

FUTURE MARKET NETWORKS LIMITED

CIN : L45400MH2008PLC179914

Registered Office : Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060

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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2021

Rs. In Lakhs (except EPS)

| Sr. No. | Particulars  | STANDALONE                        |                              |                                   |                                   |                                   |                             |
|---------|--|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------|
|         |  | Quarter Ended                     |                              |                                   | Half Year Ended                   |                                   | Year Ended                  |
|         |  | September 30, 2021<br>(Unaudited) | June 30, 2021<br>(Unaudited) | September 30, 2020<br>(Unaudited) | September 30, 2021<br>(Unaudited) | September 30, 2020<br>(Unaudited) | March 31, 2021<br>(Audited) |
| 1       | <b>Income</b>  |                                   |                              |                                   |                                   |                                   |                             |
|         | (a) Income from Operations   | 1,964.19                          | 1,732.48                     | 1,742.15                          | 3,696.67                          | 2,772.15                          | 6,454.79                    |
|         | (b) Other Income   | 140.37                            | 144.01                       | 234.31                            | 284.38                            | 492.25                            | 775.15                      |
|         | <b>Total Income</b>  | <b>2,104.56</b>                   | <b>1,876.49</b>              | <b>1,976.46</b>                   | <b>3,981.05</b>                   | <b>3,264.40</b>                   | <b>7,229.94</b>             |
| 2       | <b>Expenses</b>  |                                   |                              |                                   |                                   |                                   |                             |
|         | (a) Operating Costs  | 403.61                            | 260.80                       | 357.36                            | 664.41                            | 535.02                            | 2,164.67                    |
|         | (b) Changes in inventories of finished goods, work-in-progress and stock-in-trade            | -                                 | 1.08                         | (0.91)                            | 1.08                              | (0.91)                            | 1.18                        |
|         | (c) Employee benefits expense  | 139.42                            | 135.80                       | 90.20                             | 275.22                            | 190.89                            | 453.02                      |
|         | (d) Finance costs  | 529.25                            | 339.22                       | 631.42                            | 868.47                            | 1,246.86                          | 2,056.28                    |
|         | (e) Depreciation and amortisation expense  | 426.61                            | 434.28                       | 1,167.37                          | 860.89                            | 2,393.70                          | 3,729.31                    |
|         | (f) Other expenses   | 315.04                            | 122.33                       | 402.35                            | 437.37                            | 857.21                            | 2,491.76                    |
|         | <b>Total Expenses</b>  | <b>1,813.93</b>                   | <b>1,293.51</b>              | <b>2,647.79</b>                   | <b>3,107.44</b>                   | <b>5,222.77</b>                   | <b>10,896.22</b>            |
| 3       | <b>Profit / (Loss) from operations before exceptional items (1 - 2)</b>                      | <b>290.63</b>                     | <b>582.98</b>                | <b>(671.33)</b>                   | <b>873.61</b>                     | <b>(1,958.37)</b>                 | <b>(3,666.28)</b>           |
| 4       | Exceptional Items  | -                                 | -                            | -                                 | -                                 | -                                 | -                           |
| 5       | <b>Profit / (Loss) before Tax (3 - 4)</b>  | <b>290.63</b>                     | <b>582.98</b>                | <b>(671.33)</b>                   | <b>873.61</b>                     | <b>(1,958.37)</b>                 | <b>(3,666.28)</b>           |
| 6       | <b>Tax Expense :</b>   |                                   |                              |                                   |                                   |                                   |                             |
|         | (a) Current tax  | -                                 | -                            | -                                 | -                                 | -                                 | -                           |
|         | (b) Deferred tax   | 132.50                            | 140.18                       | (106.45)                          | 272.68                            | (271.70)                          | (790.11)                    |
|         | (c) Earlier year tax   | -                                 | -                            | -                                 | -                                 | 5.76                              | 5.77                        |
|         | <b>Total Tax Expense</b>   | <b>132.50</b>                     | <b>140.18</b>                | <b>(106.45)</b>                   | <b>272.68</b>                     | <b>(265.93)</b>                   | <b>(784.34)</b>             |
| 7       | <b>Net Profit / (Loss) for the period (5 - 6)</b>  | <b>158.13</b>                     | <b>442.80</b>                | <b>(564.87)</b>                   | <b>600.93</b>                     | <b>(1,692.43)</b>                 | <b>(2,881.94)</b>           |
| 8       | <b>Other comprehensive income</b>  |                                   |                              |                                   |                                   |                                   |                             |
|         | <b>A. Items that will not be reclassified to profit or loss</b>                              |                                   |                              |                                   |                                   |                                   |                             |
|         | Remeasurement of net defined benefit obligation  | -                                 | -                            | -                                 | -                                 | -                                 | (2.92)                      |
|         | Fair valuation of equity instruments   | -                                 | -                            | (0.99)                            | -                                 | (0.99)                            | (1.53)                      |
|         | <b>B. Income tax relating to above items that will not be reclassified to profit or loss</b> |                                   |                              |                                   |                                   |                                   |                             |
|         | Remeasurement of net defined benefit obligation  | -                                 | -                            | -                                 | -                                 | -                                 | (0.74)                      |
|         | Fair valuation of equity instruments   | -                                 | -                            | -                                 | -                                 | -                                 | (0.39)                      |
|         | <b>Total other comprehensive income, net of income tax (A - B)</b>                           | <b>-</b>                          | <b>-</b>                     | <b>(0.99)</b>                     | <b>-</b>                          | <b>(0.99)</b>                     | <b>(3.32)</b>               |
| 9       | <b>Total comprehensive income for the period (7 + 8)</b>                                     | <b>158.13</b>                     | <b>442.80</b>                | <b>(565.86)</b>                   | <b>600.93</b>                     | <b>(1,693.42)</b>                 | <b>(2,885.26)</b>           |
| 10      | <b>Paid-up equity share capital (Face value of Rs. 10/- each share)</b>                      | <b>5,754.44</b>                   | <b>5,754.44</b>              | <b>5,754.44</b>                   | <b>5,754.44</b>                   | <b>5,754.44</b>                   | <b>5,754.44</b>             |
| 11      | <b>Other Equity (excluding revaluation reserves)</b>   |                                   |                              |                                   |                                   |                                   | <b>6,870.39</b>             |
| 12      | <b>Earnings per share (In Rs.) :</b>   |                                   |                              |                                   |                                   |                                   |                             |
|         | (a) Basic  | 0.27                              | 0.77                         | (0.98)                            | 1.04                              | (2.94)                            | (5.01)                      |
|         | (b) Diluted  | 0.27                              | 0.77                         | (0.98)                            | 1.04                              | (2.94)                            | (5.01)                      |



Notes to the financial results:

1. The above unaudited standalone financial results of the Company for the quarter and six months ended September 30, 2021, have been reviewed by the Audit Committee and were thereafter approved by the Board of Directors of the Company at its meeting held on November 2, 2021. The Statutory Auditors of the company have reviewed the results and have expressed an unmodified opinion thereon.
2. This statement has been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3. 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 Market Networks Limited ("the Company" or Transferor Company 3"), and other 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 on November 20, 2020. Further stock exchanges have issued 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. NCLT has heard this Application and the intervention application filed by Amazon.com Investment Holdings LLC. (Amazon) and has reserved the order on the said application filed by Amazon.

NCLT on September 28, 2021 passed an order directing all Transferor Companies and Transferee Company involved in the Scheme to convene and hold the meetings of their respective shareholders, secured creditors and unsecured creditors as per the schedule given by the NCLT. According to such directions of NCLT, the Company has convened 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.

Amazon has initiated arbitration proceedings against Future Coupons Private Limited ("FCPL"), FRL and its promoters on October 5, 2020 before Singapore International Arbitration Centre ("SIAC"). On the same day, Amazon had also filed a Claimant's application for seeking emergency reliefs ("CAER").

After completion of the CAER the Emergency Arbitrator 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 on August 29, 2020. However, based on the legal advise received by FRL, it had contended that the EA Order would not be enforceable in view of FRL not being a signatory to the arbitration agreement between Amazon and FCPL & Promoters, under which arbitration has been initiated.

In terms of the information provided by FRL, a party to the composite scheme of arrangement, it has on November 06, 2020 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 in the Suit, on December 21, 2020 (Judgment), wherein the Single Judge of the Delhi High Court has prima facie held the following:

- (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.



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

In another application made by Amazon under section 17(2) of Arbitration & Conciliation Act, 1996 ("the Act") to enforce EA Order, Hon'ble Delhi High Court vide its interim order dated February 2, 2021 directed the parties to maintain status quo (Status Quo Order). On March 18, 2021 a detailed order was passed by the Single Judge of the High Court (Detailed Order) inter alia confirming the directions in the Status Quo Order passed by Hon'ble Delhi High Court in the application under section 17(2) of the Act granting further reliefs in favour of Amazon, and inter alia restricting all respondents from taking any further action in violation of the EA Order. FRL has filed appeals against both the above orders before the Hon'ble Division Bench of Delhi High Court and has obtained a stay on the Status Quo Order and the Detailed Order by orders dated February 08, 2021 and March 22, 2021 respectively.

Amazon has in turn preferred Special Leave Petitions before Hon'ble Supreme Court against the respective stay orders granted by the Hon'ble Division Bench. The Supreme Court has pronounced its judgment on August 6, 2021 (SC Judgment) wherein it has inter alia held that an order passed by an emergency arbitrator "are referable to and are made under Section 17 (1) of the Act". By virtue of the said SC Judgment, the stay granted by the Division Bench of the Delhi High Court by orders dated February 08, 2021 and March 22, 2021 also stand vacated.

FRL has further informed in its intimation to stock exchanges that FRL intends to pursue all available avenues to conclude the deal to protect the interests of its stakeholders and workforce.

Further in relation to the Arbitration Proceedings, a Tribunal has been constituted by SIAC on January 5, 2021 and FRL has filed two applications before the Tribunal, first being an application under section 16 of the Act challenging the jurisdiction of the Tribunal; and second being an Application under Rule 10 of Schedule I of SIA Rules for vacation of the EA Order. The hearing for both the application was concluded on July 16, 2021. The SIAC has passed a partial award on October 20, 2021 dismissing section 16 application of FRL and concluded that FRL is a party to the arbitration agreement. Further The SIAC also passed an order in the matter of second application under Rule 10 of Schedule 1 of SIA Rules for vacation of the EA order and dismissed that application as well. Immediately thereafter, Amazon filed an Interim Application in Special Leave Petition filed by FRL before the Hon'ble Supreme Court of India and seeking relief to set aside the order passed by NCLT on 28 September 2021 directing convening of meetings of shareholders and creditors and in the meantime granting stay on the operation of the said order of the NCLT as well as the operation of the notice of meetings dated 11 October 2021 issued by FRL, concerning and conducting of any meeting pertaining to FRL.

FRL has separately has filed an appeal before Hon'ble High Court of Delhi against the impugned order dated 21 October, 2021 passed by SIAC Tribunal in SIAC Arbitration No. 960 of 2020 on the Application of the Company to vacate the Interim Award of the Emergency Arbitrator dated 25 October 2020 and sought relief for staying and setting aside the operation of the Impugned order dated 21 October 2021 and alternatively, allowing the Company to conduct the meeting of the Shareholders and Creditors as directed by the Hon'ble NCLT Mumbai vide order dated 28 September, 2021.

4. The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group's operations and revenue during the current quarter were also impacted due to COVID-19. The Group has taken into account the possible impact of COVID-19 in preparation of the unaudited consolidated financial results, including its assessment of recoverable value of its assets based on internal and external information upto the date of approval of these unaudited consolidated financial results and current indicators of future economic conditions.
5. A fire accident occurred on October 22, 2020 night in Orchid City Center Mall (OCC) Mall Mumbai, which is partly managed by the company. No revenue and corresponding expenses have been accrued and accounted for the month of November, 2020. The Company is yet to receive the final insurance claim as determined by the insurance company and has accounted the resulting loss on discard of the property, plant and equipment of Rs. 667.33 lakhs during the quarter ended March 31, 2021. The mall has not been re-opened for public as on date. The re-opening of the mall is subject to necessary approval from regulatory authorities.
6. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.



7. The Company operates in only one segment namely "Property and Related Services", consequently the Company does not have separate reportable business segment as per Ind AS - 108 - Operating Segments.
8. Figures of the previous financial period / year have been re-arranged / re-grouped / reclassified wherever necessary.

On behalf of the Board of Directors  
For Future Market Networks Limited



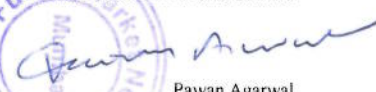
Pawan Agarwal  
Executive Director and CFO  
DIN: 01435580

Date: November 02, 2021  
Place: Mumbai

(Rs. In Lakhs)

| Particulars  | STANDALONE                                 |                                      |
|--|--|--------------------------------------|
|  | As at<br>September 30, 2021<br>(Unaudited) | As at<br>March 31, 2021<br>(Audited) |
| <b>ASSETS</b>  |  |                                      |
| <b>Non-Current Assets</b>                                      |  |                                      |
| (a) Property, plant and equipment                              | 2,119.57                                   | 2,482.97                             |
| (b) Right to Use Assets  | 11,365.35                                  | 12,158.04                            |
| (c) Capital work-in-progress                                   | 85.91                                      | 63.57                                |
| (d) Investment properties                                      | 7,634.67                                   | 7,701.23                             |
| (e) Investments in subsidiaries, associates and joint ventures | 9,378.00                                   | 9,378.00                             |
| (f) Financial assets :   |  |                                      |
| i. Investments   | 23.17                                      | 23.17                                |
| ii. Loans  | 260.92                                     | 247.80                               |
| (g) Non-current tax assets                                     | 856.80                                     | 690.13                               |
| (h) Deferred tax assets (net)                                  | 7,665.55                                   | 7,938.23                             |
| (i) Other non-current assets                                   | 3,378.66                                   | 3,378.66                             |
| <b>Total non-current assets</b>                                | <b>42,768.60</b>                           | <b>44,061.80</b>                     |
| <b>Current assets</b>  |  |                                      |
| (a) Inventories  | 861.12                                     | 862.20                               |
| (b) Financial assets   |  |                                      |
| i. Investments   | 557.15                                     | 101.70                               |
| ii. Trade receivables  | 2,989.31                                   | 2,434.06                             |
| iii. Cash and cash equivalents                                 | 305.40                                     | 1,509.18                             |
| iv. Bank balances other than (iii) above                       | -  | -                                    |
| v. Loans   | 3,520.64                                   | 4,088.12                             |
| vi. Other Financial Assets                                     | 142.66                                     | 160.12                               |
| (c) Other current assets                                       | 3,027.15                                   | 2,868.03                             |
|  | <b>11,403.43</b>                           | <b>12,023.41</b>                     |
| Assets classified as held for sale                             | 1,954.69                                   | 1,954.69                             |
| <b>Total current assets</b>                                    | <b>13,358.12</b>                           | <b>13,978.10</b>                     |
| <b>TOTAL ASSETS</b>  | <b>56,126.72</b>                           | <b>58,039.91</b>                     |
| <b>EQUITY AND LIABILITIES</b>                                  |  |                                      |
| <b>Equity</b>  |  |                                      |
| (a) Equity share capital                                       | 5,754.44                                   | 5,754.44                             |
| (b) Other Equity   | 3,415.36                                   | 6,870.39                             |
| <b>Total Equity</b>  | <b>9,169.80</b>                            | <b>12,624.83</b>                     |
| <b>LIABILITIES</b>   |  |                                      |
| <b>Non-current liabilities</b>                                 |  |                                      |
| (a) Financial liabilities                                      |  |                                      |
| i. Borrowings  | 9,675.12                                   | -                                    |
| ii. Lease liabilities  | 15,609.60                                  | 14,880.35                            |
| iii. Other financial liabilities                               | 1,704.05                                   | 1,641.90                             |
| (b) Provisions   | 67.19                                      | 67.19                                |
| (c) Other non-current liabilities                              | 606.16                                     | 507.73                               |
| <b>Total non-current liabilities</b>                           | <b>27,662.12</b>                           | <b>17,097.17</b>                     |
| <b>Current liabilities</b>                                     |  |                                      |
| (a) Financial liabilities                                      |  |                                      |
| i. Borrowings  | -  | -                                    |
| ii. Trade payables :   |  |                                      |
| -Total outstanding, due of micro and small enterprises         | 78.73                                      | 46.44                                |
| -Others  | 1,019.74                                   | 1,288.17                             |
| iii. Lease liabilities   | 1,995.65                                   | 3,529.44                             |
| iv. Other financial liabilities                                | 578.30                                     | 781.13                               |
| (b) Other current liabilities                                  | 15,585.84                                  | 22,636.19                            |
| (c) Provisions   | 36.54                                      | 36.54                                |
| <b>Total current liabilities</b>                               | <b>19,294.80</b>                           | <b>28,317.91</b>                     |
| <b>TOTAL LIABILITIES</b>                                       | <b>46,956.92</b>                           | <b>45,415.08</b>                     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                            | <b>56,126.72</b>                           | <b>58,039.91</b>                     |

On behalf of the Board of Directors  
for Future Market Networks Limited

  
Pawan Agarwal  
Executive Director and CFO  
DIN : 01435580

Date : November 2, 2021  
Place : Mumbai

**FUTURE MARKET NETWORKS LIMITED  
STANDALONE CASH FLOW STATEMENT**

(Rs. In Lakhs)

| Particulars   | Year ended         | Year ended         |
|---|--------------------|--------------------|
|   | September 30, 2021 | September 30, 2020 |
|   | (Unaudited)        | (Unaudited)        |
| <b>Cash Flow from operating activities</b>  |                    |                    |
| Profit / (Loss) before tax  | 873.61             | (1,958.37)         |
| <b>Adjustments for :</b>  |                    |                    |
| Depreciation and amortisation expenses  | 860.89             | 2,393.70           |
| Finance costs   | 868.47             | 1,246.86           |
| Bad debts and irrecoverable balances written off  | 5.20               | -                  |
| Loss on discard of Property, Plant & Equipment  | -                  | 308.38             |
| <b>Less:</b>  |                    |                    |
| Interest income   | (278.91)           | (395.38)           |
| Sundry balance written back   | -                  | (35.10)            |
| Loss / (Profit) on sale of investments  | -                  | 0.99               |
| <b>Operating Profit before Working Capital change</b>                                     | <b>2,329.27</b>    | <b>1,561.08</b>    |
| <b>Change in operating assets and liabilities</b>   |                    |                    |
| Trade and Other Receivables   | (702.11)           | 467.82             |
| Trade Payable, Other Liabilities & Provisions   | (7,766.60)         | (4,662.24)         |
| Inventories   | 1.08               | (0.91)             |
|   | <b>(8,467.63)</b>  | <b>(4,195.33)</b>  |
| <b>Cash generated / (used) from operations</b>  | <b>(6,138.36)</b>  | <b>(2,634.25)</b>  |
| Income taxes paid (net of refunds)  | (166.67)           | (566.36)           |
| <b>A Net cash inflow / (outflow) from operating activities</b>                            | <b>(6,305.02)</b>  | <b>(3,200.61)</b>  |
| <b>Cash flow from investing activities:</b>   |                    |                    |
| Purchase of Property, Plant & Equipment, Capital Work-in-Progress and Investment Property | (27.25)            | (190.43)           |
| Proceeds from Sale of Investments   | -                  | 1.00               |
| Loans received back / (given)   | 554.37             | 2,081.53           |
| Interest received   | 278.91             | 395.38             |
| Proceeds from maturity of Bank deposits   | -                  | 6.86               |
| <b>B Net cash inflow from investing activities</b>  | <b>806.02</b>      | <b>2,294.34</b>    |
| <b>Cash flow from financing activities</b>  |                    |                    |
| Interest paid   | (868.47)           | -                  |
| Repayment of Subordinated Debt  | (4,055.97)         | -                  |
| Proceeds from Non current Borrowings  | 9,675.12           | -                  |
| <b>C Net cash outflow from financing activities</b>                                       | <b>4,750.68</b>    | <b>-</b>           |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>                       | <b>(748.33)</b>    | <b>(906.27)</b>    |
| Add: Cash and cash equivalents at the beginning of the financial year                     | 1,610.88           | 1,459.76           |
| <b>Cash and cash equivalents at the end of the year</b>                                   | <b>862.55</b>      | <b>553.49</b>      |
| Cash and cash equivalents   | 305.40             | 213.21             |
| Investment in Liquid Funds  | 557.15             | 340.28             |
| <b>Balance as per Statement of Cash Flow</b>  | <b>862.55</b>      | <b>553.49</b>      |



