INDEPENDENT AUDITOR'S REPORT

To the Members of Future Retail Destination Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Future Retail Destination Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the (state of affairs) financial position, loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made

AJMERA & AJMERA ★ CHARTERED ACCOUNTANTS ★ FRN 018796 C by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2019, its comprehensive income (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its financial position;

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(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ajmera and Ajmera
Chartered Accountants
ICAI Firm Registration No. 018796C

AJMERA & AJMERA ★ FRN :- 018796 C ★ CHARTERED ACCOUNTANTS

Ankit Inani
Partner
Membership No. 162803
Date: 26.04.2019
Place: Mumbai

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Future Retail Destination Limited on the financial statements for the year ended March 31, 2019]

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

(ii) As informed, the Company does not hold any inventory. Therefore paragraph 3(ii) of the Order is not applicable to the Company.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.

(iv) Based on information and explanation given to us, the provisions of Section 185 of the Act are not applicable to the Company. Further, the Company has complied with the provisions of the Section 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.

(vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute.

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(viii) In our opinion and according to the information and explanations given to us, the Company has not taken loans or borrowings from financial institution(s), bank(s), government(s) or dues to debenture holder(s).

(ix) Based upon the audit procedures performed and the information and explanations given by the management, The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Ajmera and Ajmera
Chartered Accountants
ICAI Firm Registration No. 018796C

Ankit Inani

Ankit Inani
Partner
Membership No. 162803
Date: 26.04.2019
Place: Mumbai

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ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Future Retail Destination Limited on the financial statements for the year ended March 31, 2019]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Future Retail Destination Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.
Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2) provide reasonable assurance that

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FRN :- 018796 C
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transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Ajmera and Ajmera
Chartered Accountants
ICAI Firm Registration No. 018796C

Ankit Inani

AJMERA & AJMERA ★ FRN :- 018796 C CHARTERED ACCOUNTANTS ★

Ankit Inani
Partner
Membership No. 162803
Date: 26.04.2019
Place: Mumbai

Future Retail Destination Limited
CIN :U51909MH2008PLC181060
Balance Sheet as at 31st March 2019
(All amounts in INR thousands, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	1(a)	157,841.28	157,841.28
Capital work-in-progress	1(b)	60,718.96	47,185.39
Other non-current assets	2a	150.00	25.00
Total non-current assets		**218,710.24**	**205,051.67**
Current assets			
Financial assets			
i. Investments	3(a)	82,994.09	-
ii. Cash and cash equivalents	3(b)	8,082.83	11,700.63
iii. Loans	3(c)	-	91,399.07
Other current assets	2b	200.00	270.50
Total current assets		**91,276.92**	**103,370.20**
Total assets		**309,987.16**	**308,421.87**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4(a)	300,000.00	300,000.00
Other equity			
Reserves and Surplus	4(b)	(5,971.60)	(6,826.58)
Total equity		**294,028.40**	**293,173.42**
LIABILITIES			
Current liabilities			
Financial liabilities			
i. Current Tax Liability(net)	5(a)	314.28	-
ii. Deferred tax Liability(net)	5(b)	464.19	-
ii. Other financial liabilities	5(c)	15,166.29	15,053.19
Other current liabilities	6	14.00	195.26
Total current liabilities		**15,958.76**	**15,248.45**
Total liabilities		**15,958.76**	**15,248.45**
Total equities and liabilities		**309,987.16**	**308,421.87**

See accompanying notes to the financial statements

For Ajmera & Ajmera
Chartered Accountants
ICAI FRN : 018796C

For and behalf of Board of Directors

AJMERA & AJMERA * CHARTERED ACCOUNTANTS * FRN :- 018796 C

Ankit Inani
Partner
Membership No. 162803
Place :- Mumbai
Date :- 26.04.2019

ANIL PORUTHALA CHERIAN
Director
DIN:5126014

PAWAN KUMAR AGARWAL
Director
DIN:1435580

Future Retail Destination Limited
CIN :U51909MH2008PLC181060
Statement of Profit and Loss for the period ended March 31,2019
(All amounts in INR thousands, unless otherwise stated)

	Notes	Year ended 31 March,2019	Year ended 31 March, 2018
Other Income	7	3,007.59	-
Total Income		**3,007.59**	-
Expenses			
Finance costs	8	167.96	-
Employees Benefit Expenses	9	573.89	-
Other expenses	10	632.29	190.67
Total expenses		**1,374.14**	**190.67**
Profit before exceptional items and tax		**1,633.45**	**(190.67)**
Exceptional items		-	-
Profit before tax		**1,633.45**	**(190.67)**
Income tax expense			
-Current tax		314.28	-
-Deferred tax		464.19	-
Total tax expense		**778.47**	-
		854.98	**(190.67)**
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**854.98**	**(190.67)**
Earnings per equity share for profit from continuing operation attributable to owners of company			
Basic earnings per share (In INR)		**0.03**	**(0.01)**
Diluted earnings per share (In INR)		**0.03**	**(0.01)**

See accompanying notes to the financial statements

For Ajmera & Ajmera
Chartered Accountants
ICAI FRN : 018796C

AJMERA & AJMERA * FRN :- 018796 C * CHARTERED ACCOUNTANTS

Ankit Inani
Partner
Membership No. 162803
Place :- Mumbai
Date :- 26.04.2019

For and behalf of Board of Directors

ANIL PORUTHALA CHERIAN
Director
DIN:5126014

PAWAN KUMAR AGARWAL
Director
DIN:1435580

Future Retail Destination Limited
CIN :U51909MH2008PLC181060
Statement of Changes in Equity
(All amounts in thousands, unless otherwise stated)

(A) Equity share capital(Refer Note 4a)

	Amount
As at 1 April 2017	3,00,000.00
Changes in equity share capital	-
As at 31 March 2018	3,00,000.00
Changes in equity share capital	-
As at 31 March 2019	3,00,000.00

(B) Other equity (Refer Note 4b)

Reserves and Surplus

	Retained earnings
Opening Balance	(6,635.91)
Profit for the period	(190.67)
Other Comprehensive Income	-
Total comprehensive income for the years	(190.67)
Dividend paid	-
Balance as at 31 March 2018	(6,826.58)
Opening Balance	(6,826.58)
Profit for the period	854.98
Other Comprehensive Income	-
Total comprehensive income for the years	854.98
Dividend paid	-
Balance as at 31 March 2019	(5,971.60)

For Ajmera & Ajmera
Chartered Accountants
ICAI FRN : 018796C

Ankit Inani
Partner
Membership No. 162803
Place :- Mumbai
Date :- 26.04.2019

For and behalf of Board of Directors

ANIL PORUTHALA CHERIAN
Director
DIN:5126014

PAWAN KUMAR AGARWAL
Director
DIN:1435580

1(a) Property, Plant and Equipment

Amount in INR Thousands

Particulars	Freehold Land
Year ended March 31, 2019	
Opening gross carrying amount as at April 1, 2018	1,57,841.28
Additions	-
Disposals	-
Closing gross carrying amount as on March 31, 2019	1,57,841.28
Accumulated depreciation and impairment	
Opening accumulated depreciation and impairment as at April 1, 2018	-
Depreciation charge during the year	-
Closing accumulated depreciation and impairment as on March 31,2019	-
Net carrying amount as on March 31, 2019	1,57,841.28

1(b) Capital Work in Progress

Particulars	As at 31th March, 2019	As at 31st March, 2018
Opening CWIP	47,185.39	32,796.54
Add:-		
Additions during the year (Pre-operative Exepenses)	13,533.57	14,388.85
Total	60,718.96	47,185.39
Less: -		
Transfer to Fixed Assests	-	-
Amount Written Back		
Closing Capital WIP	60,718.96	47,185.39

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Notes to financial statements for the year ended March 31, 2019

I. Overview of the Company

Future Retail Destination Limited (formerly known as Future Retail Destination Private Limited) was originally incorporated on 11th April 2008 under the Companies Act 1956 and having its registered office Knowledge House, Shyam Nagar, off Jogeshwari-vikhroli Link Road, Jogeshwari (East), Mumbai-400060. The Company is a joint venture between Future Market Networks Limited and IL&FS Township & Urban Assets Limited vide agreement dated 18th April 2012 for the purpose of development of infra logistics parks across India.

II. Significant Accounting Policies:

(i) Basis of preparation and measurement

a. Compliance with Indian Accounting Standards:

The financial statements of the Company comply in all material aspects with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with relevant rules and other accounting principles. The policies set out below have been consistently applied during the years presented.

b. Basis of Preparation:

The financial statements for all periods up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Section 133 of Companies Act, 2013 read together with Companies (Accounts) Rules, 2013 (Previous GAAP).

As these financial statements for the year ended March 31, 2017 are the first financial statements of the Company prepared in accordance with Ind AS, Ind AS 101, "First-time Adoption of Indian Accounting Standards" has been applied. An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows including reconciliations and descriptions of the effect of the transition are provided in Note No 17.

These financial statements are presented in 'Indian Rupees', which is also the Company's functional currency.

The financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III to the Act, applicable Ind AS, other applicable pronouncements and regulations.

c. Basis of Measurement:

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that is measured at fair value;

(ii) Financial Instruments:

The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values on initial recognition, except for trade receivables which are initially measured at transaction price

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a. Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortized cost.

The Classification depends on the entity's business model for managing the financial assets and the contractual term of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

Initial

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of profit or loss.

Subsequent

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• Fair Value through Other Comprehensive Income (FVOCI):

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Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

• Fair Value through Profit or Loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

De-recognition of financial assets

A financial asset is derecognised only when right to receive cash flow from assets have expired or the company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the the received cash flows in full without material delay to a third party under a "pass through" arrangement.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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b. Financial Liabilities

Initial

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

Financial liabilities at amortized cost: After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Trade and Other Payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring and non–recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Disclosures for valuation methods, significant estimates and assumptions of Financial Instruments (including those carried at amortised cost) (Note No 15) and Quantitative disclosures of fair value measurement hierarchy (Note No 15).

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(iii) Current versus Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- Held primarily for the purpose of trading

All other assets are classified as non-current

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- Held primarily for the purpose of trading

All other liabilities are classified as non-current.

(iv) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value

(v) Cash flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(vi) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Income from Services

Revenue from services rendered is recognized as the service is performed based on agreements/ arrangement with concerned parties and revenue from end of the last billing to the balance sheet date is recognized as unbilled revenue.

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(vii) **Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other Comprehensive Income' or directly in equity, in which case the tax is recognised in 'Other Comprehensive Income' or directly in equity, respectively.

(viii) **Earnings per share**

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period,

Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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(ix) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

(x) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of profit and loss during the reporting period in which they are incurred.

Depreciation / Amortization

Depreciation on property, plant & equipment is provided as specified in Schedule II to the Companies Act, 2013.

Transition to Ind AS

On transition to Ind AS, the Company has elected to regard the carrying values of all its property, plant and equipment as at April 1, 2015 as deemed cost accordance with the stipulation of Ind AS 101 "First-time Adoption of Indian Accounting Standards".

(xi) Rounding off amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands with two decimals, as per the requirement of Schedule III, unless otherwise stated.

(xii) Recent accounting pronouncements

Ind AS 116

In March 2019, the Ministry of Corporate Affairs as notified the Companies (Indian Accounting Standards) Second Amended Rules, 2019 ("amended rules"). As per the amended rules, Ind AS 116 "Leases" supercedes Ind AS 17, is applicable for all accounting periods commencing on or after 1 April 2019.

Ind AS 116 introduces a new framework accounting of Lease contracts by Lessees.

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 116 is expected to be insignificant"

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CHARTERED ACCOUNTANTS

Future Retail Destination Limited

(All amounts in INR thousands, unless otherwise stated)

ASSETS

Non Current Assets

Note 2a: Other Non Current assets

	As at	
	31-Mar-19	31-Mar-18
Deposit -National Securities Depository Limited	150.00	-
MVAT Deposit	-	25.00
Total other assets	150.00	25.00

Current Assets

Note 3 Financial assets:

Note 3(a) Current Investments

	As at	
	31-Mar-19	31-Mar-18
Investment - Others		
UTI - Floating Rate Fund -Regular Growth Plan	82,994.09	-
Total Investment	82,994.09	-

Note 3(b) Cash and cash equivalents

	As at	
	31-Mar-19	31-Mar-18
Balances with banks		
- in current accounts	8,082.83	11,700.63
Total cash and cash equivalents	8,082.83	11,700.63

Note 3(c) Loans

	As at	
	31-Mar-19	31-Mar-18
(Unsecured, Considered good unless otherwise stated)		
Loan to others	-	91,399.07
Total Loans	-	91,399.07

Note 2b: Other Current assets

	As at	
	31-Mar-19	31-Mar-18
Advance to Suppliers	200.00	-
Balance with Govt. Authorities	-	270.50
Total other assets	200.00	270.50

Note 4: Equity share capital and other equity

4(a) Equity share capital

(i)Authorised equity share capital (Equity Shares at the Face Value of INR 10 each)

	Number of shares (in nos.)	Amount (in INR thousands)
As at 31 March 2018	3,00,00,000	3,00,000.00
As at 31 March 2019	3,00,00,000	3,00,000.00

(ii)Issued, Subscribed and Paid up capital (Equity Shares at the Face Value of INR 10 each)

	Number of shares (in nos.)	Amount (in INR thousands)
As at 31 March 2018	3,00,00,000	3,00,000.00
As at 31 March 2019	3,00,00,000	3,00,000.00

(iii) Movements in equity share capital

	Number of shares (in nos.)	Face Value per share (in Rs.)
As at 31 March 2018	3,00,00,000	10
As at 31 March 2019	3,00,00,000	10

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Future Retail Destination Limited
(All amounts in INR thousands, unless otherwise stated)

Terms and rights attached to equity shares
The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the shareholders will be eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

(iv) Shares of the company held by holding/ultimate holding company

	As at	
	31-Mar-19	31-Mar-18
Future Market Networks Limited	3,00,00,000	1,50,00,000

(v) Details of shareholders holding more than 5% shares in the company

	As at	
	31-Mar-19	31-Mar-18
	Number of shares & % holding	Number of shares & % holding
Future Market Networks Limited	30000000 100%	15000000 50%
IL&FS Township & Urban Assets Limited	- -	15000000 50%

4(b) Reserve and surplus

	As at	
	31-Mar-19	31-Mar-18
Retained earnings	(5,971.60)	(6,826.58)
Total reserves and surplus	(5,971.60)	(6,826.58)

Movement of Retained earnings

	As at	
	31-Mar-19	31-Mar-18
Opening balance	(6,826.58)	(6,635.91)
Add: (Loss) during the year	854.98	(190.67)
Closing Balance	(5,971.60)	(6,826.58)

Current Liabilities
Note 5: Financial liabilities
5(a) Current Tax

	As at	
	31-Mar-19	31-Mar-18
Current Tax Liabilities	314.28	-
Total	314.28	-

5(b) Deferred Tax

	As at	
	31-Mar-19	31-Mar-18
Deferred Tax Liabilities	464.19	-
Total	464.19	-

5(b) Other financial liabilities

	As at	
	31-Mar-19	31-Mar-18
Creditors for capital assets	74.48	-
Payables for Expenses	91.81	53.19
Security Deposit (payable on demand)	15,000.00	15,000.00
Total other current financial liabilities	15,166.29	15,053.19

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Future Retail Destination Limited
(All amounts in INR thousands, unless otherwise stated)

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

(i) There were no amounts outstanding to be paid to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

(ii) No interest is paid/payable during the year to any micro or small enterprise registered under the MSMED.

Note 6: Other liabilities

	As at	
	31-Mar-19	31-Mar-18
Statutory dues	14.00	195.26
Total other liabilities	**14.00**	**195.26**

Note 7: Other Income

	Year ended	Year ended
	31-Mar-19	31-Mar-18
Fair valuation of UTI Fund	2,994.09	-
Other Misc Income	13.50	-
Total	**3,007.59**	-

Note 8: Finance costs

	Year ended	Year ended
	31-Mar-19	31-Mar-18
Interest on unsecured borrowing	164.19	-
Bank Charges	3.77	-
Total	**167.96**	-

Note 9: Employee Benefit Expenses

	Year ended	Year ended
	31-Mar-19	31-Mar-18
Salary and Wages	573.89	-
Total	**573.89**	-

Note 10: Other expenses

	Year ended	Year ended
	31-Mar-19	31-Mar-18
Legal & Professional	26.30	41.18
Auditors Remuneration	-	-
Statutory Audit	70.80	70.80
Travelling Expenses	299.04	-
Custodian Charges	106.20	-
Director Sitting Fees	100.00	40.00
Other Miscellaneous Expenses	29.95	38.69
Total	**632.29**	**190.67**

10(a) Details of payments to auditors

	Year ended	Year ended
	31-Mar-19	31-Mar-18
Payment to Statutory auditors		
a) Audit fees	70.80	70.80
b) Taxation matters	-	-
c) Other services	-	
Total	**70.80**	**70.80**

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Future Retail Destination Limited
(All amounts in INR thousands, unless otherwise stated)

Note 11: Current and deferred tax

11(a) Income Tax Expense

	Year ended 31-Mar-19	As at 31-Mar-18
Current tax		
Current tax on profits for the year	(314.28)	-
Total current tax (expense)/Saving	(314.28)	-
Deferred tax		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	778.47	-
Mat Credit Entitlement	(314.28)	
Total deferred tax expense/(benefit)	464.19	-
Income tax expense	778.47	-

11(b) Amounts recognised in respect of current tax / deferred tax directly in equity:

	As at 31-Mar-19	As at 31-Mar-18
Amounts recognised in respect of current tax / deferred tax directly in equity	-	-

11(c) Tax losses and Tax credits

The Company has not recognized deffered tax assest in books under INDAS12-Income Tax.

	As at 31-Mar-19	As at 31-Mar-18
Unused tax losses for which no deferred tax asset has been recognised	-	5,321.87

Note 12: Related party transactions

In compliance with Ind AS 24 - "Related Party Disclosures", the required disclosures are given in the table below:

(a) Name of related parties and related parties relationship

Related Parties	Nature of relation ship 31-Mar-19	Nature of relation ship 31-Mar-18
Future Market Networks Limited	Joint Venture Partner (till 17.09.2018) Holding Company (From 18.09.2018)	Joint Venture Partner
IL&FS Township & Urban Assets Limited (ITUAL)	Joint Venture Partner (till 17.09.2018)	Joint Venture Partner
Ashirwad Malls Pvt. Ltd.	Subsidiries of Holding Company	Subsidiries of Joint Venture Partner
Star Shopping Centre (P.) Ltd.	Subsidiries of Holding Company	Joint Venture of Joint Venture Partner
Suhani Mall Mgt. Co. Pvt. Ltd.	Subsidiries of Holding Company	Subsidiries of Joint Venture Partner
Riddhi Siddhi Mall Management Pvt. Ltd.	Joint Venture of Holding Company	Joint Venture of Joint Venture Partner
Utility Developers Pvt. Ltd.	-	Joint Venture of Joint Venture Partner

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Future Retail Destination Limited

(All amounts in INR thousands, unless otherwise stated)

Future Trade Markets Pvt. Limited	Subsidiries of Holding Company	Joint Venture of Joint Venture Partner
Mr. Pawan Kumar Agarwal	Director	Director
Mr. Anil Poruthala Cherian	Director	Director
Mr. Pramod Arora (Upto 08.10.2018)	Managing Director	Managing Director
Mr. Gautam Lath	-	Director
Mr. Vijay Sing Dugar	Director	-

(b).The Following transactions were carried out with the Related Parties in the ordinary course of business.

Nature of Transaction	For the year ended 31 March 2019	For the year ended 31 March 2018
	Joint Venture /Holding Company	Joint Venture Company
<u>Future Market Networks Limited</u>		
Borrowings Taken	9,594.90	96.14
Borrowings Taken Repaid	9,594.90	15,752.41
Finance Cost	164.19	21.02
Nature of Transaction	For the year ended 31 March 2019	For the year ended 31 March 2018
	Director	Director
<u>Transaction with directors</u>		
Director Sitting Fees	100.00	40.00
Remuneration to Managing Director (Upto 08th Oct 2018)	4,962.50	4,977.50

Note 13 : Contingent liabilities and contingent assets

(a) Contingent liabilities

Contingent Liabilities Rs. Nil (March 31, 2018-NIL).

Note 14 : Commitments

Estimated amount of contract remaining to be executed on capital account and not provided for Rs. 1440.00 thousands (March 31, 2018- Rs. 3600.00 thousands)

Note 15 : Earnings per share

(a) Basic and diluted earnings per share

	Year Ended 31 March 2019	Year Ended 31 March 2018
Profit attributable to the equity holders of the Company	854.98	(190.67)
Nominal Value per share	10	10
Basic/Diluted earnings per share attributable to the equity holders of the Company (Rs. Per share)	0.03	(0.01)

(b) Weighted average number of shares used as the denominator

	Year Ended 31 March 2019	Year Ended 31 March 2018
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	3,00,00,000	3,00,00,000

Note 16: Offsetting financial assets and financial liabilities

There are no Financial assets and liabilities which are offset as on balance sheet as there is no legally enforceable right to offset the recognised amounts and there is no intention to settle on a net basis or realise the asset and settle the liability simultaneously.

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Future Retail Destination Limited

Notes to financial statements

(All amounts in INR thousands, unless otherwise stated)

Note 17: Fair value measurements

17(a) Financial instruments by category

	31 March 2019			31 March 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
i. Cash and cash equivalents			8,082.83	-	-	11,700.63
ii. Loans			-	-	-	91,399.07
Total financial assets	-	-	8,082.83	-	-	1,03,099.70
Financial liabilities						
i Creditors for capital assets	-	-	74.48	-	-	-
ii Payables for Expenses	-	-	91.81	-	-	53.19
iii Security Deposit (payable on demand)	-	-	15,000.00			15,000.00
Total financial liabilities	-	-	15,091.81	-	-	15,053.19

17(b) Fair value hierarchy

No financial instruments are recognised and measured at fair value for which fair values are determined using the judgements and estimates.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed At 31 March 2019	Level 1	Level 2	Level 3	Total
Financial assets				
i. Loans	-	-	-	-
Total financial assets			-	-
Financial Liabilities				
i Creditors for capital assets			74.48	74.48
ii Payables for Expenses			91.81	91.81
iii Security Deposit (payable on demand)			15,000.00	15,000.00
Total financial liabilities			15,166.29	15,166.29

Assets and liabilities which are measured at amortised cost for which fair values are disclosed At 31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets				
i. Loans	-	-	91,399.07	91,399.07
Total financial assets	-	-	91,399.07	91,399.07
Financial Liabilities				
i Payables for Expenses			53.19	53.19
ii Security Deposit (payable on demand)			15,000.00	15,000.00
Total financial liabilities			15,053.19	15,053.19

During the year there are no financial instruments which are measured at Level 1 and Level 2 category.

The fair value of financial instruments referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarachy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

Level 1: This hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between the levels during the year.

Valuation processes :

For level 3 financial instruments the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

17(c) Fair value of financial assets and liabilities measured at amortised cost

	31 March 2019		31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
i. Loans	-	-	91,399.07	91,399.07
Total financial assets	-	-	91,399.07	91,399.07
Financial Liabilities				
i Creditors for capital assets	74.48	74.48		
ii Payables for Expenses	91.81	91.81	53.19	53.19
iii Security Deposit (payable on demand)	15,000.00	15,000.00	15,000.00	15,000.00
Total financial assets	15,166.29	15,166.29	15,053.19	15,053.19

The carrying amounts of trade payables, short term borrowings including interest thereon, capital creditors, loans repayable on demand and cash and cash equivalents are considered to have their fair values approximately equal to their carrying values.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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Future Retail Destination Limited
Notes to financial statements
(All amounts in INR thousands, unless otherwise stated)

Note 18 : Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk are reviewed regularly to reflect changes in market conditions and the company's activities.

A.Management of Liquidity Risk:

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.
The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

	Carrying amount	Less than 12 months	More than 12 months	Total
As at 31st March 2019	**15,166.29**	**15,166.29**	-	**15,166.29**
Creditors for Capital Expenditure	74.48	74.48	-	74.48
Payable for Expenses	91.81	91.81	-	91.81
Security Deposit (payable on demand)	15,000.00	15,000.00	-	15,000.00
As at 31st March 2018	**15,053.19**	**15,053.19**	-	**15,053.19**
Creditors for Capital Expenditure				
Payable for Expenses	53.19	53.19	-	53.19
Security Deposit (payable on demand)	15,000.00	15,000.00	-	15,000.00

B.Management of Market risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk .

The Company is not exposed to any foreign currency risk as neither operates internationally nor has any foreign currency transaction.
Also, the Company does not have any variable rate borrowings therefore the Company is not exposed to interest rate risk too.

C.Management of Credit Risks

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its Loan.
Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low.
Therefore, Company has followed General Model. The Company is not exposed to any other credit risks.

D.Capital Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.
The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company does not distribute dividends to the shareholders.

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Future Retail Destination Limited

(All amounts in INR thousands, unless otherwise stated)

Note 19:

1.The Company is having staff strength of less than ten employees and the provisions of Gratutity Act, 1972 are not applicable to the Company. Accordingly, no liability has been provided during the year.

Note 20:

The Company is yet to commence operations. There is no reportable business and geographical segment that need to be disclosed as required under Ind AS 108 - Operating Segments

Note 21:

Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

For Ajmera & Ajmera
Chartered Accountants
ICAI FRN : 018796C

For and behalf of Board of Directors

AJMERA & AJMERA
FRN :-
018796 C
CHARTERED ACCOUNTANTS

Ankit Inani
Partner
Membership No. 162803
Place :- Mumbai
Date :- 26-04-2019

ANIL PORUTHALA CHERIAN
Director
DIN:5126014

PAWAN KUMAR AGARWAL
Director
DIN:1435580

Future Retail Destination Limited

CIN :U51909MH2008PLC181060

Cash flow statement for the year ended March 31, 2019

(All amounts in thousands, unless otherwise stated)

		Year ended 31 March 2019	Year ended 31 March 2018
A	**Cash Flow from operating activities**		
	Profit before Tax(Loss)	1,633.45	(190.67)
	Adjustments for		
	Finance Cost	167.96	-
	Operating Profit before Working Capital change	1,801.41	(190.67)
	Change in operating assets and liabilities		
	Increase/(decrease) in other financial liabilities	113.10	8,264.05
	Increase/(decrease) in other current liabilities	133.02	52.60
	(Increase)/decrease in other current assests	(54.50)	(270.50)
		191.62	8,046.15
	Cash generated from operations	1,993.03	7,855.48
	Income taxes paid	314.28	-
	Net Cash generated from Operating Activities	1,678.75	7,855.48
B	**Cash flow from investing activities:**		
	Purchase of Property, Plant and Equipment (including Capital work-in-progress, capital advances and capital creditors)	(13,533.57)	(14,388.85)
	Received (Repaid) agaisnt loans & Advance	91,399.07	33,600.93
	Net Cash generated from Investing Activities	77,865.50	19,212.08
C	**Cash flow from financing activities**		
	Proceeds(repayment) from Short term borrowings	-	(15,656.26)
	Finance Cost	(167.96)	-
	Net Cash generated from Financing Activities	(167.96)	(15,656.26)
	Net increase/(decrease) in cash and cash equivalents	79,376.29	11,411.30
	Add: Cash and cash equivalents at the beginning of the financial year	11,700.63	289.33
	Cash and cash equivalents at the end of the year	91,076.92	11,700.63
	Reconciliation of Cash Flow statements as per the cash flow statement	**31 March 2019**	**31 March 2018**
	Cash Flow statement as per above comprises of the following		
	Cash and cash equivalents	8,082.83	11,700.63
	Bank overdrafts	-	-
	Investment in Liquid Funds	82,994.09	
	Balances as per statement of cash flows	91,076.92	11,700.63

The above statement of cash flows should be read in conjunction with the accompanying notes.

Previous year figures have been regrouped / reclassified / rearranged wherever necessary to make them comparable to those for the current year .

For Ajmera & Ajmera
Chartered Accountants
ICAI FRN : 018796C

Ankit Inani
Partner
Membership No. 162803
Place :- Mumbai
Date :- 26-04-2019

For and behalf of Board of Directors

PAWAN KUMAR AGARWAL
Director
DIN:1435580

ANIL PORUTHALA CHERIAN
Director
DIN:5126014