2022 to January 08, 2022.

In a parallel proceeding filed by FCPL before the Competition Commission of India ("CCI") alleging misrepresentation on the part of Amazon, the CCI on December 17, 2021 passed an order inter alia keeping the approval granted by it to Amazon for its investment in FCPL in abeyance ("CCI Order").

Considering the legal effect and implication of the CCI Order on the arbitration proceedings, FRL filed an application for termination of the arbitration proceedings under Sections 32(2)(c) of the Act ("Termination Application"), before the Arbitral Tribunal on December 23, 2021.

Since, the Arbitral Tribunal was not inclined to hear and decide the Termination Application before proceeding with the second tranche hearing on determination of the quantum of damages, FRL filed a Writ Petition before the Single Judge of the Delhi High Court, which was dismissed by order dated January 04, 2022. Being aggrieved by the said order dated January 04, 2022, FRL filed an Appeal (LPA 06 of 2022) before the Division Bench of the Delhi High Court, who by order dated January 05, 2022 stayed further proceedings before the arbitral tribunal till the next date of hearing, i.e. February 01, 2022 (which now stands extended till March 22, 2022). Amazon has also filed a Special Leave Petition against the said order dated January 05, 2022 which will be now listed on February 23, 2022.

In the Special Leave Petitions filed by FRL (impugning the Status Quo Order, Detailed Order and S.37 Order) the Supreme Court of India on February 01, 2022 has passed its judgement inter alia:

a. Setting aside the Status Quo Order dated February 02, 2021 and Detailed Order dated March 18, 2021, passed by the learned Single Judge of Hon'ble Delhi High Court in the Enforcement Petition filed by Amazon for enforcement of EA order; and

b. Setting aside the S.37 Order dated October 29, 2021 passed by the Hon'ble Delhi High Court and directed the Single Judge of the Delhi High Court to reconsider all issues and pass appropriate orders on its own merits.

The Appeal filed by FRL against the Tribunal's Decision will be listed on March 22, 2022.

Further, Delhi High Court has already commenced fresh hearing of all related matters in relation to the litigation with Amazon from February 11, 2022 onwards and gave initial directions to the Parties for making their written submissions and rejoinders as the case may be.

- 4 As per OTR (One Time Restructuring) plan, Company was required to pay an aggregate amount of Rs 3,494.56 cr ("Obligations") (as defined in the OTR Plan) to various consortium banks and lenders (who are parties to the Agreement under OTR Plan) on or before December 31, 2021 ("Due Date"). Due to ongoing litigations with Amazon.com NV Investment Holdings LLC, and certain restrictive court orders, the Company was not able to complete the planned monetisation of the Specified Business as contemplated in OTR Plan to discharge the aforesaid Obligations to Banks / Lenders, on Due Date.
- 5 Figures for the previous financial period(s) have been re-arranged and re-grouped wherever necessary.
- 6 The Company has only one business segment i.e. "Retail".
- 7 Additional disclosure as per clause 52 (4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 :

Particulars	Quarter Ended		Nine Month Ended
	31-12-2021	30-09-2021	31-12-2021
	Unaudited	Unaudited	Unaudited
Net Worth (Excluding Capital Reserve) (₹ in Crore)	(2,074.26)	(993.71)	(2,074.26)
Debt Service Coverage Ratio	(1.00)	(0.99)	(1.02)
Interest Service Coverage Ratio	(1.00)	(0.99)	(1.04)
Debt Equity Ratio	(6.46)	(12.46)	(6.46)
Current Ratio	0.68	0.70	0.68
Long Term Debt to Working Capital	(1.08)	(1.30)	(1.08)
Current Liability Ratio	0.77	0.75	0.77
Total Debts to Total Assets	0.83	0.79	0.83
Debtors Turnover	27.84	22.30	22.08
Inventory Turnover	2.67	2.20	1.99
Operating Margin (%)	(12.38)	(15.29)	(16.81)
Net Profit Margin (%)	(38.69)	(47.71)	(51.16)

- 7 The Non Convertible Debentures (NCDs) issued by the Company are secured by the way of First Pari-Passu charge on tangible fixed assets of the company. Asset coverage ratio as on December 31, 2021 is 1.17x

By Order of Board of Directors

Rakesh Blyani
Managing Director

Place : Mumbai
Date : February 14, 2022

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CIN : L51909MH2007PLC268269

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**Review Report to
The Board of Directors
Future Retail Limited**

1. We have reviewed the unaudited financial results of Future Retail Limited (the "Company") for the quarter and nine months ended December 31, 2021, which are included in the accompanying 'Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2021' together with notes thereon (the "Standalone Financial Results"). The Standalone Financial Results has been prepared by the Company pursuant to Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in India Accounting Standard 34, ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Standalone Financial Results has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. **Emphasis of Matter**

- (i) The company has incurred net loss of Rs.1,078.19 Crore for the quarter ended 31st December, 2021 and Rs.3,345.12 Crore for nine months ended 31st December 2021. As of that date, the Company's negative net worth (Excluding Capital Reserve) is Rs.2,074.25 Crore. As per company's One Time Restructuring (OTR) arrangement with consortium Banks/ Lenders, an aggregate amount of Rs. 3,494.56 crores was required to be paid to various consortium Banks and lenders, which was due on or before December 31, 2021. The Company has defaulted on the payments. However, for the reasons more fully described in the Note No.3 and Note No: 4, the accounts of the Company have been prepared as Going Concern.

Our Opinion is not modified in respect of this matter.

- (ii) We draw attention to Note 2 of the Statement which describes management's assessment of the impact of the COVID 19 pandemic on the Company's operations and carrying value of assets as at December 31, 2021.

Our Opinion is not modified in respect of this matter.

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


Ashok A. Trivedi

Partner
Membership No.042472
Mumbai
February 14, 2022
UDIN:22042472ACCJNF9552



FUTURE RETAIL

Statement of Unaudited Consolidated Financial Result for the Quarter and Nine Month Ended December 31, 2021

Sr.No	Particulars	Year Ended					
		Quarter Ended			Nine Month Ended		
		31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income From Operations						
	a) Revenue from Operations	2,815.68	2,368.79	1,506.87	6,600.14	4,289.09	6,303.94
	b) Other Income	10.98	15.00	37.64	41.57	214.50	256.93
	Total Income	2,826.66	2,383.79	1,544.51	6,641.71	4,503.59	6,560.87
2	Expenses						
	a) Purchases of Stock-in-Trade	2,221.79	1,745.61	852.83	4,960.43	2,511.25	3,777.82
	b) Changes in Inventories of Stock-in-Trade - (Increase) / Decrease	97.37	272.20	303.29	593.65	845.67	1,243.74
	c) Employee Benefits Expense	215.56	159.48	167.33	546.53	406.46	575.60
	d) Finance Costs	344.29	364.50	403.08	1,063.06	1,043.13	1,471.02
	e) Depreciation and Amortisation Expense	409.14	413.45	368.12	1,236.71	990.39	1,382.81
	f) Other Expenses	601.87	545.54	296.78	1,568.80	807.92	1,278.37
	Total Expenses	3,890.02	3,500.78	2,391.43	9,969.18	6,604.82	9,729.36
3	Profit/(Loss) Before Share of Profit/(Loss) of Associate And Joint Venture And Tax (1-2)	(1,063.36)	(1,116.99)	(846.92)	(3,327.47)	(2,101.23)	(3,168.49)
4	Share of Profit/(Loss) of Joint Venture	-	-	-	-	-	-
5	Profit/(Loss) Before Tax (3-4)	(1,063.36)	(1,116.99)	(846.92)	(3,327.47)	(2,101.23)	(3,168.49)
6	Tax Expense	-	-	-	-	-	21.03
7	Net Profit/(Loss) for the Period (5-6)	(1,063.36)	(1,116.99)	(846.92)	(3,327.47)	(2,101.23)	(3,189.52)
8	Other Comprehensive Income	(2.37)	4.53	21.54	(39.89)	100.95	98.99
9	Total Comprehensive Income for the Period (7+8)	(1,065.73)	(1,112.46)	(825.38)	(3,367.36)	(2,000.28)	(3,090.53)
10	Net Profit/(Loss) Attributable To :						
	a) Owners of the Company	(1,063.36)	(1,116.99)	(846.92)	(3,327.47)	(2,101.23)	(3,189.52)
	b) Non-Controlling Interest	-	-	-	-	-	-
11	Other Comprehensive Income Attributable To :						
	a) Owners of the Company	(2.37)	4.53	21.54	(39.89)	100.95	98.99
12	Paid Up Equity Share Capital (Face Value of ₹ 2/- Per Share)	108.46	108.46	108.46	108.46	108.46	108.46
13	Other Equity	-	-	-	-	-	985.28
14	Earnings Per Equity Share						
	a) Basic (in ₹)	(19.61)	(20.60)	(15.64)	(61.36)	(38.94)	(59.03)
	b) Diluted (in ₹)	(19.61)	(20.60)	(15.64)	(61.36)	(38.94)	(59.03)

Notes:

- The above financial results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors of the Company at its meeting held on February 14, 2022. A limited review of the above results has been carried out by the Statutory Auditors.
- The Company have been actively monitoring the impact of the global health pandemic on its financial condition, liquidity, operations, suppliers, industry and workforce. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant and external information available up to the date of approval of these financial statements. In assessing the recoverability of assets such as inventories, trade receivables, financial assets and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its asset. The Company has used the principles of prudence in applying judgements, estimates and assumptions based on the current conditions. The Company will continue to closely monitor any material changes, to future economic conditions. The extent to which COVID-19, impacts the operations will depend on future developments which remain uncertain. The Company continues to take various precautionary measures to ensure health and safety of its customers, employees and their families from COVID-19.

3 Scheme of Arrangement:

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 which involves: (i) merger of Future Retail Limited ("FRL" or "the Company" or Transferor Company 4") and other 18 Transferor Companies with Future Enterprises Limited ("FEL" or "Transferee Company") and their respective Shareholders and Creditors; (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 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 (iv) Preferential allotment of equity shares and warrants of 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 ("CCI") on November 20, 2020. Further the stock exchanges have issued an observation letter without any adverse observation on January 20, 2021. Pursuant to this, the scheme application has been filed with National Company Law Tribunal Mumbai ("NCLT") on January 26, 2021 for convening the meeting of the shareholders and creditors of the Transferor Companies and Transferee Company ("Company Application"). Amazon.com Investment Holdings LLC ("Amazon") had filed an intervention application in the Company Application. After hearing the parties, the NCLT reserved its orders.

Thereafter, on September 28, 2021 the NCLT passed an order ("NCLT Order") inter alia directing all Transferor Companies and Transferee Company companies involved in the Scheme to convene and hold the meetings of their respective shareholders, secured creditors and unsecured creditors as per the schedule provided in the NCLT Order.



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Accordingly, an application was filed on November 02, 2021 by the companies involved in the Scheme before the NCLT seeking extension of time to hold these meetings ("Application for Extension"). Thereafter, the Application for Extension was listed on November 08, 2021 before NCLT. During the hearing on November 08, 2021, Amazon intervened and sought dismissal of the Company Application and the Application for Extension. Additionally, certain creditors also filed an application to seek an inclusion of themselves in the list of creditors. After hearing the parties, the NCLT directed the parties to file their written submissions. In the meantime, until the NCLT passed its order, directed the parties that no meeting shall be conducted.

The Hon'ble Supreme Court's order is reserved on the matter of allowing FRL to seek directions from NCLT with regard to dates for convening and holding shareholders' and creditors' meeting for approving the Scheme of Arrangement with Reliance Group. This order is awaited.

Arbitration Dispute between Amazon.com Investment Holdings LLC ("Amazon"), Future Retail Limited ("FRL") and Future Coupons Private Limited ("FCPL") and other FRL promoters:

Amazon had initiated arbitration proceedings against Future Coupons Private Limited ("FCPL"), FRL and its promoters ("Promoters") on October 5, 2020 before Singapore International Arbitration Centre ("SIAC"). On the same day, Amazon had also filed an application seeking emergency reliefs ("CAER"). After completion of the CAER the Emergency Arbitrator ("EA") passed an interim order on October 25, 2020 ("EA Order") inter alia restraining the Respondents therein i.e. FCPL, FRL and Promoters from taking any steps in furtherance of the resolution passed by FRL on August 29, 2020. However, based on the legal advice received by FRL, it had contended that the EA Order would not be enforceable under Indian Laws.

Thereafter, on November 06, 2020, FRL filed a suit before Hon'ble Delhi High Court seeking a relief 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 filed in the suit, on December 21, 2020 ("Judgment"), wherein the Single Judge of the Delhi High Court has prima facie held the following:

- That there is no arbitration agreement between Amazon and FRL;
- That FRL's Resolution dated August 29, 2020 approving the scheme is neither void nor contrary to any statutory provision nor the Articles of Association of FRL;
- That conflation of the two shareholders agreements (i.e. FCPL SHA and FRL SHA) will be in violation of FEMA FDI Rules;
- That Amazon's representations to various regulatory authorities amounted to unlawful interference with the Scheme and a civil wrong actionable by both FRL and Reliance in case they suffer any loss and
- Even though an injunction was not granted and all the Statutory Authorities were directed to take the decision on the objections in accordance with the law.

Thereafter, an appeal was preferred by Amazon ("Amazon's Appeal") against certain observations contained in the Judgment, which is currently pending before the Division Bench of the Delhi High Court. On January 13, 2021 even though notice has been issued in Amazon's Appeal, no stay has been granted by the Division Bench of the Delhi High Court on the said Judgment.

There had been further multiple application and suits filed by all related parties to the matter viz. Amazon, FCPL and FRL claiming certain reliefs or for enforcement of their rights or orders of the Tribunal.

FRL had informed in its intimation to stock exchanges that FRL intended to pursue all available avenues to conclude the deal to protect the interests of its stakeholders and workforce. Accordingly, FRL filed a special leave petition against the Status Quo Order dated February 02, 2021 and the Detailed Order dated March 18, 2021 passed in the Enforcement Petition filed by Amazon, before the Supreme Court of India. On September 09, 2021 the Supreme Court of India, passed an order by consent of the parties, inter alia directing that the NCLT, CCI and SEBI to not pass any final order, for a period of four weeks, which was extended from time to time.

In the meanwhile, the Arbitral Tribunal was constituted on January 05, 2021 and in March 2021, FRL had filed 2 (two) applications before the Arbitral Tribunal i.e. (i) An application under Section 16 of the Arbitration and Conciliation Act, 1996 ("Act") for challenging the jurisdiction of the Arbitral Tribunal qua FRL ("Jurisdiction Application"); and (ii) An application for vacating the EA Order ("Vacation Application").

Thereafter, the Arbitral Tribunal directed the parties to file their respective pleadings.

The Jurisdiction Application and the Vacation Application were heard by the Arbitral Tribunal between July 12, 2021 to July 16, 2021 and dismissed by a Partial Award dated October 20, 2021 and Decision dated October 21, 2021 respectively.

Being aggrieved by the said Decision, FRL filed an Arbitration Appeal (Arb. A (Comm) No. 64 of 2021) inter alia seeking a stay of the said Decision, before the Delhi High Court. This application for stay in the Arbitration Appeal was dismissed by the Single Judge of the Delhi High Court by order dated October 29, 2021 ("S.37 Order"). Being aggrieved by the S. 37 Order, FRL filed a Special Leave Petition i.e. SLP No. (C) 18080 of 2021 before the Supreme Court of India.

Thereafter, between November 01, 2021 to November 05, 2021 the Arbitral Tribunal concluded the hearing on evidence and scheduled the hearing on the determination of the quantum of damages on January 05, 2022 to January 08, 2022.

In a parallel proceeding filed by FCPL before the Competition Commission of India ("CCI") alleging misrepresentation on the part of Amazon, the CCI on December 17, 2021 passed an order inter alia keeping the approval granted by it to Amazon for its investment in FCPL in abeyance ("CCI Order").

Considering the legal effect and implication of the CCI Order on the arbitration proceedings, FRL filed an application for termination of the arbitration proceedings under Sections 32(2)(c) of the Act ("Termination Application"), before the Arbitral Tribunal on December 23, 2021.

Since, the Arbitral Tribunal was not inclined to hear and decide the Termination Application before proceeding with the second tranche hearing on determination of the quantum of damages, FRL filed a Writ Petition before the Single Judge of the Delhi High Court, which was dismissed by order dated January 04, 2022. Being aggrieved by the said order dated January 04, 2022, FRL filed an Appeal (LPA 06 of 2022) before the Division Bench of the Delhi High Court, who by order dated January 05, 2022 stayed further proceedings before the arbitral tribunal till the next date of hearing, i.e. February 01, 2022 (which now stands extended till March 22, 2022). Amazon has also filed a Special Leave Petition against the said Order dated January 05, 2022 which will be now listed on February 23, 2022.

In the Special Leave Petitions filed by FRL (impugning the Status Quo Order; Detailed Order and S.37 Order) the Supreme Court of India on February 01, 2022 has passed its judgement inter alia:

- Setting aside the Status Quo Order dated February 02, 2021 and Detailed Order dated March 18, 2021, passed by the learned Single Judge of Hon'ble Delhi High Court in the Enforcement Petition filed by Amazon for enforcement of EA order; and
- Setting aside the S.37 Order dated October 29, 2021 passed by the Hon'ble Delhi High Court and directed the Single Judge of the Delhi High Court to reconsider all issues and pass appropriate orders on its own merits.

The Appeal filed by FRL against the Tribunal's Decision will be listed on March 22, 2022.

Further, Delhi High Court has already commenced fresh hearing of all related matters in relation to the litigation with Amazon from February 11, 2022 onwards and gave initial directions to the Parties for making their written submissions and rejoinders as the case may be.

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

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CIN : L51909MH2007PLC268269



FUTURE RETAIL

- 4 As per OTR (One Time Restructuring) plan , Company was required to pay an aggregate amount of Rs 3,494.56 cr ("Obligations") (as defined in the OTR Plan) to various consortium banks and lenders (who are parties to the Agreement under OTR Plan) on or before December 31, 2021 ("Due Date"). Due to ongoing litigations with Amazon.com NV Investment Holdings LLC, the Company was not able to complete the planned monetisation of the Specified Business as contemplated in OTR Plan to discharge the aforesaid Obligations to Banks / Lenders, on Due Date.
- The Company had further review period of 30 days to complete the said monetisation. However, due to reasons already stated the same could not have been achieved and an event of default has occurred. The Company, at present, is in discussion with lenders for continuation of operations after occurrence of event of default and trying to find an amicable resolution to present financial status of the Company.
- 5 Figures for the Previous Financial Period(s) have been arranged and re-grouped whenever necessary.
- 6 The Company has only one business segment i.e. "Retail".
- 7 Additional disclosure as per clause 52 (4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 :

Particulars	Quarter Ended	Quarter Ended	Nine Month Ended
	31-12-2021	30-09-2021	31-12-2021
	Unaudited	Unaudited	Unaudited
Net Worth (Excluding Capital Reserve) (₹ in Crore)	(2,162.16)	(1,096.47)	(2,162.16)
Debt Service Coverage Ratio	(0.90)	(0.82)	(0.95)
Interest Service Coverage Ratio	(0.90)	(0.82)	(0.97)
Debt Equity Ratio	(6.21)	(11.41)	(6.21)
Current Ratio	0.65	0.69	0.65
Long Term Debt to Working Capital	(1.05)	(1.26)	(1.05)
Current Liability Ratio	0.77	0.75	0.77
Total Debts to Total Assets	0.82	0.79	0.82
Debtors Turnover	27.60	22.07	21.94
Inventory Turnover	2.68	2.21	2.00
Operating Margin (%)	(11.40)	(14.95)	(16.20)
Net Profit Margin (%)	(37.77)	(47.15)	(50.42)

- 8 The Non Convertible Debentures (NCDs) issued by the Company are secured by the way of First Pari-Passu charge on tangible fixed assets of the company. Asset coverage ratio as on December 31, 2021 is 1.17x

By Order of Board of Directors

Rakesh Biyani

Rakesh Biyani
Managing Director

Place : Mumbai

Date : February 14, 2022



Future Retail Limited (Formerly known as Bharti Retail Limited)

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Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, as amended

**Review Report to
The Board of Directors
Future Retail Limited**

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of Future Retail Limited ("the Parent") and its subsidiaries, jointly controlled entities and associate (the parent, its subsidiaries, jointly controlled entities, and associate together referred to as 'the Group'), for the quarter and nine months ended December 31, 2021 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'). Attention is drawn to the fact that the consolidated figures for the corresponding quarter and nine months ended December 31, 2020 and quarter ended March 31, 2021 as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting standard 34, ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE)2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.



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4. The Statement includes the results of the following entities:

Parent Company:

- i. Future Retail Limited

Subsidiaries:

- i. Travel News Services (India) Private Limited
ii. Future 7-India Convenience Limited (Formerly known as SHME Food Brands Limited)
iii. TNSI Retail Private Limited
iv. Welcome Retail Private Limited

Jointly Controlled Entities:

- i. Future Retail LLC (under Liquidation)

5. We did not review the unaudited interim financial results and other financial information in respect of three subsidiaries, whose interim financial results/information reflect combined total revenues of Rs.43.13 Crores and Rs.105.23 Crores, total net profit after tax of Rs.3.83 Crores and Rs.7.73 Crores, total comprehensive income of Rs.3.83 crores and Rs.7.73 crore respectively for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 2021. which have not been reviewed by their auditors. These unaudited financial results and other unaudited financial information has been approved and furnished to us by the Management. Our conclusion, in so far it relates to the affairs of subsidiaries, is based solely on such unaudited interim financial results and other unaudited financial information. Our conclusion is not modified in respect of this matter.
6. The accompanying Statement includes the unaudited the interim financial results and other financial information in respect of one subsidiary, whose unaudited interim financial results/information reflect total revenues of Rs. Nil and Rs. Nil, total net loss after tax of Rs.3.98 Crores and Rs.5.08 crores, total comprehensive loss of Rs.3.98 Crores and RS.5.80 crores for the quarter ended December 31,2021 and for the period from April 01, 2021 to December 31,2021 respectively, which have not been reviewed by us. The aforesaid unaudited interim financial results and other unaudited financial information has been approved and furnished to us by the Management
7. The Statement includes interim financial result and other financial information of one jointly controlled entity which reflects group's share of net loss after tax of Rs. Nil and Rs. Nil for the quarter ended December 31, 2021 and for the period April 1, 2021 to December 31, 2021 respectively which have not been reviewed by their auditors. The aforesaid unaudited interim financial results and other unaudited financial information has been approved and furnished to us by the Management. Our conclusion on the Statement is not modified in respect of the above matter.



8. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration referred to in paragraph 5,6 & 7 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
9. **Emphasis of Matter**
- i. The company has incurred net loss of Rs.1,063.36 Crore for the quarter ended 31st December, 2021 and Rs.3,327.47 Crore for nine months ended 31st December 2021. As of that date, the Company's negative net worth (Excluding Capital Reserve) of Rs.2,162.16 Crore. As per company's One Time Restructuring (OTR) arrangement with consortium Banks/ Lenders, an aggregate amount of Rs. 3,494.56 crores was required to be paid to various consortium Banks and lenders, which was due on or before December 31, 2021. The Company has defaulted on the payments. However, for the reasons more fully described in the aforesaid Note No 3 and Note No.4, the accounts of the Company have been prepared as a Going Concern.
- Our Opinion is not modified in respect of this matter.
- ii. We draw attention to Note 2 of the Statement which describes management's assessment of the impact of the COVID 19 pandemic on the Group's operations and carrying value of assets as at December 31, 2021.

Our opinion is not modified in respect of this matter.

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



Ashok A. Trivedi

Partner

Membership No.042472

Mumbai

February 14, 2022

UDIN:22042472ACCKIA4863

