



Future Market Networks Limited

Annual Report 2021-22

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Corporate Information

THE BOARD OF DIRECTORS

Mr. Vijai Singh Dugar	DIN: 06463399	Chairman & Independent Director
Ms. Udit Jhunjhunwala	DIN: 00120951	Independent Director
Mr. Sunil Biyani	DIN: 00006583	Non-Executive Director
Mr. Pramod Arora	DIN: 02559344	Independent Director
Mr. Anil Cherian		Head – Legal and Company Secretary

STATUTORY AUDITORS

S K Patodia & Associates, Chartered Accountants, Mumbai

BANKERS

Kotak Mahindra Bank
Axis Finance Limited

REGISTERED OFFICE

Knowledge House, Shyam Nagar,
Off. Jogeshwari - Vikhroli Link Road,
Jogeshwari (E) Mumbai – 400060
Telephone : 022 – 6644 2200
Fax : 022 – 6644 2201
E-mail : info.fmnl@futuregroup.in
Website : www.fmn.co.in
CIN: L45400MH2008PLC179914

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt Ltd
C 101, 247 Park, LBS Marg,
Vikhroli West, Mumbai 400083
Telephone : 022 - 4918 6000
Fax : 022 - 4918 6060

14th Annual General Meeting

on Thursday, September 22, 2022 at 2:00 p.m. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

Caution regarding forward-looking statements:

This document contains statements about expected future events and financial and operating results of Future Market Networks Limited, which are forward-looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future result stand events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management’s discussion and analysis of the Future Market Networks Limited annual report 2021-22. Members are also requested to direct all correspondence relating to shares to the Company’s Registrar and Transfer Agents, Link Intime India Private Limited, at the address above.

Notice

Notice is hereby given that the 14th Annual General Meeting of the members of Future Market Networks Limited will be held Thursday, 22nd day of September 2022 at 2.00 p.m. (IST) for the transaction of the following businesses, through Video Conferencing / Other Audio Visual Means in conformity with the regulatory provisions and the Circulars issued by the Ministry of Corporate Affairs, Government of India.

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 together with the reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the report of Auditors thereon.
2. To appoint a director in place of Mr. Sunil Biyani (DIN: 00006583), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

Special Business:

3. Appointment of Mr. Pramod Arora (DIN 02559344) as a Non-Executive, Independent Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of Mr. Pramod Arora (DIN 02559344), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and who is eligible for appointment, as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from September 22, 2022, up to September 21, 2027, be and is hereby approved.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Pramod Arora shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

Registered Office:

Knowledge House, Shyam Nagar,
Off. Jogeshwari – Vikhroli Link Road,
Jogeshwari East, Mumbai – 400060

CIN: L45400MH2008PLC179914

E-mail: info.fmnl@futuregroup.in

Website: www.fmn.co.in

Place : Mumbai

Date : August 10, 2022

**By Order of the Board
For Future Market Networks Limited**

**Anil Cherian
Head - Legal & Company Secretary**

IMPORTANT NOTES:

1. The Ministry of Corporate Affairs (“MCA”) vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/ 2020 dated April 13, 2020, followed by General Circular No. 20/2020 dated May 5, 2020, No.02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 5, 2022 (collectively referred to as “MCA Circulars”) has permitted the holding of the annual general meeting through Video Conferencing (“VC”) or through other audio-visual means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the 14th Annual General Meeting (“Meeting” or “AGM”) of the Company is

being held through VC / OAVM on Thursday, September 22, 2022 at 2.00 p.m (IST). The proceedings of AGM deemed to be conducted at the Registered Office of the Company situated at Knowledge House, Shyam Nagar, Jogeshwari – Vikhroli Link Road, Jogeshwari East, Mumbai – 400 060.

2. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item No. 3 of the Notice is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at the AGM are provided as an annexure to the Notice. Requisite declarations have been received from Director/s for seeking appointment/re-appointment.
3. Pursuant to the provisions of the Act, **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Since this AGM is being held pursuant to the Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination, Remuneration and Compensation Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than individuals, HUF's, NRI's, etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at alwyn.co@gmail.com with a copy marked to evoting@nsdl.co.in. latest by Wednesday, September 21, 2022 (upto 5:00 p.m). Corporate Members/ Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
6. In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 1, 2019, and SEBI notification dated January 24, 2022, transfers of securities of the Company including transmission and transposition requests shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them, eliminate all risks associated with physical holding and participate in corporate actions. Shareholders/Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited ("Link Intime") for assistance in this regard.
7. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Link Intime in case the shares are held by them in physical form.
8. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
9. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No.SH13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit Form No. ISR-3. The said forms can be downloaded from the Company's website at www.fmn.co.in. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
10. SEBI, vide its circulars dated November 3, 2021 and December 14, 2021, has mandated Members holding shares in physical form to submit PAN, KYC and Nomination details in specified forms. Members may access www.fmn.co.in for Form ISR-1 to register PAN/email id/bank details/other KYC details, Form ISR-2 to update signature and Form ISR-3 for declaration to opt out. Members may make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website and on the website of the Company's Registrar and Transfer Agents.

11. In case a holder of physical securities fails to furnish PAN, KYC details and Nomination by March 31, 2023, Link Intime India Private Limited will be obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the registrar/the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
14. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company through email on info.fmnl@futuregroup.in. The same will be replied by the Company suitably.
15. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the website of the Company at <http://fmn.co.in/investor-relations/annual-reports.html>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
16. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
17. The Securities and Exchange Board of India (SEBI) vide their circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 have directed all the listed companies to record the PAN and Bank Account details of all their shareholders. Accordingly, steps have already been taken for registering the PAN (including joint holders, if any) and Bank Account details. You are requested to forward the same to the Company / Registrar and Transfer Agent, Link Intime India Private Limited.
18. The Securities and Exchange Board of India (SEBI) vide their circular SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 has mandated that the transfer of securities of a listed company would be carried out in dematerialized form only. Accordingly, in terms of amended Regulation 40 of the Listing Regulations, the shares held in physical form will not be considered for transfer.
19. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 22, 2021 to Tuesday, September 28, 2021 (both days inclusive).
20. Under Section 124 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. During the year under review, the Company has neither declared any dividend nor there are any outstanding amount of unclaimed dividends which were liable to be transferred to the IEPF.

The members who must claim their entitlements are requested to make their claims directly to the Company or to Link Intime India Private Limited (RTA), C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.
21. The Independent Directors of the Company have been appointed for a maximum term of 5 years in accordance with the relevant provisions of the Act and are not eligible to retire by rotation.
22. Non-Resident Shareholders are requested to inform immediately Registrar and Share Transfer Agent, Link Intime India Private Limited:
 - a) The change in the Residential status on return to India for permanent settlement.
 - b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
23. During the AGM, Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at info.fmnl@futuregroup.in, latest by Monday, September 19, 2022 (upto 3:00 p.m).
24. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
25. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

26. According to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
27. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

- i. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Listing Regulations (as amended) and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below:
- ii. Members of the Company holding shares either in physical form or in electronic form as of the cut-off date of Thursday, September 15, 2022, may cast their vote by remote e-Voting. The remote e-voting period commences on Sunday, September 18, 2022, at 9:00 a.m. (IST) and ends on Wednesday, September 21, 2022, at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before the AGM and e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as of the cut-off date of Thursday, September 15, 2022. Subject to receipt of the requisite number of votes, the Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM i.e. Thursday, September 22, 2022. The Notice of the AGM indicating the instructions for the remote e-voting process can be downloaded from the NSDL's website www.evoting.nsd.com or the Company's website www.fmn.co.in.
- iii. The Board of Directors has appointed Alwyn D'Souza (Membership No. FCS 5559) of Alwyn D'Souza & Co., Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- iv. Members will be provided with the facility for voting through an electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolutions for which the member has already cast the vote through remote e-Voting.
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Thursday, September 15, 2022, shall be entitled to avail of the facility of remote e-voting before the AGM as well as e-Voting during the AGM. Any person holding shares in physical form and nonindividual shareholders, who acquires shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. Thursday, September 15, 2022, may obtain the User ID and password by sending a request along with the requisite documents as mentioned in para 22 above, at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsd.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In the case of Individual Shareholders holding securities in Demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, September 15, 2022, may follow steps mentioned in below Step 1 (A) i.e. "Login method for remote e-Voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode.
- vii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

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

How do I vote electronically using NSDL e-Voting system?





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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>

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

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

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

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

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

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

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

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

4. Your User ID details are given below:

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

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

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

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

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

- 1) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- 2) Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- 3) Now you are ready for e-Voting as the Voting page opens.
- 4) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 5) Upon confirmation, the message "Vote cast successfully" will be displayed.

- 6) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to awlyn.co@gmail.com with a copy marked to evoting@nsdl.co.in.
- 2) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?"** or **"Physical User Reset Password?"** option available on www.evoting.nsdl.com to reset the password.
- 3) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal or Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info.fmnl@futuregroup.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info.fmnl@futuregroup.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
5. Each member can opt for only one mode of voting i.e. either Remote E-voting or e-voting at the Meeting. In case members exercising their right to vote via both modes, i.e. casting vote by Remote E-voting and also at the Meeting, then vote cast through Remote E-voting shall prevail over voting by the said members at the Meeting and such votes casted at the Meeting shall be treated as invalid.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of **"VC/OAVM link"** placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

FUTURE MARKET NETWORKS LIMITED

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info.fmnl@futuregroup.in. The same will be replied by the company suitably.
6. Members are encouraged to submit their questions in advance concerning the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number, and mobile number, to reach the Company's email address at info.fmnl@futuregroup.in before 5:00 p.m. (IST) on Monday, September 19, 2022.

Queries that remain unanswered at the AGM will be appropriately responded to by the Company at the earliest, post the conclusion of the AGM.

7. Members who would like to express their views/ ask questions as a speaker at the Meeting may preregister themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN, and mobile number at info.fmnl@futuregroup.in between Friday, September 16, 2022 (9:00 a.m. IST) and Tuesday, September 20, 2022 (5:00 p.m. IST). Only those Members who have pre-registered themselves as a speaker on the dedicated email id info.fmnl@futuregroup.in will be allowed to express their views/ask questions during the AGM. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good Internet speed.

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

Other Instructions:

1. The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman, after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges on which the Company's shares are listed, NSDL, and RTA, and will also be displayed on the Company's website at www.fmn.co.in.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.fmn.co.in and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Registered Office:

Knowledge House, Shyam Nagar,
Off. Jogeshwari – Vikhroli Link Road,
Jogeshwari East, Mumbai – 400060

CIN: L45400MH2008PLC179914

E-mail: info.fmnl@futuregroup.in

Website: www.fmn.co.in

Place : Mumbai

Date : August 10, 2022

**By Order of the Board
For Future Market Networks Limited**

**Anil Cherian
Head - Legal & Company Secretary**

Explanatory Statement

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice:

Item No. 3

The provisions of Section 149 of the Companies Act, 2013 ("Act") and rules made thereunder read with Schedule IV to the Act, appointment of Independent Director requires approval of Members.

In terms of Regulation 19(4) read with Para A - 5 of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to recommendation of Nomination, Remuneration and Compensation Committee, the Board of Directors of the Company at their meeting held on August 10, 2022 approved and recommended to the members for their approval for appointment of Mr. Pramod Arora, (DIN: 02559344), as an Independent Director for a term of five consecutive years starting from September 22, 2022 to September 21, 2027.

The Board has considered rich experience, knowledge, skills, valuable contribution to the Company and overall performance evaluation of Mr. Pramod Arora and recommended his appointment for a term of consecutive three years to the Members of the Company for approval.

Mr. Pramod Arora, has given a declaration to the Board that he meets the criteria of independence as provided under section 149 (6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Pramod Arora, fulfills the conditions as specified in the Companies Act, 2013 and the rules made thereunder read with Schedule IV for appointment as an Independent Director.

Mr. Pramod Arora, holds 25000 equity shares in the Company in his name.

Copy of the draft letter of appointment of Mr. Pramod Arora, as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Accordingly, the Board recommends the Special Resolution as set out in item No. 3 of the Notice for the approval of the Members.

Brief profile, qualification, experience, date of appointment on Board, number of Board meeting attended during the financial year 2021-22, directorships, membership/chairmanships of the Committees held in other companies of Mr. Pramod Arora, are enclosed along with the explanatory statement/ corporate governance report.

Save and except Mr. Pramod Arora and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Registered Office:

Knowledge House, Shyam Nagar,
Off. Jogeshwari – Vikhroli Link Road,
Jogeshwari East, Mumbai – 400060

CIN: L45400MH2008PLC179914

E-mail: info.fmnl@futuregroup.in

Website: www.fmn.co.in

Place : Mumbai

Date : August 10, 2022

**By Order of the Board
For Future Market Networks Limited**

**Anil Cherian
Head - Legal & Company Secretary**

FUTURE MARKET NETWORKS LIMITED

ADDITIONAL INFORMATION IN TERMS OF REGULATION 36 OF THE SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 SECRETARIAL STANDARD ON GENERAL MEETINGS ("SS-2"), ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA AND APPROVED BY THE CENTRAL GOVERNMENT IN RESPECT OF DIRECTORS BEING PROPOSED FOR APPOINTMENT / RE-APPOINTMENT

1. Name of Director	Mr. Sunil Biyani
DIN	00006583
Date of Birth	May 27, 1969
Date of Appointment	May 30, 2013
Qualification	Master's in Business Administration
Expertise in specific functional areas:	Mr. Sunil Biyani is a Commerce Graduate with Masters in Business Administration. He is instrumental in setting up various formats in the Group. He has extensive experience in textiles, retail sectors, building and construction, property related transactions and project management. He leads the real estate and mall management teams of various group companies within the Future Group.
Other Directorship(s) / Designated Partner	Galaxy Cloud Kitchens Limited Apollo Design Apparel Parks Limited Bartraya Mall Development Company Private Limited Bansi Mall Management Company Private limited Splendor Fitness Private Limited Utility Developers Private Limited Sun City Properties Private Limited Biyani Capital Resources LLP
Membership in Committees	Name of the Company : Apollo Design Apparel Parks Limited Committee : Audit Committee Position held : Member Name of the Company : Future Market Networks Limited Committee : Stakeholders Relationship Committee Position held : Member Name of the Company: Galaxy Cloud Kitchens Limited Committee : Stakeholders Relationship Committee Position held : Member
Number of shares held in the Company	50. In terms of the shareholding pattern of the Company, Mr. Sunil Biyani is a part of Promoter Group.
Relationship with other Directors	None
Number of meetings of the Board attended during the financial year	Please refer Corporate Governance Report section of the Annual Report 2021-22

2. Name of Director	Mr. Pramod Arora
DIN	002559344
Date of Birth	December 22, 1970
Date of Appointment	August 10, 2017
Qualification	Bachelor's degree in Engineering
Expertise in specific functional areas:	<p>Mr. Pramod Arora, an alumni of IIM Ahmedabad and an Electrical Engineering graduate is an accomplished and a seasoned professional leading, guiding and enabling growth, expansion operations & strategy across organizations. He has a career spanning across Retail, Commercial, Industrial Real Estate, Media and Entertainment for more than 28 Years .</p> <p>He has been a driving force behind PVR Limited since 1997, when it opened its & India's first 4 screen multiplex cinema. Having served as a Director on boards of various organizations like Burger King India, Future Market Networks Limited, Select City Walk and many others, his experience & guidance has been instrumental in their growth trajectory. He has held leadership positions in the capacity of Chief Executive Officer, President, Chief Operating Officer, and Managing Director across PVR, Oberoi Realty, F&B Asia Pte Ltd, Future Group in the past.</p>
Other Directorship(s) / Designated Partner	Nil
Membership in\ Committees	Nil
Number of shares held in the Company	25000
Relationship with other Directors	None
Number of meetings of the Board attended during the financial year	Please refer Corporate Governance Report section of the Annual Report 2021-22

Board's Report

Board's Report

TO THE MEMBERS

The Directors have pleasure in presenting the Fourteenth Directors' Report of Future Market Networks Limited ("FMNL" or "the Company") along with the financial statements for the financial year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

a) Standalone

(₹ In Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from Operations	8066.91	6454.79
Other Income	482.73	775.15
Total Income	8549.64	7229.94
Operating Cost	1565.84	2164.67
Cost of units sold	1.08	1.18
Personnel Cost	652.96	453.02
Other Expenses	2564.03	2491.76
Total Expenditure	4783.92	5110.63
Profit before Interest, Depreciation and Tax	3765.72	2119.31
Less: Interest	2039.66	2056.28
Less: Depreciation	1761.55	3729.31
Profit/(Loss) before exceptional item and tax	(35.48)	(3666.28)
Less: Exceptional Item	-	-
Profit/(Loss) before tax	(35.48)	(3666.28)
Less: Current, Deferred Tax/Earlier Year's Provision Written back	1201.56	(784.34)
Profit (Loss) after Taxation	(1237.04)	(2881.94)

b) Consolidated

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from Operations	8525.97	12676.79
Other Income	438.33	6728.73
Total Revenue	8964.30	19405.52
Operating Cost	1573.61	3629.21
Cost of units sold	1.08	121.28
Personnel Cost	692.38	638.11
Other Expenses	4142.30	2869.18
Total Expenditure	6409.36	7257.28
Profit before Interest, Depreciation and Tax	2554.94	12147.74
Less: Interest	2118.53	3035.39
Less: Depreciation	1861.22	5248.10
Add: Share of net profit of associates and joint ventures accounted by using equity method	(119.32)	76.87
Less: Exceptional Items	-	3941.12
Profit before tax from Continuing Operations	(1544.12)	(3865.01)
Less: Provision for taxation/Earlier Year's Provision Written back	0.41	3.24
Less: Deferred Tax	1259.52	6.36
Profit/(Loss) after Taxation from continuing operation	(2804.05)	(3078.77)
Profit/(Loss) from discontinued operation	-	-
Profit/ (Loss) for the year	(2804.05)	(3078.77)

Dividend

The Board strongly believes that the current market scenario would offer attractive business development opportunities in the real estate sector and re-investing the capital in such opportunities would create more wealth and value for the shareholders in long term. Accordingly, considering loss incurred by the Company, your Directors have not recommended any dividend for the year ended March 31, 2022.

Dividend Distribution Policy

Since the Company has not yet declared any dividend till date, the Company has not yet formulated and adopted a 'Dividend Distribution Policy' in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations).

Reserves

During FY 2021-22, no amount has been transferred to any reserves.

Disclosures under section 134(3)(l) of the Act

The Company, being a mortgagor, has received a demand notice of ₹ 12,057.28 lakhs from Hero FinCorp Private Limited (lender) dated April 15, 2022 which is primarily marked to the borrower (Hare Krishna Operating Lease Private Limited) seeking repayment of the outstanding dues.

Furthermore, the Company, being a mortgagor, has also received a demand notice of ₹ 18,448.96 lakhs from Yes Bank Limited (lender) dated April 19, 2022 which is primarily marked to Basuti Sales & Trading Private Limited (borrower) seeking repayment of the outstanding dues. The company has pledged 3,830 equity shares of Riddhi Siddhi Mall Management Private Limited and secondary charge on immovable property of Big Bazaar (Ground+1) situated at Rajpur- Hirpur, Ahmedabad.

Additionally, the Company, being a mortgagor, has also received a demand notice of ₹ 2,082.72 lakhs from Central Bank of India dated May 4, 2022 which is primarily marked to Unique Malls Private Limited (borrower) seeking repayment of the outstanding dues. The company has given a corporate guarantee towards the said loan.

In the above cases, if the borrower fails to repay the outstanding dues to the lender, the lender shall exercise all the rights available under the mortgage/pledge as above. Except as disclosed elsewhere in this report, no other material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

Operations / State of the Company's Affairs

India witnessed a steep contraction in output following the Covid-19 pandemic. Buoyed by the e-commerce sector and the growth of the Indian industry, warehousing in India has undergone a metamorphosis. With technological advancements, consolidation, government support, newer business models, and investment coming into the space post the pandemic, the sector may well be set for a dream run for the next five years.

Global property consultancy Knight Frank India in their India Warehousing Market Report 2021 estimated that the annual warehousing transactions for the top eight Indian cities (primary markets) will grow at a compound annual growth rate (CAGR) of 19% to 76.2 mn sq ft (7.08 mn sq m) by the financial year (FY) 2026 from 31.7 mn sq ft (2.95 mn sq m) in FY 2021. As per the projections shared by the consultancy for the next 5 years (FY 2022 – FY 2026), the e-commerce segment is expected to take up significant space estimated to be 98 mn sq ft (9.1 mn sq m) approximately registering an increase of 165% from the preceding period of FY 2017 – 2021.

As far as the real estate industry is concerned, construction activities severely affected due to lockdown and other restrictions. It was only in the second half of the year that the recovery gathered momentum and situation started to improve. Mall operations considerably reduced on account of restrictions imposed by government.

The Company, through SPV's, has completed the construction and development of the integrated large-scale warehouses at Jhajjar (Haryana) and Nagpur (Maharashtra) aggregating to 1.3 million square feet. The Company had entered into a strategic arrangement with ESR NAGPUR 1 PTE LTD and ESR DELHI 3 PTE LTD the aforesaid integrated large-scale warehouses.

During the year, the Company had successfully completed the construction of the aforesaid "Class A" integrated large-scale warehouses and in terms of the Strategic Arrangement with ESR, the Company had exited from the said projects.

Financials - Standalone Highlights

During the year ended March 31, 2022, your Company has achieved total Revenue (i.e. Revenue from Operations & Other income) of ₹ 8549.64 Lakhs as against ₹ 7229.94 Lakhs for the previous year ended March 31, 2021. Your Company has posted loss (i.e. profit before tax) of ₹ 35.48 Lakhs for the current year as against ₹ 3666.28 Lakhs for the previous year.

Consolidated Highlights

During the year ended March 31, 2022, your Company's consolidated Revenue stood at ₹ 8,964.30 Lakhs as against ₹ 19,405.52 Lakhs for the previous year ended March 31, 2021. Your Company has posted loss (i.e profit before tax) of ₹ 1,544.12 Lakhs for the current year as against of ₹ 3865.01 Lakhs (loss) for the previous year on consolidated basis.

Leases

The Company's lease asset classes primarily consist of leases for land and buildings. Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

Cash Flow Statement

In conformity with the provisions of Regulation 34 of Listing Regulations, the Cash Flow Statement for the year ended March 31, 2022 has been provided in the Annual Report which forms part of this report.

Accounts

The Annual Report of your Company containing the standalone and consolidated Ind AS financial statements has been disseminated on the website of the Company at www.fmn.co.in.

Appropriations

During the year under review, your Company has not made any appropriations.

Fixed deposits

We have not accepted any fixed deposits, including from the public, and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

The Covid-19 Pandemic

The year started amidst a strict nationwide lockdown in India with tough restrictions on economic activity and mobility.

To deal with the situation, the Company took care of the safety and health related challenges of its people, ensuring business continuity under lockdown and adapting the organisation to ramp-up operations as restrictions were gradually lifted. The Company continues to be fully aligned with government guidelines and best practices on safety, health and hygiene.

The Company is actively monitoring the impact of the Covid-19 pandemic on its financial condition, liquidity, operations, suppliers, industry, and workforce. It has used the principles of prudence in applying judgments, estimates and assumptions based on the current estimates. In assessing the recoverability of assets such as goodwill, inventories, financial and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets.

Besides this, no material changes and commitments have occurred after the close of the year till the close of this Report, which affects the financial position of the Company.

Composite Scheme of Arrangement

Pursuant to the directions given by National Company Law Tribunal, Mumbai (NCLT), the meetings of shareholders and creditors of all the companies involved in the Scheme has been convened and held between April 20, 2022 to April 23, 2022. As in most of the secured creditors meetings of various companies including FMNL involved in the Scheme, the voting was not in favour of the Scheme.

Accordingly, the Company alongwith all other listed entities involved in the Scheme communicated to stock exchanges on April 23, 2022 that the Scheme cannot be implemented.

Share Capital

The Authorized Share Capital of the Company is ₹ 90,35,00,000/- (Rupees Ninety Crores Thirty-Five Lakhs) divided into 9,03,00,000 equity shares of ₹ 10/- each and 5000 Preference Shares of ₹ 100/- each.

The issued share capital of the Company as on March 31, 2022 is ₹ 57,54,49,510/- divided into 5,75,44,951 equity shares of ₹ 10/- each.

570 Equity Shares of the Company are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in Future Enterprises Limited (formerly known as Pantaloon Retail India Limited).

The subscribed and paid up share capital of the Company as on March 31, 2022 is ₹ 57,54,43,810/- divided into 5,75,44,381 equity shares of ₹ 10/- each.

Disclosure relating to Employee Stock Option Scheme

Future Market Networks Limited - Employee Stock Option Scheme 2016

Pursuant to the approval granted by the shareholders at the eight Annual General Meeting held on September 20, 2016, your Company has formulated Future Market Networks Limited - Employee Stock Option Scheme 2016 (FMNL – ESOS 2016). The Scheme is in Compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (“SEBI Employee Benefits Regulations”).

Your Company has granted 7,60,000 options to the eligible employees on May 25, 2018 under Employee Stock Option Scheme 2016 (“ESOS 2016”) at an exercise price of ₹ 85/- per equity share. These options can be exercised anytime within a period of three years from the date of vesting. 5,50,000 options granted lapsed consequent to the resignation of an employee to whom Options were granted. 2,10,000 options are in force as on date.

1,57,500 options granted to the eligible employees are vested. However, no vested options were exercised by the eligible employees. In terms of the FMNL – ESOS 2016, the vested Options need to be exercised within a maximum period of 36 months from the date of vesting of such Options. 52,500 options which were vested on June 25, 2019, if not exercised by the eligible employees, will get lapsed on June 24, 2022.

In compliance with the provisions of Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and SEBI (Employee Share Based Employee Benefits) Regulations, 2014, the details of Employee Stock Option Scheme as on March 31, 2022 are furnished as Annexure ‘1’ attached herewith and forms part of this report.

Holding Company

As on March 31, 2022, the Promoter and the Holding company i.e. Future Corporate Resources Private Limited (FCRPL) holds 41129343 equity shares representing 71.47 % of the total paid-up equity capital of the Company.

Consequent to an invocation of pledge on 36,00,000 equity shares held by FCRPL in the Company by the pledgee on April 29, 2022, the Promoter holding was reduced to that extent and post invocation of Pledge FCRPL holds 37529343 equity shares representing 65.22 % of the total paid-up equity capital of the Company.

The Company still continues to be a Subsidiary Company of FCRPL. All subsidiary companies of the Company are consequently subsidiary companies of FCRPL.

Subsidiaries and Associates

During the year, Gati Realtors Private Limited and Future Retail Destination Private Limited ceased to be the Associate of the Company w.e.f November 18, 2021. A report highlighting performance of each of the subsidiaries, associates and joint venture companies as per the Act, and their contribution to the overall performance of the Company is provided in the consolidated financial statement at note no. 4.

The Company has the following Subsidiaries and Joint Ventures and Associates:

Sr. No.	Name of the Subsidiary	Sr. No.	Name of the Subsidiary
1	Aashirwad Malls Private Limited	4	Sun City Properties Private Limited
2	Suhani Mall Management Co. Pvt. Ltd	5	Jeremia Real Estate Private Limited
3	Future Trade Markets Private Limited		
	Name of the Joint Venture		
1	Riddhi Siddhi Mall Management Private Limited		

In accordance with the provisions of Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, a statement in Form AOC-1 containing the salient features of the financial statements of the subsidiary companies is appended hereto as Annexure ‘2’.

Audited Annual Accounts of the Subsidiary Companies have also been placed on the website of the Company and are available for inspection by the members at the Registered Office of the Company. Members interested in obtaining copy of the Audited Annual Accounts of the Subsidiary Companies may write to the Company Secretary at the Company’s Registered Office address. These documents will also be available for inspection till the date of AGM during business hours at the registered office of the Company in Mumbai.

Consolidated IND AS financial Statements

The audited consolidated financial statement of the Company prepared in accordance with the applicable Accounting Standards along with all relevant documents and the Auditors' Report forms part of this Annual Report. The audited financial statement of each of the subsidiaries is placed on the website of the Company at web link: www.fmn.co.in

Management Discussion and Analysis Report

In terms of the provisions of Regulation 34 of the Listing Regulations, The Management Discussion and Analysis Report, which gives a detailed account of state of affairs of the operations of the Company and its subsidiaries forms part of this Annual Report.

Secretarial Standards

During the financial year ended March 31, 2022, the Company is in compliance with the Secretarial Standards with respect to Meeting of the Board of Directors ("SS-1") and General Meetings ("SS-2") issued and amended by the Institute of Company Secretaries of India in terms of Section 118(10) of the Companies Act, 2013. The same has also been confirmed by the Secretarial Auditor of the Company.

Corporate Governance

Our corporate governance practices reflect our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we always gain and retain the trust of our stakeholders.

A report on Corporate Governance along with a certificate from the Auditors of the Company regarding the compliance with the conditions of Corporate Governance as stipulated under the SEBI LODR forms part of this Annual Report.

Corporate Social Responsibility (CSR)

As on March 31, 2022, the Company has constituted a Corporate Social Responsibility (CSR) Committee comprising of Mr. Rajesh Kalyani, Non-Executive Director, Ms. Udit Jhunjhunwala and Mr. Vijai Singh Dugar, Independent Directors. Ms. Udit Jhunjhunwala is the Chairperson of the Committee. The role of the Committee, inter alia, is to formulate and recommend to the Board, a Corporate Social Responsibility Policy, expenditure to be incurred on the CSR activities, an annual action plan in pursuance of its CSR policy etc.

The Company's CSR Policy lays out the vision, objectives and implementation mechanism. The Company's CSR policy is available on the Company's weblink at www.fmn.co.in

The Company's CSR activities, inter alia, have traditionally focused on education, skill development, health, and environment.

The Company's commitment to CSR will be manifested by investing resources in any of the areas stipulated in Schedule VII to the Companies Act, 2013, as amended, from time to time.

The composition of the Committee, brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure '3' of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Matters related to Directors and Key Managerial Personnel

Directors

The current policy is to have an appropriate combination of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As on the date of this report, the Board consists of 6 Directors, 2 of whom are Independent Directors including a Woman Director, 3 Non-Executive Directors and 1 Executive Director.

Changes in Board

Mr. Rajesh Kalyani, Non-Executive Director and Mr. Pawan Kumar Agarwal, Executive Director and CFO of the Company resigned from the Board with effect from the closure of business hours of May 19, 2022. Reconstitution of the Committees where they are members will be done in due course.

Appointment

Pursuant to Section 152 of the Companies Act, 2013 and Article 91 of the Articles of Association of the Company, Mr. Sunil Biyani (DIN: 00006583) Non-Executive Non-Independent Directors retires by rotation at the 14th Annual General Meeting of the Company and being eligible has offered himself for re-appointment. The Board has recommended his re-appointment at the forthcoming Annual General Meeting as Non-Executive Non-Independent Director of the Company, liable to retire by rotation.

The brief resume and other details of Mr. Sunil Biyani, in terms of Regulation 36 (3) of the Listing Regulations and Secretarial Standards on General Meeting, are provided in the Notice of ensuing Annual General Meeting. Mr. Sunil Biyani is not disqualified from being re-appointed / appointed as Directors by virtue of the provisions of Section 164 of the Companies Act, 2013.

The Company has complied with provisions of Section 203 of the Act.

Declarations by Independent Directors

The Independent Directors of the Company have submitted the declaration of independence as required under Section 149(7) of the Companies Act, confirming that they meet the criteria of independence under Section 149(6) of the Companies Act and Regulation 16 of Regulations. In the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Board is also of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the field of finance, strategy, auditing, tax, risk advisory, financial services and infrastructure and real estate industry and they hold the highest standards of integrity.

In compliance with the rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered themselves with the Indian Institute of Corporate Affairs. Since all the Independent Directors of the Company have served as directors in listed companies or in the pay scale of Director or equivalent in Ministry of Department of the Central Government for a period not less than three years, they are not required to undertake the proficiency test as per Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Performance Evaluation

The performance evaluation of Non-Independent Directors and the Board as a whole, Committees thereof and Chairman of the Company was carried out by Independent Directors. Pursuant to the provisions of the Act, the Nomination, Remuneration and Compensation Committee (NRC) specified the manner of effective evaluation of the performance of the Board, its Committees and individual Directors. In terms of manner of performance evaluation specified by the NRC, the performance evaluation of the Board, its Committees and individual Directors was carried out by NRC and the Board of Directors. Further, pursuant to Schedule IV of the Act and Regulation 17(10) of the Listing Regulations, the evaluation of Independent Directors was done by the Board of Directors. For performance evaluation, structured questionnaires, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committee thereof with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the Directors to discharge their duties, Corporate Governance practices, etc. were circulated to the Directors for the evaluation process. All Directors unanimously expressed that the evaluation outcome reflected high level of engagement of the Board of Directors and its committees amongst its members with the Company and its management and that they are fully satisfied with the same.

Familiarization Programme for Independent Directors

All new independent directors inducted into the Board need to attend an orientation program. The details of the training and familiarization program are provided in the corporate governance report. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

The Familiarization Programme seeks to update the Independent Directors on various matters covering Company's strategy, business model, operations, organization structure, finance, risk management etc. It also seeks to update the Independent Directors with their roles, rights, responsibilities, duties under the Act and other statutes.

Disclosures related to Board, Committees and Policies

The details are provided in the Corporate Governance Report that forms part of this Report.

Key Managerial Personnel (KMP)

As on March 31, 2022, details of Key Managerial Personnel under the Companies Act, 2013 are given below:

Sr. No	Name of Key Managerial Personnel	Designation
1	Mr. Pawan Kumar Agarwal	Executive Director and Chief Financial Officer (resigned with effect from the closing of working hours of May 19, 2022)
2	Mr. Anil Cherian	Head - Legal and Company Secretary
3	Mr. Shreesh Misra	Chief Executive Officer (appointed w.e.f May 19, 2022)

Meetings of Board

The Board of Directors met Five (5) times during the financial year ended March 31, 2022 in accordance with the provisions of the Companies Act, 2013 and rules made there under. All the Directors actively participated in the meetings and provided their valuable inputs on the matters brought before the Board of Directors from time to time. On February 03, 2022, the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All meetings of the Board meetings were held virtually in line with the relaxations provided by the Ministry of Corporate Affairs and the Securities Exchange Board of India.

Nomination, Remuneration and Compensation Committee

Nomination, Remuneration and Compensation Committee is constituted in accordance with the provisions of sub-section (1) of Section 178 of the Act. Kindly refer section on Corporate Governance, which is forming part of this report, under head 'Nomination, Remuneration and Compensation Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee.

Policy on directors' appointment and remuneration

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As of March 31, 2022, the Board had six members, one of whom is an executive director, three non-executive and non-independent member and two independent directors. One of the independent directors of the Board is a woman.

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, at www.fmn.co.in

We affirm that the remuneration paid to the directors is as per the terms laid out in the Remuneration Policy of the Company.

Director's responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors, based on the representations received from the operating management and after due enquiry, confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts for the financial year ended March 31, 2022 on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Control

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

The Company follows well-documented Standard Operating Procedures (SOPs). The operating effectiveness of various controls is periodically tested and deficiencies, if any, are promptly rectified.

During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

Audit Committee

As on March 31, 2022, the Audit Committee comprised of Two Non-Executive Independent Directors, namely Mr. Vijai Singh Dugar and Ms. Udita Jhunjhunwala and one Non-Executive Non-Independent Director, Mr. Rajesh Kalyani. Mr. Vijai Singh Dugar is the Chairman of the Committee.

All members of the Audit Committee possess strong knowledge of accounting and financial management. The Executive Director and Chief Financial Officer, the Internal Auditors and Statutory Auditors are regularly invited to attend the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee. The Internal Auditor reports to the Chairman of the Audit Committee. The significant audit observations and corrective actions as may be required and taken by the management are presented to the Audit Committee. The Board has accepted all recommendations made by the Audit Committee from time to time.

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

Vigil Mechanism

Your Company has formed a Whistle Blower Policy for establishing a vigil mechanism for directors and employees to report genuine concerns regarding unethical behaviour and mismanagement, if any. The said mechanism also provides for strict confidentiality, adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate cases. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy.

The said Whistle Blower Policy has been disseminated on the Company's website at viz. <http://fmn.co.in/investor-relations/policies.html>.

Risk Management

The Company has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting. The Board of Directors of the Company has formulated a Risk Management Policy which aims at minimizing the risk and enhancing the value and reviews the elements of risks with regard to the business.

The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

Audit reports and auditors

Audit reports

- The Auditors' Report for fiscal 2022 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report.
- The Secretarial Auditors' Report for fiscal 2022 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as Annexure '4' to the Board's report in this Annual Report.
- As required under SEBI (Share Based Employee Benefits) Regulations, 2014, the auditor's certificate on the implementation of share-based schemes in accordance with these regulations will be made available at the AGM.

Statutory Auditors

The Shareholders of the Company at the 12th Annual General Meeting of the Company held on September 29, 2020, had appointed S K Patodia & Associates, Chartered Accountants, Mumbai, bearing ICAI Firm Registration No. 112723W as Statutory Auditors of the Company to hold office until the conclusion of the 17th Annual General Meeting to be held in the calendar year 2025 to conduct the audit of the Accounts of the Company, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.

As required under the provisions of Section 139(1) and 141 of the Companies Act, 2013 read with the Companies (Accounts and Auditors) Rules, 2014, the Company has received a written consent and certificate from the auditors to the effect that they are eligible to continue as Statutory Auditor of the Company.

The notes of the financial statements referred to in the Auditors' Report issued by S K Patodia & Associates, Chartered Accountants, Mumbai for the financial year ended on March 31, 2022 are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost records and cost audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules thereunder, the Board has appointed Mr. Alwyn D'Souza of M/s. Alwyn D'Souza & Company, Practising Company Secretary (Membership No. 5559 / Certificate of Practice No.5137) to conduct the secretarial audit of the Company for the financial year 2021-22.

The Secretarial Audit Report for the financial year ended March 31, 2022, is annexed herewith and marked as Annexure '4' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Secretarial Audit of Material Unlisted Indian Subsidiary

For the financial year 2021-22, Suhani Mall Management Company Private Limited ('Suhani') is the material unlisted subsidiaries of the Company. As per Regulation 24A of the Listing Regulations, the Secretarial Audit of the material subsidiary mentioned above has been conducted for the financial year 2021-22 by Mr. Alwyn D'Souza of M/s. Alwyn D'Souza & Company, Practising Company Secretary. The Audit Report does not contain any qualification, reservation or adverse remark or disclaimer. The Secretarial Audit Report of material subsidiary for the financial year ended March 31, 2022 is annexed herewith and marked as Annexure '5' to this Report.

Particulars of loans, guarantees, investments under section 186 of the Act

Your Company has extended the support to the financial needs of Wholly Owned Subsidiaries and Joint Ventures/Associates.

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

Contracts and Arrangements with Related Parties

In line with the requirements of the Companies Act, 2013 and the Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at <https://www.fmn.co.in>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions for transactions which are of repetitive nature and/or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013, and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and at Arm's Length basis. As required under Section 134(3)(h) of the Companies Act, 2013 the disclosure of Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, in Form AOC-2 that were entered during the year by your Company is appended as Annexure '6' which forms part of this Report

The related party disclosures as specified in Para A of Schedule V read with Regulation 34(3) of the Listing Regulations are given in the Financial Statements.

Deposits, Loans, Advances and Other Transactions

Your Company has not accepted any deposits from public or its employees and, as such no amount on account of principal or interest on deposit were outstanding as of the Balance Sheet date. The details of loans and advances, which are required to be disclosed in the annual accounts of the Company pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations are provided in the standalone financial statement at note no. 33.

Further, in terms of Regulation 34(3) read with Schedule V of the Listing Regulations, details of the transactions of the Company, with the promoter and holding company Future Corporate Resources Private Limited holding 71.47 % in the paid-up equity capital of the Company as on March 31, 2022, in the format prescribed in the relevant accounting standards for annual results, are given in Note no. 29 to the standalone financial statement.

Credit Rating

During the year under review, no credit rating was obtained by the Company from any credit rating agency.

Significant and Material Orders passed by Regulators or Courts or Tribunal

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future during the period under review. Other relevant details are provided in the notes to the standalone financial statements.

Reporting of frauds by auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Act, a copy of the Annual Return of the Company for the financial year ended March 31, 2022 in Form MGT – 7 will be available on the website of the Company at www.fmn.co.in.

Secretarial standards

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

Investors Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year under review, Company has neither declared any dividend nor there are outstanding amount of unclaimed dividends which were liable to be transferred to the IEPF.

Business Responsibility Report (BRR)

The Listing Regulations mandate the inclusion of the BRR as part of the Annual Report for the top 1,000 listed entities based on market capitalization. The said regulation is not applicable for the Company during the period under review.

Disclosure relating to equity shares with differential rights

The Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Disclosure relating to sweat equity share

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Particulars of Employees and other additional information

Disclosure with respect to remuneration of Directors, KMP's and employees as required under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure '7' to this Report.

Payment of remuneration / commission to executive directors from holding or subsidiary companies

Mr. Pawan Kumar Agarwal, Executive Director and Chief Financial Officer of the Company draws remuneration only from the Company.

Disclosures in respect of voting rights not directly exercised by employees

There are no shares held by trustees for the benefit of employees and hence no disclosure under section 67(3) read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

Sexual Harassment of Women at workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company have constituted Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace.

During the year under review, No complaints were received by the Company under Anti-Sexual Harassment Policy.

Material Changes and Commitments affecting financial position

There have been no material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2022 and the date of this Report, other than those disclosed in this Report under the head "Disclosures under section 134(3) (l) of the Act" above.

Declaration by Executive Director

As per Regulation 34 (3) read with Schedule V of the Listing Regulations, declaration stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management is enclosed as Annexure '8'.

Certificate on Corporate Governance

As per Regulation 34 (3) read with Schedule V of the Listing Regulations, the auditor's certificate on corporate governance is enclosed as Annexure '9' to the Board's report. The auditor's certificate for financial year 2022 does not contain any qualification, reservation or adverse remark.

Board diversity

The Company recognizes and embraces the importance of a diverse board. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, industry experiences, age, which will help us to have competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website at www.fmn.co.in.

Code of conduct for prevention of insider trading

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosure to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website at www.fmn.co.in.

Insurance

Your Company has taken appropriate insurance for all assets against foreseeable perils.

Listing on stock exchanges

The Company has entered into Listing Agreement with BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) in terms of the Regulation 34 (3) read with Schedule V of the Listing Regulations, and the listing fee for the year 2022-23 has been paid.

Depository system

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2022, 99.93% of the equity shares of the Company are held in dematerialised form.

Service of documents through electronic means

Subject to the applicable provisions of the Act, all documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email IDs are registered in their demat account or are otherwise provided by the members. A member shall be entitled to request for physical copy of any such documents and shall be provided upon receiving specific request from members.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

Your Company gives significant emphasis on improvement in methods and processes in its areas of Construction and Development.

The information as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the financial year ended March 31, 2022 with respect to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo has been annexed to this Report as Annexure '10' which forms an integral part of this report.

Appreciation

Your Company has been able to perform better with the continuous improvement in all functions and areas which coupled with an efficient utilization of the Company's resources led to sustainable and profitable growth of the Organization. Your Directors express their deep sense of appreciation to every employee and associates for their dedicated and sustained contribution and look forward the continuance of the same in future.

Acknowledgement

The Board places on record its appreciation to all stakeholders particularly shareholders, customers, bankers, suppliers, business partners and the Government.

Cautionary Note

The statements forming part of the Director's Report may contain certain forward-looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

For and on behalf of Board of Directors

Place: Mumbai
Date: May 19, 2022

Vijai Singh Dugar
Chairman
DIN: 06463399

Pawan Kumar Agarwal
Executive Director & CFO
DIN: 01435580

Addendum to the Board's Report

The Board of Directors at their meeting held on August 10, 2022 approved an addendum to the Report of Board to the members for the financial year 2021-22 consequent to the changes in the Board.

Mr. Pramod Arora, is designated as an Independent Director, subject to the approval of the members at the ensuing Annual General Meeting of the Company. The Board recommends the resolution in relation to his appointment for the approval of members.

The following committees of the Board were reconstituted by inducting Mr. Pramod Arora as a member;

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders Relationship Committee
- Share Transfer Committee
- Corporate Social Responsibility Committee
- Committee of Directors

The Board also took note of the resignation of Mr. Rajesh Kalyani and Mr. Pawan Agarwal from the Board with effect from the close of business hours of May 19, 2022.

For and on behalf of Board of Directors

Place: Mumbai
Date: August 10, 2022

Vijai Singh Dugar
Chairman
DIN: 06463399

Sunil Biyani
Non-Executive Director
DIN: 00006583

ANNEXURE '1' TO THE BOARD'S REPORT

Employee Stock Option Scheme

The below disclosure is in respect of "Future Market Networks Limited - Employee Stock Option Scheme (ESOS) – 2016" in respect of the year ended March 31, 2022.

Sr. No.	Particulars	Future Market Networks Limited Employee Stock Option Scheme (ESOS) – 2016
1.	Options granted during the year	Nil (PY: Nil)
2.	Pricing Formula	Black and Scholes Model
3.	Options Vested	2,10,000 (PY: 2,10,000)
4.	Options exercised	None (PY: Nil)
5.	The total number of shares arising as a result of exercise of option.	None (PY: Nil)
6.	Options Lapsed	Nil (PY: Nil)
7.	Variations of terms of Options	None
8.	Money realized by exercise of options.	None
9.	Total number of Options in force	2,10,000 (PY: 2,10,000)
10.	Employee wise details of options granted to:	
a)	Senior Managerial Personnel (Directors and Key Managerial Personnel)	Pawan Kumar Agarwal Anil Cherian
b)	Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during the year.	None
c)	Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company from the time of grant.	None
11.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 "Earning Per Share".	Refer Note No. 26 of Standalone.
12.	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation that shall have been recognized if it had used the fair value of options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Refer Note No. 28 of Standalone.
13.	Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Refer Note No. 28 of Standalone.
14.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information:	Refer Note No. 28 of Standalone.
i.	Risk free interest rate;	7.59 - 7.88%
ii.	Expected life;	2.5 - 5.5 Years
iii.	Expected volatility;	76.99%
iv.	Expected dividend; and	0.00%
v.	The price of the underlying share in market at the time of option grant	122.1

ANNEXURE '2' TO THE BOARD'S REPORT
Form AOC-1

(Part 'A')

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl.No.	Particulars	Subsidiary 1	Subsidiary 2	Subsidiary 3	Subsidiary 4	Subsidiary 5
1	Name of the subsidiary	Aashirwad Malls Private Limited	Suhani Mall Management Company Private Limited	Future Trade Markets Private Limited	Sun City Properties Private Limited	Jeremia Real Estate Private Limited
2	Date of becoming subsidiary	20-Jan-12	20-Jan-12	14-Dec-11	20-Jan-12	28-Aug-18
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA
5	Share capital	10,00,000	98,23,010	65,80,300	2,06,00,000	1,00,000
6	Reserves & surplus	(8,13,321)	8,24,80,887	20,58,32,573	(15,61,034)	(34,30,472)
7	Total assets	23,61,458	64,26,69,312	38,31,32,708	11,17,21,586	18,43,283
8	Total Liabilities	21,74,780	55,03,65,415	17,07,19,835	9,26,82,620	51,73,755
9	Investments	-	3,04,00,093	1,04,72,505	-	-
10	Turnover	36,23,631	4,30,19,617	3,92,426	2,90,500	-
11	Profit /Loss before taxation	3,19,060	2,21,37,939	(33,59,739)	1,38,438	(7,67,498)
12	Provision for taxation/ Deferred Tax	-	57,12,149	88,241	34,842	-
13	Profit after taxation	3,19,060	1,64,25,789	(34,47,980)	1,03,596	(7,67,498)
14	Proposed Dividend	-	-	-	-	-
15	% of shareholding	100.00%	86.26%	100.00%	55.17%	100.00%

Names of subsidiaries which are yet to commence operations - Sun City Properties Private Limited and Jeremia Real Estate Private Limited.

Names of subsidiaries which have been liquidated / sold / ceased during the year: None

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates/Joint Ventures	Riddhi Siddhi Mall Management Private Limited
1	Latest audited Balance Sheet Date	31-Mar-22
2	Date of becoming Associate/Joint Venture	20-Jan-12
3	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	6,384
	Amount of Investment in Associates/Joint Venture (₹)	14,68,77,636
	Extend of Holding%	50%
4	Description of how there is significant influence	In terms of Joint Venture Agreement
5	Reason why the associate/joint venture is not consolidated	-
6	Net worth attributable to shareholding as per latest audited Balance Sheet (₹)	43,97,17,329
7	Profit/Loss for the year (₹)	2,10,72,649
i.	Considered in Consolidation	1,05,36,325
ii	Not Considered in Consolidation	1,05,36,325

Names of associates or joint ventures which are yet to commence operations. - NIL

Names of associates or joint ventures which have been liquidated or sold during the year: Gati Realtors Private Limited and Future Retail Destination Private Limited ceased to be the associates w.e.f November 18, 2021

For and on behalf of Board of Directors

Vijai Singh Dugar
Chairman
DIN: 06463399

Pawan Kumar Agarwal
Executive Director & CFO
DIN: 01435580

Place: Mumbai
Date: May 19, 2022

ANNEXURE '3' TO THE BOARD'S REPORT

1. Brief outline on CSR Policy of the Company:

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

2. Composition of CSR Committee:

Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. Vijai Singh Dugar	Chairman – Independent Director		
Mr. Rajesh Kalyani	Member – Non-Executive Director	None	None
Ms. Uditia Jhunjunwala	Member – Independent Director		

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

The weblink for CSR committee composition, CSR Policy and CSR Projects are as under:

CSR committee composition	http://fmn.co.in/investor-relations/corporate-governance.html
CSR policy	http://fmn.co.in/investor-relations/policies.html
CSR project (FY 2021-22)	Not Applicable.

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

Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Not Applicable.

6. Average net profit of the company as per section 135(5).

₹ -128.27 Lakhs (₹ 1322.97 Lakhs)

7. (₹. In Lakhs)

	2021-22	2020-21
a Two percent of average net profit of the company as per section 135(5)	NA	26.46
b Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil	Nil
c Amount required to be set off for the financial year, if any	Nil	Nil
d Total CSR obligation for the financial year (7a + 7b – 7c)	NA	26.46

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Amount in lakh)	Amount Spent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
Not Applicable	Not Applicable				

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

Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes / No)	Location of the Project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
			State	District						Name	CSR Registration No.
Not Applicable											

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

Item from the list of activities in Schedule VII to the Act.	Local Area (Yes / No)	Location of the Project		Project duration	Amount allocated for the project (in ₹ Lakhs)	Amount spent in the current financial Year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakhs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
		State	District						Name	CSR Registration No.
Not Applicable										

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b + 8c + 8d + 8e): Nil (FY 2020-22 ₹ 26.46 lakhs)

(g) Excess amount for set off, if any:

Sr. No	Particulars	₹ Amount in Lakhs	
		FY 2021-22	FY 2020-21
1.	Two percent of average net profit of the company as per section 135(5)	NA	26.46
2.	Total amount spent for the Financial Year	Nil	26.46
3.	Excess amount spent for the financial year [(2)-(1)]	Nil	Nil
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil	Nil
5.	Amount available for set off in succeeding financial years [(3)-(4)]	Nil	Nil

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

Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Amount in lakh)	Amount spent in the reporting Financial Year (Amount in lakh)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (Amount in lakh)
			Name of the Fund	Amount (in Lakhs)	Date of Transfer	
Not Applicable						

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

Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the project (Amount in Lakh)	Amount spent on the project in the reporting Financial Year (Amount in Lakh)	Cumulative amount spent at the end of reporting Financial Year (Amount in Lakhs)	Status of the Project Completed / Ongoing
Not Applicable							

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

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

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

Not applicable.

For and on behalf of Board of Directors

Place: Mumbai
Date: May 19, 2022

Vijai Singh Dugar
Chairman
DIN: 06463399

Pawan Kumar Agarwal
Executive Director & CFO
DIN: 01435580

ANNEXURE '4' TO THE BOARD'S REPORT

FORM.NO.MR.3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Future Market Networks Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Future Market Networks Limited** (CIN: L45400MH2008PLC179914) (hereinafter called "the Company").

Subject to limitation of physical interaction and verification of records caused by COVID – 19 Pandemic restrictions, the Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances to express our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2022** complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable**;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **as amended from time to time**:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not Applicable for the audit period**;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not Applicable for the audit period**;
 - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not Applicable for the audit period**;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable for the audit period**;
 - (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021– **Not Applicable for the audit period**;
 - (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

vi. Other specific business/industry related laws applicable to the Company:

The Company has complied with the provisions of the various State wise Act, Rules and Regulations in connection with Real Estate Development, Contract Labour, Labour welfare, Plastic Carry Bags, Tax on Professions, Trades, Callings And Employments, Goods and Service Tax, other applicable Taxes, Sexual Harassment of Women at Workplace, Environment Protection, E-Waste, Shops and Establishments, Apartment Ownership, Provident Fund, Superannuation Fund etc., The Trade Marks Act, 1999, Registration Act, 1908, Indian Stamp Act, 1899, Transfer of Property Act, 1882 and other applicable general business laws, rules, regulations and guidelines.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for a meaningful participation at the meeting.

The minutes of the Board Meetings and Committee Meetings have not identified any dissent by members of the Board/Committee of the Board, hence we have no reason to believe that the decisions by the Board were not approved by all the directors present. The Minutes of the Board Meetings and Committee Meetings were duly approved at the meeting by the Chairman of the Meeting. However, due to COVID-19 Pandemic restrictions, the minutes of the Board Meetings and Committee Meetings were physically signed at a later date.

We further report that there are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period the following events/actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

- 1) The matter regarding the final order passed by SEBI under Section 11(1), 11(4), 11B(1) and 11B(2) of the SEBI Act, 1992 read with SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, in respect of trading activities in the scrip of Future Retail Limited by certain persons which inter alia includes (i) Mr. Kishore Biyani - Promoter, and (ii) Future Corporate Resources Private Limited - the Holding Company is still pending with Securities Appellate Tribunal (SAT) and the next hearing of SAT is on June 13, 2022.
- 2) The Company, as a Lessee executed and registered Lease Deed between NeelKamal Realtors & Builders Private Limited, as a Lessor accordingly Company having leasehold rights with respect to Ground, First and Second Floor of OCC mall in Mumbai. There were serious disputes amongst the parties under the said arrangement. The parties have arrived at a settlement in a suit filed by the Company and tendered consent terms with Hon'ble High Court of Bombay in the suit filed by the Company viz. Consent Terms dated December 8, 2017 and Supplemental Consent Terms dated April 2019 (Consent Terms). The Consent Terms deals with settlement of long-standing dispute between the Company including settlement of past claims of sub lessor (Neel Kamal City Shopping Mall (India) Limited - which has taken it on lease from the lessor and sub-leased it to the Company) under the original arrangement till March 31, 2021 for an amount of ₹ 950.0 lakhs (over and above the existing receivables standing in the books) with an arrangement for future periods including reduced rentals for the sub lease period upto August 2027. The arrangement deals with entitlement of lease rental in respect of OCC Mall premises owned by various third parties and a minority of such third party owners have intervened in the suit matter raising objections with respect of approval of consent terms filed before the Hon'ble Court, Mumbai. The Hon'ble Court has taken the consent terms on record and matter is pending for final order. In case, the Consent Terms are accepted as filed, the Company will have to honour its payment obligations for the said amount and the parties shall be administrated in terms of the Consent Terms. However, if the Consent Terms are not approved, the parties shall be relegated to the original position of the suit filed by the Company. In view of this, the above has been disclosed as contingent liabilities pending approval of Hon'ble High Court in relation to the Consent Terms.

Also, few Gala owners/ Lessors of the OCC mall have filed claim of ₹ 218.53 lakhs against the Company to pay the lease rental/ claim amount along with @18% interest, for appointment of court receiver, appointment of commissioner to visit suit premises and retained from subletting and/or giving the suit premises on Leave and License basis or parting with possession or inducting any third party. However, the Company is paying the said gala owners/Lessors rentals pertaining to respective areas vested with them in line with Consent Terms which they have not disputed.

The Original few gala owners of OCC mall had filed Writ Petition before the Hon'ble High Court , Mumbai for fire prevention and life safety measures in respect of OCC Mall including to close and seal the OCC mall, due to fire occurred in OCC mall on October 22, 2020, the Interim Application filed by few gala owners and Neelkamal filed Structural Audit Report prepared by the Engineer, the matter was heard and Hon'ble court passed order that Neelkamal can carry out the work without MCGM approval in respect of OCC mall.

The Special Leave Petition filed by gala owners before Supreme Court of India and challenged the order, the matter is pending for admission.

A few gala owners of OCC mall premises have filed Suit and Injunction Application against Company for quit and vacant possession of the gala premises and to pay the lease rental/claim amount along with @18% interest.

- 3) A fire accident occurred on October 22, 2020 night in Orchid City Centre Mall (OCC) Mall Mumbai, which the Company treated as a Force Majeure event. No revenue and corresponding expenses have been accrued and accounted since November, 2020. The Company is yet to receive the final insurance claim as determined by the insurance company and has accounted the resulting loss of ₹ 667.33 lakhs on discard of the property, plant and equipment during the year ended March 31, 2021. The mall has not been re-opened for public as on date. The re-opening of the OCC mall is subject to receipt of necessary final approvals from concerned authorities.
- 4) In connection with the Composite Scheme of Arrangement which involves: (i) merger of Future Market Networks Limited ("the Company" or Transferor Company 3"), and other 18 Transferor Companies with Future Enterprises Limited ("FEL" or "Transferee Company") and their respective Shareholders and Creditors; (ii) Transfer and vesting of the Logistics & Warehousing Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail Ventures Limited ("RRVL"); (iii) Transfer and vesting of the Retail & Wholesale Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail and Fashion Lifestyle Limited, a wholly owned subsidiary of RRVL ("RRVL WOS"); and (iv) Preferential allotment of equity shares and warrants of FEL to RRVL WOS ("The Composite Scheme of Arrangement"/ Scheme"), pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, the meetings of shareholders and creditors of all the companies involved in the Scheme had been convened and held between April 20, 2022 to April 23, 2022. Even though the shareholders of the Company approved the Scheme in the meeting, the secured creditor had not voted in favour of resolution proposing the Scheme. Accordingly, the Company had communicated to stock exchanges on April 23, 2022 that the Scheme cannot be implemented.
- 5) The Company, being a mortgagor, had received following demand notices from various Non-Banking Financial Companies and banks:
 - a) Demand Notice of ₹ 12,057.28 lakhs from Hero FinCorp Private Limited (lender) dated April 15, 2022 which was primarily marked to the borrower (Hare Krishna Operating Lease Private Limited) seeking repayment of the outstanding dues.
 - b) Demand Notice of ₹ 18,448.96 lakhs from Yes Bank Limited (lender) dated April 19, 2022 which was primarily marked to Basuti Sales & Trading Private Limited (borrower) seeking repayment of the outstanding dues. The Company had pledged 3,830 equity shares of Riddhi Siddhi Mall Management Private Limited and secondary charge on immovable property of Big Bazaar (Ground+1) situated at Rajpur- Hirpur, Ahmedabad.
 - c) Demand Notice of ₹ 2,082.72 lakhs from Central Bank of India dated May 4, 2022 which was primarily marked to Unique Malls Private Limited (borrower) seeking repayment of the outstanding dues. The Company had given a corporate guarantee towards the said loan.

Place : Mumbai
Date : May 19, 2022

Alwyn D'Souza & Co.
Company Secretaries

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

[Alwyn D'Souza, FCS.5559]
[Proprietor]
[Certificate of Practice No.5137]
[UDIN : F005559D000345162]

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To
The Members,
Future Market Networks Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **Future Market Networks Limited** (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further part of the verification was done on the basis of electronic data provided to us by the Company due to COVID-19 Pandemic restrictions and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai
Date : May 19, 2022

Alwyn D'Souza & Co.
Company Secretaries

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

[Alwyn D'Souza, FCS.5559]
[Proprietor]
[Certificate of Practice No.5137]
[UDIN : F005559D000345162]

ANNEXURE '5' TO THE BOARD'S REPORT

FORM.NO.MR.3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Suhani Mall Management Company Private Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Suhani Mall Management Company Private Limited** (CIN: U45200MH2005PTC156837) (hereinafter called "the Company").

Subject to limitation of physical interaction and verification of records caused by COVID – 19 Pandemic restrictions, the Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances to express our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **as amended from time to time**:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – **Not Applicable to the Company**;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not Applicable to the Company**;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not Applicable to the Company**;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not Applicable to the Company**;
 - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not Applicable to the Company**;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company**;
 - (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – **Not Applicable to the Company**;
 - (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi) Other specific business/industry related laws applicable to the Company:

The Company has complied with the provisions of the various State wise Act, Rules and Regulations in connection with Real Estate Development, Contract Labour, Labour welfare, Plastic Carry Bags, Tax on Professions, Trades, Callings And Employments, Goods and Service Tax, other applicable Taxes, Sexual Harassment of Women at Workplace, Environment Protection, E-Waste, Shops and Establishments, Apartment Ownership, Provident Fund, Superannuation Fund etc., The Trade Marks Act, 1999, Registration Act, 1908, Indian Stamp Act, 1899, Transfer of Property Act, 1882 and other applicable general business laws, rules, regulations and guidelines.

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 **to the extent applicable to the Company.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except subject to the following observations:

1. Being a subsidiary of public company, the Company is required to have minimum three Directors on the Board of Directors of the Company. Accordingly, the Company has appointed the third director viz. Mr. Amit Acharekar as an Additional Director of the Company with effect from 9th March, 2022. Therefore, as on 31st March, 2022, the Composition of the Board of Directors was in compliance with the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

We further report that

The Board of Directors of the Company is duly constituted as on 31st March, 2022. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for a meaningful participation at the meeting.

The minutes of the Board Meetings have not identified any dissent by members of the Board, hence we have no reason to believe that the decisions by the Board were not approved by all the directors present. The Minutes of the Board Meetings were duly approved at the meeting by the Chairman of the Meeting. However, due to COVID-19 Pandemic restrictions, the minutes of the Board Meetings were physically signed at a later date.

We further report that there are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period, no events/actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

Place : Mumbai
Date : May 19, 2022

Alwyn D'Souza & Co.
Company Secretaries

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

[Alwyn D'Souza, FCS.5559]
[Proprietor]
[Certificate of Practice No.5137]
[UDIN : F005559D000345305]

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To
The Members,
Suhani Mall Management Company Private Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Suhani Mall Management Company Private Limited (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further part of the verification was done on the basis of electronic data provided to us by the Company due to COVID-19 Pandemic restrictions and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai
Date : May 19, 2022

Alwyn D'Souza & Co.
Company Secretaries

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

[Alwyn D'Souza, FCS.5559]
[Proprietor]
[Certificate of Practice No.5137]
[UDIN : F005559D000345305]

**ANNEXURE '6' TO BOARD'S REPORT
FORM AOC – 2**

(Pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

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

2. Details of material contracts or arrangements or transactions at arm's length basis:

a.	Name(s) of the related party and nature of relationship.	Future Retail Limited (In terms of Indian Accounting Standard 24)	Ridhi Siddhi Mall Management Private Limited (Associate/ Joint Venture)	Future Enterprises Limited including its subsidiaries or step-down subsidiaries	Future Corporate Resources Private Limited and Future Capital Investment Private Limited
b.	Nature of contracts / arrangements / transactions.	Rentals / Common Area Maintenance Charges / Advances/Inter Corporate Deposit / Advances / Reimbursement of expenses received with respect to properties owned/managed by the Company and operated by related party.	Corporate Guarantee	Provide collateral security by way of mortgage of immovable property owned by the Company and/or pledge of shares held by the Company in its Joint Venture Company to secure the loan availed by Future Enterprises Limited and/or its subsidiaries or step-down subsidiaries	In terms of financing arrangement with lenders of Related Party
c.	Duration of the contracts / arrangements / transactions.	Based on the commercial arrangement	Based on the commercial arrangement	Based on the commercial arrangement	-
d.	Salient terms of the contracts / arrangements / transactions including the value, if any.	Arrangements with respect to commercial/retail space, both present and future at various locations in India on lease/ license, or any other similar arrangements for various retail formats of FRL on such terms and conditions as may be agreed amongst the parties in relation to lease rental / license fee, including common area maintenance charges and Deposits for an amount not exceeding ₹ 250 Crore per annum.	Providing Corporate Guarantee for an amount not exceeding ₹ 75 crores in each financial year.	Create charge by way of Mortgage on Immovable Property(ies) and/or lien or Pledge of securities held by the Company. Total Value upto ₹ 115 Crores or outstanding payable, whichever is lower	Based on the concept of "Cross Collaboration" with lender by the borrower company

e.	Date(s) of approval by the Board.	Necessary approvals of the Board and Shareholders have been obtained on July 31, 2018 and September 19, 2018 respectively.	Necessary approvals of the Board and Shareholders have been obtained on June 30, 2020 and September 29, 2020 respectively	Necessary approvals of the Board and Shareholders have been obtained on August 10, 2021 and September 28, 2021 respectively	The transaction occurred consequent to the action taken by the lender. The Board shall seek necessary approval to regularise the transaction.
f.	Amount paid as advances, if any.	Nil	Nil	Nil	Nil

For and on behalf of Board of Directors

Vijai Singh Dugar
Chairman
DIN: 06463399

Pawan Kumar Agarwal
Executive Director & CFO
DIN: 01435580

Place: Mumbai
Date: May 19, 2022

ANNEXURE '7 TO THE BOARD'S REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- i. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year, ratio of the remuneration of each Director to the Median Remuneration of the Employees (MRE) of the Company for the financial year 2021-22 are as under:

Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2021-22 (₹ in Lakhs) (1)	% increase in Remuneration in the financial year 2021-22 (2)	Ratio of Remuneration of each Director to MRE for financial year 2021-22 (3=(1)/MRE)
Mr. Sunil Biyani Non-Executive Director	-	-	-
Mr. Pramod Arora Non-Executive Director	-	-	-
Mr. Rajesh Kalyani Non-Executive Director	-	-	-
Ms. Udit Jhunjhunwala Independent Director	-	-	-
Mr. Vijai Singh Dugar Independent Director	-	-	-
Mr. Anil Cherian Head - Legal & Company Secretary	55.44	8.00*	12.04
Mr. Pawan Agarwal Executive Director and Chief Financial Officer	72.24	8.00*	15.69

*On account of the lockdown caused by the pandemic, remuneration was paid in the F.Y. 2020-21 in a reduced manner which was subsequently paid (partially) in the F.Y. 2021-22. Hence, the percentage increase is disclosed based on the annual increment given.

- ii. The Median Remuneration of the Employees of the Company during the financial year 2021-22 under review is ₹ 38,378/- as compared to ₹ 17,948/- in the previous Financial Year 2020-21.
- iii. The percentage increase in the median remuneration of employees in the financial year: 114%
- iv. Number of permanent employees on the rolls of Company as on March 31, 2022: 55 (Fifty Five).
- v. Average percentage increase/decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2020-21: 130.27%.
- vi. Percentage increase/ (decrease) in the managerial remuneration: Certain deductions were made on managerial remuneration considering the pandemic situation as per Group Policy for the financial year 2021-22.
- vii. Justification, including any exceptional circumstances, for increase in the managerial remuneration: N.A.
- viii. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(2) and 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- i. There were no employees in the Company who were drawing a remuneration throughout the financial year 2021-22 as stipulated in Rule 5 (2) (i).
- ii. There were no employees in the Company who were drawing a remuneration for the part of the financial year 2021-22 as stipulated in Rule 5 (2) (ii).
- iii. None of the employees directly or indirectly holds more than 2% of the equity shares of the Company.

For and on behalf of Board of Directors

Place: Mumbai
Date: May 19, 2022

Vijai Singh Dugar
Chairman
DIN: 06463399

Pawan Kumar Agarwal
Executive Director & CFO
DIN: 01435580

ANNEXURE '8' TO THE BOARD'S REPORT

Declaration by Executive Director and Chief Financial Officer

To
The Members
Future Market Networks Limited

Sub: Declaration regarding compliance with the Company's Code of Conduct for Directors and senior management

Ref: Regulation 34 (3) read with Part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Pawan Kumar Agarwal, Executive Director and Chief Financial Officer of Future Market Networks Limited, hereby declare that all the members of the Board of Directors and Senior Management have affirmed compliances with the Code of Conduct for Directors and Senior Management of the Company during the year ended March 31, 2022.

For Future Market Networks Limited

Date: May 19, 2022
Place: Mumbai

Pawan Kumar Agarwal
Executive Director
DIN: 01435580

ANNEXURE '9' TO THE BOARD'S REPORT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Future Market Networks Limited

1. We, M/s S K Patodia & Associates, Chartered Accountants, the Statutory Auditors of Future Market Networks Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Others

1. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2022.
2. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **S K Patodia & Associates**
Chartered Accountants
Firm Registration No: 112723W

Dhiraj Lalpuria
Partner

Membership No: 146268
UDIN: 22146268AJFLSP8333

Place: Mumbai
Date: May 19, 2022

ANNEXURE '10' TO THE BOARD'S REPORT**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

- a) Energy Conservation Measures Taken
- b) Additional investments and Proposals, if any, being implemented for reduction of consumption of energy and
- c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Disclosure for (a) to (c): The operations of the Company do not involve high energy consumption. However the Company has been laying great emphasis on the Conservation of Energy and has taken several measures including regular monitoring of consumption, implementation of viable energy saving proposals, improved maintenance of systems etc.

- d) Particulars of Energy consumption etc in respect of specified industries.

The disclosure on particulars regarding consumption of energy etc are not applicable to the Company since industry to which the Company belongs is not covered under the schedule prescribed by the said Rules.

B. TECHNOLOGY ABSORPTION**Research and Development (R & D):**

Specific areas in which R&D is carried out by the Company: Benefits derived as a result of the above R & D Future Plan of Action	Designing of Shopping malls and large scale ware houses as per the best industry standards are the areas in which general research and development work is carried out by the Company.
Expenditure on R & D a. Capital b. Recurring c. Total d. Total R & D expenditure as a percentage of total turnover	Included in the project cost.

Technology absorption, adaptation and innovation:

Efforts in brief, made towards technology absorption, adaptation and innovation	Nil
Benefit derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	Nil
In case of Imported Technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: a) Technology Imported b) Year of Import c) Has technology been fully absorbed d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in lakhs)

	Current Year	Previous Year
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with sub-clause (10)(i) of Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Future Market Networks Limited
Knowledge House, Off. Shyam Nagar,
Jogeshwari Vikhroli Link Road,
Jogeshwari (East), Mumbai - 400060

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Future Market Networks Limited** having CIN L45400MH2008PLC179914 and having registered office at Knowledge House, Off. Shyam Nagar, Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400060 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) of Clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of appointment
1	Sunil Gopikishan Biyani	00006583	Director	30/05/2013
2	Udita Janak Jhunjhunwala	00120951	Director	13/11/2014
3	Rajesh Ramjilal Kalyani	00220632	Director	23/09/2010
4	Pawan Kumar Agarwal	01435580	Wholetime Director	21/05/2019
5	Pramod Arora	02559344	Director	14/08/2017
6	Vijai Singh Dugar	06463399	Director	01/02/2013

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

Place : Mumbai
Date : 19th May, 2022

Alwyn D'Souza & Co.
Company Secretaries

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

[Alwyn D'Souza, FCS.5559]
[Proprietor]
[Certificate of Practice No.5137]
[UDIN : F005559D000345217]

Management Discussion & Analysis

GLOBAL ECONOMY

It has been more than two years since the pandemic began but the world continues to face regular disruptions with several COVID-19 variants. The economic expansion in 2021 was a result of extraordinary policy support provided by the world central banks. Even as new variants emerge, mortality due to COVID-19 has reduced dramatically because of continued efforts towards vaccinations, with over half of global population having received at least one dose. The global economic conditions remain volatile with impacts of pandemic, war erupted in Europe etc.

INDIAN ECONOMY

The Indian economy has been fairly resilient in the last year despite pandemic related challenges, however few headwinds could impact economic recovery in FY2022- 23. India's GDP grew by 5.4% in Q3 FY2021-22 as against 8.5% growth in the previous quarter. Global disruptions, shortages and escalating prices of commodities as a result of geopolitical tensions and sanctions have so far persisted which pose a substantial risk of unusually high inflation. RBI is expected to hike interest rates in order to control inflation and continue with its accommodative stance to ensure gradual economic recovery. While the short-term outlook seems challenging given external supply shocks and geopolitical tension, we do believe the government is doing the right things to ensure a sustainable growth path for the country. The union budget presented this year was very supportive of the long-term growth of the real estate sector in India through its focus on urban infrastructure and the digital economy. The government's sharply expanded capital expenditure target for the year is expected to create job opportunities and higher economic activity.

Real Estate Industry

The demand in Indian real estate sector picked up well with rising number of launches and declining inventory across Tier-1 cities. At the same time, the pandemic has led to a paradigm shift in the attitude of customers towards residential properties. The uncertainty caused by the pandemic has reinstated the importance of home ownership. New trends emerged as a result of the pandemic such as preference for larger sized apartments, inclination towards reputed developers and a rising demand for township projects. While the residential segment witnessed strong revival, the recovery for commercial sector has been moderate. The biggest challenge to office space demand has been the work from home trend, while local restrictions and delay in consumption recovery has been a challenge for the retail real estate sector. The IT sector is doing well which bodes well for office space. With an expected economic recovery, the retail real estate segment should witness a healthy recovery in the current year.

Warehousing Industry Overview

Buoyed by the e-commerce sector and the growth of the Indian industry, warehousing in India has undergone a metamorphosis. With technological advancements, consolidation, government support, newer business models, and investment coming into the space post the pandemic, the sector may well be set for a dream run for the next five years.

Warehousing Market in India 2022

Logistics and warehousing play a crucial role to bridge the gap between customers and manufacturers. The ease and efficiency of a logistic chain have a huge impact on the time a product reaches the customer. Effective warehousing is crucial for companies so that they can maintain their inventory and supply the goods whenever demand rises. As the e-commerce industry started growing, warehouses became an integral part of the logistics chain. Warehouses not only provide room for storing products but also play an important role in providing space for packaging, docking, and drawing out products so that the delivery time is reduced.

Market insights

In FY 2020, the warehousing market was valued at ₹ 1050 Bn. In terms of space requirement, it stood at 265 million square feet in FY 2021. The total revenue is projected to reach ₹ 2243.79 Bn in 2026, expanding at a CAGR of 10.90%. The space requirement is expected to reach 483 million square feet in 2026, expanding at a CAGR of 12.77%. The top six cities with modern warehousing capacity are Ahmedabad, Bangalore, Chennai, Mumbai, Delhi and Pune.

Arrangement for Logistic Park

Company in alliance with ESR India engaged in constructing and developing integrated large-scale warehouses at Jhajjar (Haryana) and Nagpur (Maharashtra) aggregating to 1.3 million square feet. Accordingly, your Company has, along with Gati Realtors Private Limited (SPV-1) and Future Retail Destination Limited (SPV-2 entered into a strategic arrangement with ESR NAGPUR 1 PTE LTD and ESR DELHI 3 PTE LTD (investor SPV's) respectively. The construction of both large-scale warehouses is completed and in terms of the strategic arrangement with ESR India, the Company exited from the project through sale of shares in SPV1 and SPV 2.

Retail infrastructure

While retail has had its share of challenges in the past two years, the pandemic has also yielded the chance for a long-overdue great retail reset that may help move many retailers into a more stable and profitable position. Getting there will require balancing near-term challenges with long-term commitments and transformational thinking.

Opportunities in retail industry

For 2022, retailers should continue down the remediation path they began at the onset of the pandemic to realize long-term and lasting benefits. In fact, the next 12 months offer opportunities to restructure outmoded supply chains, right size inventory management, review pricing, recalibrate promotional cadences, and reinvent the physical store for the digital age. This will likely require entirely new ways of thinking and long-term commitments from retailers, but these efforts could forever shift the way retailers conduct business. That future begins today, by addressing near-term retail challenges with an eye to the future.

THREATS AND CHALLENGES

Risk

Mall Management

The business of shopping malls falls among the several businesses that have been severely dented by the Covid-19 pandemic. The digital revolution swept across the world and brought the convenience of on-line shopping, malls did not continue to be looked at as favourably as in the past by customers. However, the trend is changing change post pandemic periods.

Business Risk

The business of construction and development is heavily dependent on the performance of the real estate market in India and could be adversely affected if market conditions deteriorate. The real estate market is significantly affected by changes in government policies, economic conditions, demographic trends, employment and income levels and interest rates, among other factors. The development of real estate projects involves various risks including regulatory risks, financing risks and the risks that these projects may ultimately prove to be unprofitable.

Rental realizations

Leasing across high streets and malls in India is expected to soar past the pre-Covid levels this year, according to real estate investment firm CBRE, which said the country could see a 25% jump in new store openings in 2022 compared with the previous year.

A sharp drop in Covid-19 cases in the country has helped the pace of economic recovery and encouraged retailers to roll out the store expansion plans they had put on hold after the pandemic broke out two years ago. This comes even as the contribution of ecommerce to total sales has nearly doubled every quarter from the beginning of the pandemic.

The rental realizations on the space leased depends upon the project location, design, tenant mix (this is relevant in the case of shopping malls), prevailing economic conditions and competition. Your Company has set up its retail property in prime location and maintains a fresh ambience resulting in-crowd pull and attracting first time kind of retailers.

Owners' revenue declined by around 50 per cent during the last fiscal as the retail sector was badly hit since the outbreak of the COVID-19 pandemic.

Most of the mall owners, which generally leases space in their shopping malls on a revenue-sharing model with retailers having a minimum guarantee clause, gave complete rental waiver during the nationwide lockdown to control COVID.

The mall promoters offered huge discounts during the remaining nine months of the last fiscal as well, resulting in a huge dent in their overall income. The nearly six-month-long lockdown followed by government regulations and restrictions wreaked havoc on the retail segment. Weak consumer sentiment along with stringent lockdowns and restrictions in the wake of the pandemic have significantly slowed down mall businesses in India.

Economy Risk

Economic and market conditions can adversely affect the performance of the Company. In particular, the decline in the performance of the global and Indian economies as a result of the economic downturn can reduce demand and occupancy levels in property markets. An increase in interest rates or an increase in the margin on which finance can be obtained may increase the Company and the Subsidiary's financing costs and such increase in interest rates may increase the cost of borrowing, which could have an adverse impact on the Company and the Subsidiary's business, financial condition and results of operations.

Financing costs

The acquisition of land and development rights needs substantial capital outflow. Inadequate funding resources and high interest costs may impact regular business and operations.

Your Company has always tried to build sufficient reserves resulting out of operating cash flows to take advantage of any land acquisition or development opportunity.

Outlook

The Company is optimistically envisages its business plan on the robust Indian economy particularly the warehousing sector. Since the consumption pattern is intact, the company anticipates a vibrant business outlook in relation to retail shopping centres managed by the Company particularly during post pandemic periods.

The Company has entered into a Composite Scheme of Arrangement which involves (i) merger of Future Market Networks Limited and other 18 Transferor Companies with Future Enterprises Limited (FEL) (ii) Transfer and vesting of the Logistics & Warehousing Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail Ventures Limited ("RRVL"); (iii) Transfer and vesting of 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 pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

Pursuant to the directions given by National Company Law Tribunal, Mumbai (NCLT), the meetings of shareholders and creditors of all the companies involved in the Scheme has been convened and held between April 20, 2022 to April 23, 2022. As in most of the secured creditors meetings of various companies including FMNL involved in the Scheme, the voting was not in favour of the Scheme.

Accordingly, the Company alongwith all other listed entities involved in the Scheme communicated to stock exchanges on April 23, 2022 that the Scheme cannot be implemented.

Financial Performance

Revenues

The income from Operations for the Company has increased by 24.98% to ₹ 80.67 Crores in 2021-22 from ₹ 64.55 Crores in 2020-21.

Other Income

Other Income has decreased to ₹ 4.83 crores in 2021-22 from ₹ 7.75 Crores in 2020 -21.

Operating Margin

EBIDTA (including other income) (Adjusted effect of Ind AS -116) for 2021-22 was ₹ 37.66 Crores as compared to ₹ 21.19 Crores in 2020-21.

Costs & Expenses

- **Employee Costs**

Manpower cost for the year 2021-22 increased to ₹ 6.53 Crores from ₹ 4.53 Crores in 2020-21. In terms of percentage of Turnover, there was increase of 1.08 % (as compare to 8.09 for 2021-22 with 7.02% for 2020-21).

- **Other Expenses**

Other Expenses as a percentage of turnover has decreased to 31.78% in 2021-22 as compared to 38.60 % in 2020-21.

- **Interest Expenses**

Interest expenses for the year 2021-22 has decreased to ₹ 20.40 Crores from ₹ 20.56 Crores in 2020-21. In terms of percentage of Turnover, it has decreased to 25.28% for 2021-22 from 31.86% for 2020-21.

- **Depreciation**

Depreciation cost as a percentage of turnover has decreased to 21.84% in 2021-22 from 57.78% in 2020-21.

- **Taxes on Income and Deferred Tax Provision**

The Company's Deferred Tax Asset (net) has decreased from ₹ 79.38 Crores in 2020-21 to ₹ 67.37 Crores in 2021-22. The Company has made current Tax provision of ₹ Nil and deferred Tax provision of ₹ 12.02 Crores. Hence total Tax expenses works out to ₹ 12.02 Crores.

- **Profit before Tax**

As a result of the foregoing factors, loss before tax decreased from ₹ (36.66) Crores in 2020-21 to ₹ (0.35) Crores in 2021-22.

- **Net Worth**

The net worth of the Company has decreased from ₹ 85.69 Crores as on March 31, 2021 to ₹ 73.32 Crores as on March 31, 2022. The decrease in amount of net worth is on account of loss for the current year.

- **Income Tax Expense**

Income tax expense was ₹ 12.02 Crores for 2021-22 and ₹ (7.84) Crores for 2020-21.

- **Profit for the Year**

As a result of the foregoing factors, loss after tax decreased from ₹ (28.82) Crores in 2020-21 to ₹ (12.37) Crores in 2021-22.

- **Earnings Per Share (EPS)**

Basic and Diluted EPS was ₹ (2.15) for 2021-22 and ₹ (5.01) for 2020-21.

- **Borrowings**

The total standalone outstanding borrowing is ₹ 98.99 Crores as on March 31, 2022 and nil as on March 31, 2021.

- **Cash and Bank Balance.**

Cash and Bank balance decreased to ₹ 12.27 Crores as of March 2022 from ₹ 15.09 Crores as of March 2021.

- **Investments**

Total Investment of the Company was ₹ 94.00 Crores as of March 2022 and ₹ 94.01 Crores as of March 2021.

- **Current Assets & Liabilities**

The Company's current assets primarily consist of debtors, investment in liquid fund, inventories, cash and bank balances, loans and advances and other current Assets. Total current assets as on March 31, 2022 were ₹ 117.11 Crores as against ₹ 120.23 Crores as on March 31, 2021.

The Company's current liabilities primarily consist of short term borrowings, trade payables, short term provisions and other current liabilities. Total current liabilities as on March 31, 2022 was ₹ 190.36 Crores as against ₹ 283.18 Crores as on March 31, 2021.

- **Net Profit Margin**

Net Profit Margin increased by 29.31 % in 2021-22 as compared to 2020-21.

- **Return on Net Worth**

Return on Net Worth increased from (33.63%) in 2020-21 to (16.87%) in 2021-22.

- **Debtors turnover Ratio**

The debtor turnover ratio increased from 2.13 in 2020-21 to 3.89 in 2021-22.

- **Current Ratio**

The current ratio increased from 0.42 in 2020-21 to 0.62 in 2021-22.

Internal Control System and Adequacy

Your Company has a proper and adequate system of Internal Controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transactions are authorized, recorded and reported correctly.

The internal control system is supplemented by extensive internal audits, regular reviews by management and well-documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. Moreover, the Company continuously upgrades these systems in line with best accounting practices. The Company has independent audit systems to monitor the entire operations and the Audit Committee of the Board review the findings and recommendations of the internal auditors.

Human Resources

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potentials of its employees. The industrial relations across different locations of the Company were cordial during the year. The Company has, over the last few months, built the team necessary to be able to build and execute the vision that has been articulated in the preceding paragraphs. The total number of employees of the Company as on March 31, 2022 stood at 55.

Cautionary Statement

Statements in Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward-looking within the meaning of applicable securities law and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include stiff competition leading to price-cuts, high volatility in prices of major inputs such as steel, cement, building materials, petroleum products, change in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

CORPORATE GOVERNANCE REPORT

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. This is ensured by conducting business with a firm commitment to values, while at the same time, meeting stakeholders' expectations.

Future Market Networks Limited ("FMNL") is committed to good corporate governance and endeavours to implement the Code of Corporate Governance in its true spirit. The philosophy of the Company on corporate governance is to ensure transparency in all its operations, provide disclosures, and enhance stakeholder value without compromising in any way on compliance with the laws and regulations. The Company believes that good governance brings sustained corporate growth and long-term benefits for all its stakeholders.

FMNL believes in implementing corporate governance practices in letter and in spirit and has adopted practices mandated by the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Listing Regulations") and has established procedures and systems to remain compliant with it. This report provides the Company's compliance with the provisions of the Act and the Listing Regulations as on March 31, 2022 ["the reporting period"].

I. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on corporate governance is to achieve business excellence and to create long term value for its stakeholders. The Company has set of systems and practices to ensure that the affairs of the Company envisages adherence to the highest levels of integrity, fairness, equity, transparency, accountability and commitment to values. The Company continues to focus on good Corporate Governance, in line with the best practices in the areas of Corporate Governance.

The philosophy of Corporate Governance is a principle based approach as codified in Regulation 4(2) of the Listing Regulations, encompassing the fundamentals of rights and roles of various stakeholders of the Company, timely information, equitable treatment, role of stakeholder's disclosure and transparency and board responsibility.

The Company has adopted a Code of Conduct for its employees including the Executive Director. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act").

At FMNL, it is imperative that business is conducted in a fair and transparent manner. The corporate governance framework ensures effective engagement with various stakeholders and helps the Company evolve with changing times. It oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising of regulators, employees, customers, vendors, investors and the society at large.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time is given herein below:

II. Board of Directors:

The Company has a balanced and diverse mix of Executive and Non-Executive Directors and the composition is in conformity with requirements under the Companies Act, 2013 ("the Act") and the Listing Regulations.

- a. Mr. Vijai Singh Dugar, Independent Director is the Non-Executive Chairman and Mr. Pawan Kumar Agarwal is the Executive Director and Chief Financial Officer (CFO) of the Company. The remaining Non-Executive Directors comprises of one Independent Director being a Woman Director; and three Non-Executive Directors. The Directors collectively have the desired diversity and optimal mix of knowledge and expertise from diverse fields, possess the requisite qualifications and experience which enables them to discharge their responsibilities, provide effective leadership to the business and enhance the quality of the Board's decision making process.

However, Mr. Pawan Kumar Agarwal resigned as Key Managerial Personnel, the Executive Director and Chief Financial Officer (CFO) of the Company from the closure of the working hours of May 19, 2022. Mr. Shreesh Misra was appointed as the Chief Executive Officer and Key Managerial Personnel of the Company with effect from May 19, 2022.

The Executive Director & CFO was an executive of the Company and had drawn remuneration from the Company. The Non-Executive Chairman and Independent Directors receive sitting fees for attending the meetings of the Board, the Committees (except Committee of Directors and Corporate Social Responsibility Committee) and meetings of Independent Directors and are also entitled to commission under the Act, as may be approved by the Board.

The Non-Executive Chairman and Independent Directors who are on the Board of subsidiary companies of the Company are entitled to sitting fees as may be approved by the Boards of respective subsidiary companies.

b. The Composition of the Board and other relevant details as on the reporting period

Name of the Director	DIN	Category
Mr. Vijai Singh Dugar	06463399	Non- Executive Chairman and Independent Director
Ms. Uditā Jhunjhunwala	00120951	Independent Director
Mr. Sunil Biyani	00006583	Non-Executive Director
Mr. Rajesh R. Kalyani	00220632	Non-Executive Director
Mr. Pramod Arora	02559344	Non-Executive Director
Mr. Pawan Kumar Agarwal	01435580	Executive Director & Chief Financial Officer

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors is related to each other.

Notes:

- i. Mr. Rajesh Kalyani, Non-Executive Director of the Company resigned from the Board with effect from the closure of the working hours on May 19, 2022. The committees in which Mr. Rajesh Kalyani was a Member shall be reconstituted in due course.
 - ii. Mr. Pawan Kumar Agarwal resigned as Key Managerial Personnel, the Executive Director and Chief Financial Officer (CFO) of the Company from the closure of the working hours of May 19, 2022
- c.** The Independent Directors and the Managing Director are not liable to retire by rotation. The day-to-day management of the Company is entrusted with the Executive Director and the Senior Management Personnel of the Company who function under the overall supervision, direction and control of the Board of Director.
- d.** Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

e. Board meetings held

The Board looks at strategic planning and policy formulation. It, therefore meets at least once every quarter to review the Company’s operations and to consider, among other business, the quarterly performance and financial results of the Company. During the reporting period, the gap between any two meetings of the Board did not exceed 120 days. Further, the Company has adopted and adhered to the Secretarial Standards prescribed by The Institute of Company Secretaries of India and approved by the Central Government in relation to meetings of the Board and Committees constituted by it (SS-1) and in respect of general meetings of members (SS-2).

Consequent upon the relaxations granted by the Securities and Exchange Board of India and Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, the meetings of the Board and the Committees during the reporting year, were held through video conferencing/ other audio visual means.

Agenda papers containing the necessary information / documents were made available to the Board / Committees at least seven days in advance to enable the Board / Committees to discharge its responsibilities effectively and to take informed decisions. Where it was not practicable to attach or send the relevant information as a part of agenda papers, the same were tabled at the meeting or / and the presentations were made by the concerned managers to the Board/ Committees, subject to compliance with legal requirements

Considerable time is spent by the Directors on discussions and deliberations at the Board / Committee Meetings.

The information as specified in Schedule II read with Regulation 17(7) of the Listing Regulations, are regularly made available to the Board, whenever applicable, for discussion and consideration.

Five board meetings were held during the year under review where necessary quorum was present for all the meetings. The details of meetings of the Board held during the financial year 2021-22 are as under:

Date on which Board Meeting was held	Total Strength of the Board on the date of the Meeting	Number of Directors present at the Board Meeting
May 26, 2021	06	06
August 10, 2021	06	06
October 14, 2021	06	06
November 02, 2021	06	06
February 03, 2022	06	06

Note:

- Excluded the separate meeting of independent directors, in which non independent directors were not eligible to participate.
- As required under Regulation 17A & 26(1) of Listing Regulations and as confirmed by directors, none of the Directors on the Board of Company was a Director (including holding any alternate directorships) in more than 10 public limited companies (as specified in section 165 of the Act) and Director in more than 7 equity listed entities or acted as an Independent Director in more than 7 equity listed entities or 3 equity listed entities in case he/ she serves as a Whole-time Director/ Managing Director in any listed entity.
- As on March 31, 2022, none of the Directors on the Board was a Member of more than 10 Committees and Chairperson of more than 5 Committees, across all the Indian public limited companies in which he/ she was a Director.

f. Board Procedure

A detailed agenda is sent to each Director in advance of the meetings of Board and Committees by e-mail. To enable the Board to discharge its responsibility effectively, the Executive Director & Chief Financial Officer of the Company briefs the Board at every meeting on the overall performance of the Company. A detailed report on operations is also presented at quarterly Meetings of the Board. The Board also reviews strategy and business plans, annual operating and capital expenditure budgets, compliance with Statutory/ Regulatory requirements and review of major legal issues, adoption of quarterly / half-yearly / annual results, investors' grievances, borrowings and investments, issue of securities, use of capital issue proceeds, major accounting provisions and writeoffs, corporate restructuring, minutes of meetings of the Committees of the Board and CSR spends, plan and its review, etc. The Board reviews the compliance certificate issued by the Executive Director & Chief Financial Officer regarding compliance with the requirements of various Statutes, Regulations and Rules applicable to the business of the Company.

- g.** The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2022 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

Details about the Company's Directors and meetings attended by the Directors:

Name of Director	Category	Number of Board Meetings held during the financial year 2021-22	Number of Board Meetings attended during the financial year 2021-22	Whether attended last AGM (held on September 28, 2021)	Directorships held in other public companies incorporated in India as at March 31, 2022	Number of Memberships / Chairmanship in Board Committees as at March 31, 2022 (Including FMNL)		Other Directorships	
						Membership	Chairmanship	Name of Listed Entity	Category
Mr. Vijai Singh Dugar DIN:06463399	Independent Director	5	5	Yes	8	1	2	-	-

Name of Director	Category	Number of Board Meetings held during the financial year 2021-22	Number of Board Meetings attended during the financial year 2021-22	Whether attended last AGM (held on September 28, 2021)	Directorships held in other public companies incorporated in India as at March 31, 2022	Number of Memberships / Chairmanship in Board Committees as at March 31, 2022 (Including FMNL)		Other Directorships	
						Membership	Chairmanship	Name of Listed Entity	Category
Ms. Udit Jhunjhunwala DIN:00120951	Independent Director	5	5	Yes	1	1	-	Galaxy Cloud Kitchens Limited	Independent Director
Mr. Sunil Biyani DIN:00006583	Non-Executive Director	5	5	Yes	4	2	-	Galaxy Cloud Kitchens Limited	Director
Mr. Rajesh R. Kalyani DIN:00220632	Non-Executive Director	5	5	Yes	2	2	-	-	-
Mr. Pramod Arora DIN02559344	Non-Executive Director	5	5	Yes	0	-	-	-	-
Mr. Pawan Kumar Agarwal DIN: 01435580	Executive Director	5	5	Yes	3	-	-	-	-

Notes:

- Membership in governing councils, chambers and other bodies are not included.
- Mandatory committees are the committees prescribed under the Listing Regulations i.e. Audit Committee and Stakeholders Relationship Committee of public companies.
- The Directorship/Committee Membership is based on the latest disclosures received from Directors.

h. Number of equity shares held by each of the Directors, options held and dividend paid:

Name of Director	Equity Shares held as on March 31, 2022	Dividend Paid during the financial year 2021-2022	Number of Options held under FMNL – ESOS -2016 as on March 31, 2022
Mr. Vijai Singh Dugar	-	-	-
Ms. Udit Jhunjhunwala	-	-	-
Mr. Sunil Biyani	50	-	-
Mr. Rajesh R. Kalyani	41,025	-	-
Mr. Pramod Arora	25,000	-	-
Mr. Pawan Kumar Agarwal	5000	-	-

The Company has not issued any convertible instruments.

i. Chairman of the Board

The Company has appointed Mr. Vijai Singh Dugar, Non-Executive and Independent Director as the Chairman of the Board.

j. Relationship between Directors Inter-Se

None of the Directors of the Company is related, in manner to any other Director on the Board.

k. During FY 2022, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration.
l. The Board periodically reviews the compliance reports of all laws applicable to the Company.

m. Certificate from Company Secretary in practice

A certificate from M/s. Alwyn D'Souza & Co. Company Secretary in practice stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by Securities & Exchange Board of India/ Ministry of Corporate Affairs or any other statutory authority is annexed to this report.

n. Role of the Board of Directors

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction to the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. It sets strategic goals and seeks accountability for their fulfilment. It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholder's aspirations and social expectations.

o. Selection of new Directors

The Board is responsible for selection of new directors. The Board delegates the screening and selection process to the Nomination, Remuneration and Compensation Committee, which consists majority of independent directors. The committee, based on defined criteria, makes recommendations to the Board on the induction of new directors.

The nomination, remuneration and compensation committee, works with the entire board to determine the appropriate characteristic's skills and experience required for the board as a whole and for individual members. Members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors / areas relevant to the Company, and ability to contribute to the Company's growth.

p. Tenure of Directorships

The Board constantly evaluates the contribution of the members and periodically shares updates with the shareholders about re-appointments consistent with applicable statutes. The current law in India mandates the retirement of two-third of the non-independent directors (who are liable to retire by rotation) every year and qualifies the retiring members for reappointment. Executive directors are appointed by the shareholders for a maximum period of five years. An independent director shall hold office for a term of up to five consecutive years on the Board of the Company and will be eligible for re-appointment on the passing of a special resolution by the Company.

Based on the disclosures received from all the independent directors and in the opinion of the Board, the independent directors fulfill the conditions specified in the Act and Listing Regulations and are independent of the Management.

q. Independent Directors

The Companies Act, 2013 and the Listing Regulations, define an "independent director" as a person who is not a promoter or employee or one of the key managerial personnel (KMP) of the Company or its subsidiaries. The law also states that the person should not have a material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving remuneration as an independent director and we abide by these definitions of independent director.

Independent Directors play a significant role in the governance processes of the Board. By virtue of their varied expertise and experience, they enrich the Board's decision-making and prevent possible conflicts of interest that may emerge in such decision-making.

The appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the Listing Regulations. The Nomination & Remuneration Committee identifies candidates based on certain laid down criteria and takes into consideration balance of skills, knowledge and experience in addition to the need for diversity of the Board and accordingly makes its recommendations to the Board

Basis the declarations received from the Independent Directors, the Board of Directors has confirmed that the Independent Directors of the Company meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act and that, they are independent of the management.

As required under Regulation 46(2)(b) of Listing Regulations, the Company has issued formal letters of appointment to the Independent Directors. The terms and conditions of appointment have also been displayed on the website of the Company at www.fmn.co.in.

In terms of Regulation 25(8) of Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Pursuant to the requirement of Regulation 24(1) of the Listing Regulations, the Company has appointed its Independent Directors on the Board of its unlisted material subsidiary

r. Independent Director Databank Registration

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all independent directors have completed the registration / renewed their registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

s. Meeting of Independent Directors

During the year under review, the Independent Directors met on February 03, 2022, inter alia to discuss, review and assess:

- the performance of non-independent directors and the board of directors as a whole;
- the performance of the Chairman of the Company, taking into account the views of the Executive and Non- Executive Directors;
- the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties; and other related matters.

All the Independent Directors were present at the above meeting.

t. Familiarization programs for Independent Directors

Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, inter alia, on the business and performance updates of the Company, business strategy and risks involved.

The independent directors are updated periodically on all business – related issues and new initiatives. At such meetings, the executive directors and other members of the senior management share points of view and leadership thoughts on relevant issues.

u. Prevention of Insider Trading

As per the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has devised the Code of Conduct to regulate, monitor and report trading in Securities of the Company. The Company Secretary is the Compliance Officer for the purpose of this Code. During the year, there has been due compliance with the Code by the Company and all Insiders.

v. Code of Conduct

The Board has laid down the code of conduct for all the Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company at www.fmn.co.in. All Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the financial year ended March 31, 2022 and a declaration to this effect is appended to this report.

w. Board Member Evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the nomination, remuneration and compensation committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board Committees and executive / non-executive / independent directors through a peer evaluation, excluding the directors being evaluated.

Independent Directors mainly performs key rolls on governance, control and guidance. Some of the performance indicators, based on which the independent directors, are evaluated includes:

- o The ability to contribute to and monitor corporate governance practices.
- o The ability to contribute to by introducing best practices to address business challenges and risks.
- o Commitment to the fulfilment of a director's obligations and fiduciary responsibilities; these include active participation in Board and Committee meetings.

The evaluation process focused on Board dynamics and softer aspects. The process also involves independent discussion with all Board members. The Board carried out the annual performance evaluation for the financial year ended March 31, 2022.

The Board expressed its satisfaction on the process as well as performance of all Directors, Committees, and Board as a whole.

x. Recording minutes of proceedings at Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Board Committee members for their comments. Thereafter, after considering the comments, minutes are finalized and placed before the next meeting for approval.

y. Post meeting follow-up mechanism

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at Board / Board Committee meetings are communicated promptly to the concerned departments / divisions. Action-taken report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board / Board Committee for noting.

z. Compliance

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations including the Companies Act, 2013 read with rules issued there under, as applicable and SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

III. Committees of the Board

The Company has over the years maintained the highest standards of corporate governance processes and has had the foresight to set up corporate governance practices in line with the requirement of Listing Regulations.

The constitution, terms of reference and the functioning of the existing committees of the Board is explained hereunder. Each committee demonstrates the highest level of governance standards and has the requisite expertise to handle issues relevant to their fields. These committees spend considerable time and provide focused attention to various issues placed before them and the guidance provided by these committees lend immense value and support, enhancing the qualitiveness of the decisionmaking process of the Board. The Board reviews the functioning of these committees from time to time.

The meetings of each of these committees are convened by the respective Chairpersons and the minutes of these meeting are placed before the Board for noting. The minutes of the committee meetings are sent to respective members for their approval/ comments as per the prescribed Secretarial Standards-1 and after the minutes are duly approved, these are circulated to the Board of Directors and presented at the Board meetings.

There are Six (6) Board Committees as on March 31, 2022, which comprises five statutory committees and one other non-statutory committee, details of which are as follows:

Audit Committee, Stakeholders Relationship Committee, Share Transfer Committee, Nomination, Remuneration and Compensation Committee, Corporate Social Responsibility Committee and Committee of Directors. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference of the Committees are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

A. Audit Committee

The Audit Committee acts as an interface between the Statutory and Internal Auditors, the Management and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes; reviewing the Company's established systems and processes for internal financial controls and governance, and reviews the Company's statutory and internal audit processes. All the Members of the Committee are Independent Directors. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and the Listing Regulations.

As on March 31, 2022, the Committee comprises of 3 Directors out of which 2 are Independent Directors. All the members, including Chairman of the Audit Committee are financially literate and have the ability to read and understand the financial statement. The composition of the Audit Committee is in compliance with the Regulation 18 of Listing Regulations and the provisions of Section 177 of the Act and rules made thereunder.

During the year under review, five meetings of the committee were held on the following dates: May 26, 2021, August 10, 2021, October 14, 2021, November 02, 2021 and February 03, 2022. During the financial year 2021-22, all meetings of the Audit Committee meetings were held virtually in line with the relaxations provided by the Ministry of Corporate Affairs and the Securities Exchange Board of India. The details of attendance at the Audit Committee meetings held during the year are as under:

Composition and attendance record of Audit Committee members

Name of Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Vijai Singh Dugar	Independent Director	Chairman	5	5
Mr. Rajesh Kalyani	Non-Executive Director	Member	5	5
Ms. Udita Jhunjhunwala	Independent Director	Member	5	5

All the members of the Audit Committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance, and corporate strategy. The Chairman of the Audit Committee was present at the Annual General Meeting to answer Members' queries. Minutes of each of the meetings of the Audit Committee are placed before the Board at its meetings.

Other Details:

- Five meetings of the Audit Committee were held during the year under review and all the meeting were held virtually in line with the relaxations provided by the Ministry of Corporate Affairs and the Securities Exchange Board of India.
- Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.
- Mr. Anil Cherian, Head - Legal and Company Secretary of the Company acts as the Secretary to the Audit Committee. He was also appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.
- Quarterly Reports are send to the members of the Committee on matters relating to the Insider Trading Code.
- The previous Annual General Meeting of the Company held on September 28, 2021 and was attended by Mr. Vijai Singh Dugar, the then Chairman of the Audit Committee.

Extract of terms of reference

The terms of reference of this Committee are in line with the regulatory requirements mandated by the Section 177 of the Companies Act, 2013 read with Rules thereunder and Regulation 18(3) read with Part C of Schedule II of the Listing Regulations, which, inter-alia, includes

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, re-appointment and terms of appointment of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of the Companies Act, 2013,
 - ii. Changes, if any, in accounting policies and practices and reasons for the same,
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management,
 - iv. Significant adjustments made in the financial statements arising out of audit findings,
 - v. Compliance with listing and other legal requirements relating to financial statements,
 - vi. Disclosure of any related party transactions, and
 - vii. Modified opinion(s) in the draft audit report.
5. Reviewing along with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the listed entity with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Evaluation of internal financial controls and risk management systems;
10. Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
12. Discussion with internal auditors of any significant findings and follow up there on;

13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of following information by Audit Committee

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;

Related Party Transactions

- A statement of all transactions with related parties and any subsequent material modification of transactions of the Company with related parties including their basis shall be placed before the Audit Committee for its prior approval. Lay down criteria for granting omnibus approval to related party transactions.
- Satisfy itself of the need for omnibus approval of related party transactions ensuring that the approval is in the interest of the Company.
- Grant omnibus approval for related party transactions.
- Review, on quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approvals given.
- Recommend the revision in Policy on material related party transactions and also on dealing with Related Party Transactions, to align it with the extant applicable provisions.

Compliance

- Reviewing the effectiveness of the system for monitoring compliance with laws and regulations and the results of Management's investigation and followup (including disciplinary action) of any instances of non-compliance.
- Reviewing the findings of any examinations by regulatory agencies and any auditor observations. Reviewing the process for communicating the Code of Conduct to Company personnel and for monitoring compliance therewith.
- Obtaining regular updates from the Management regarding compliance matters.
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors

Other Responsibilities

- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Performing other activities relating to the Charter as requested by the Board of Directors.
- Carry out all such additional functions as may be required under the Listing Regulations or other regulatory requirements applicable from time to time.
- Reviewing the functioning and compliances as regards the Company's Whistle Blower Policy.
- Instituting and overseeing special investigations as needed.
- Approval of appointment of CFO (i.e., the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Pursuant to SEBI notifications, effective from January 1, 2022 and April 1, 2022, bringing about amendments to the Listing Regulations, the Committee has taken necessary action to widen the scope of its working as also taken necessary consequential steps including amending the relevant policies relating to related party transactions.

B. Nomination, Remuneration and Compensation Committee

The constitution, scope and powers of the Nomination & Remuneration Committee of the Board of Directors, are in accordance with the provisions of Section 178 of the Act and Regulation 19 of Listing Regulations. The Nomination & Remuneration Committee looks at all matters pertaining to the appointment and remuneration of the Managing Director & Chief Executive Officer, the Executive Directors, Key Managerial Personnel and administration of the employee stock option scheme of the Company i.e. the Future Market Networks Limited – Employee Stock Option Scheme, 2016.

The composition of the Committee is in line with the amended provisions of Regulation 19(1)(c) of the Listing Regulations effective from April 1, 2022, which call for at least two third of the Committee to comprise of independent directors.

As per the amended Listing Regulations, the committee evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepares a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

As on March 31, 2022, Nomination, Remuneration and Compensation Committee (NRC) comprises of 3 (three) Non-Executive Directors out of whom 2 (two) Directors are Independent Directors. Ms. Uditā Jhunjhunwala, an Independent Director is the Chairperson of NRC.

During the reporting period, one meeting of the committee was held on February 03, 2022. During the financial year 2021-22, the meeting of the Nomination, Remuneration and Compensation Committee (NRC) was held virtually in line with the relaxations provided by the Ministry of Corporate Affairs and the Securities Exchange Board of India. The details of attendance at the NRC meeting held during the year are as under:

Composition and attendance record of Nomination, Remuneration and Compensation Committee members

Name of Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Vijai Singh Dugar	Independent Director	Member	1	1
Mr. Rajesh Kalyani	Non-Executive Director	Member	1	1
Ms. Uditā Jhunjhunwala	Independent Director	Chairperson	1	1

i. Other Details

- Mr. Anil Cherian, Head - Legal and Company Secretary of the Company acts as the Secretary of the Nomination, Remuneration and Compensation Committee.
- The previous Annual General meeting of the Company was held on September 28, 2021 and was attended by Ms. Uditā Jhunjhunwala, the Chairperson of the Nomination, Remuneration and Compensation Committee.

ii. Extract of Terms of reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Carry out evaluation of every director's performance;

iii. Performance Evaluation

The Company policy provides for the manner, mode and unique questionnaires to evaluate performance of the Board, Committees, Independent Directors and Non - Independent Directors. The criteria for the performance evaluation of the Directors includes (a) Attendance of each Director (b) Preparedness of each Director (c) Participation in meaningful discussion (d) Conduct and behavior of each Director (e) Effectiveness of the decision taken based on deliberations etc. The evaluation process includes review, discussion and feedback from the directors in reference to set criteria and questions.

Evaluation of Performance of the Board, its Committees, every Independent Director and Non-Independent Directors for the Financial Year 2021-22 has been carried out following the manner and process as per the policy in this respect. The Directors are satisfied with the performance and evaluation.

iv. Remuneration of Directors

Your Company has formulated a policy on Nomination and Remuneration of Directors and Senior Managerial Personnel and the major points relating to Remuneration policy is as follows:

I. Remuneration structure of Directors:

- Independent Directors receive remuneration by way of sitting fees for attending meetings of Board and Board Committees (where they are members) subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.
- The remuneration/ compensation/ commission etc. to be paid to Whole-time Director(s)/Executive Director(s) etc. shall be as per their employment contract/ terms of appointment, subject to the limits and conditions under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approval of the shareholders.

II. Remuneration structure of Key Managerial Personnel (KMP) and Senior Management is as detailed hereunder

- The Compensation of KMP and Senior Management personnel is done keeping in consideration the prevailing market value of the resource, criticality of role and internal parity of the team.
- The remuneration structure to KMPs and Senior Management personnel may include a variable performance linked component.

III. Service contract / notice period / severance fees

Terms of service are governed in terms of respective Service Contracts and in terms of resolutions passed by the shareholders of the Company. The employment contract does not contain any provisions for payment of any severance fees in case of cessation of employment of the Whole Time / Executive Director.

IV. Remuneration to Directors

i. Executive Director

The remuneration paid to the Executive Director for the period under review is given below:

(₹ in Lakhs)

Name	Salary	Performance Bonus	Company's Contribution to Funds	Perquisites and Allowances	Total	Total Contract Period	Notice Period in months	Stock Options granted
Mr. Pawan Kumar Agarwal	71.91	-	2.76	0.32	74.99	Five years w.e.f May 21, 2019	1	1,50,000

Notes:

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

ii. Non-Executive Directors

The details of sitting fees to Non-Executive Directors are as under:

(in ₹)

Name of Director	Category	Total Sitting Fees Paid
Mr. Vijai Singh Dugar	Independent	4,35,000
Ms. Udita Jhunjhunwala	Independent	4,35,000
Mr. Sunil Biyani	Non-Executive	2,00,000
Mr. Rajesh R. Kalyani	Non-Executive	4,15,000
Mr. Pramod Arora	Non-Executive	2,00,000

Notes:

- Sitting fees include payment to the Directors for attending meetings of Board, Audit Committee, Nomination Remuneration and Compensation Committee and Meeting of Independent Directors.
- Mr. Sunil Biyani, holds 50 Equity shares of the Company.
- Mr. Rajesh Kalyani holds 41,025 Equity Shares of the Company.
- Mr. Pramod Arora holds 25,000 Equity Shares of the Company
- GST is not included.

Apart from reimbursement of expenses incurred in the discharge of their duties, none of these Directors have any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, and its Senior Management, which in their judgment would affect their independence.

C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee looks into redressal of the grievances of Shareholders and fixed deposit holders including investors' complaints relating to transfer of shares, issue of duplicate share certificates, non-receipt of annual reports on-receipt of dividends declared and all other securities holders related matters. It is also responsible for reviewing the process and mechanism for redressal of investor complaints and for suggesting measures for improving the existing system of redressal. The Committee is also responsible for approval of transmission of securities, including power to delegate the same to the Registrar and Transfer Agents.

The Committee also reviews the adherence to the service standards adopted by the Company in respect of the services rendered by the Company's Registrar and Share Transfer Agent

The Committee also reviews the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of annual reports /statutory notices by the shareholders of the Company.

The Stakeholders Relationship Committee held 1 (One) meeting during the year on February 03, 2022. The meeting was held virtually in line with the relaxations provided by the Ministry of Corporate Affairs and the Securities Exchange Board of India.

The Composition of the Committee as at March 31, 2022 and the details of the Members participation at the meeting of the Committee are as under

The Committee comprises of 3 (three) directors out of which Chairman is a Non-Executive Director. The Committee comprises of three Directors, out of which one is Independent Director, namely Mr. Vijai Singh Dugar, two Non-Executive Non-Independent Director, namely Mr. Rajesh Kalyani and Mr. Sunil Biyani.

The Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the Listing Regulations and provisions of the Companies Act, 2013.

i. Status of Investor Complaints for the Financial Year ended March 31, 2022:

Complaints outstanding as on April 1, 2021	-
Complaints received during the financial year ended March 31, 2022	01
Complaints resolved during the financial year ended March 31, 2022	01
Complaints outstanding as on March 31, 2022	-

During the year under review the all the complaints received through SCORES were resolved.

ii. Terms of Reference of the Committee, inter-alia, includes the following:

1. Consider, resolve and monitor redressal of investors' / shareholders' grievances related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend etc.
2. Oversee the performance of the Company's Share Transfer Agent.
3. Recommend methods to upgrade the standard of services to investors.
4. Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
5. Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.
6. Perform such other functions as may be necessary or appropriate for the performance of its duties.

There were no major complaints received from the Shareholders of the Company. The Complaints received were promptly replied by the Registrar and Share Transfer Agents of the Company. The Directors are not paid any sitting fees for attending the meeting of the aforesaid Committee.

Mr. Anil Cherian, Head - Legal and Company Secretary of the Company acts as the Secretary of the Stakeholders Relationship Committee.

iii. Compliance Officer

Mr. Anil Cherian, Head - Legal and Company Secretary is the Compliance Officer for complying with requirements of Securities Laws, Listing Regulations and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

D. Share Transfer Committee

At present the Share Transfer Committee of the Company comprises of Mr. Vijai Singh Dugar, Mr. Rajesh Kalyani and Ms. Uditā Jhunjhunwala.

i. Terms of Reference of Share Transfer Committee

- To approve the Transfer/Transmission of Shares, dematerialization and rematerialization of Shares of the Company.
- To approve deletion of name.
- To approve split, consolidation and issuance of duplicate shares.
- To oversees the performance of the Registrars and Share Transfer Agents i.e. Link Intime India Private Limited.

The Committee met 1 (one) time during the year ended March 31, 2022.

ii. Composition and attendance record of Share Transfer Committee.

Name of Member	Category	No. of Meetings held	No. of Meetings attended
Mr. Vijai Singh Dugar	Independent Director	1	1
Mr. Rajesh Kalyani	Non-Executive Director	1	1
Ms. Uditā Jhunjhunwala	Independent Director	1	1

No sitting fee is paid to the members of the Share Transfer Committee.

E. Corporate Social Responsibility ("CSR") Committee

The scope of functioning of the Committee has been widened to cover sustainability with an objective to create a positive impact on our stakeholders.

As on the Reporting Period, the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company consist of Mr. Vijai Singh Dugar and Ms. Uditā Jhunjhunwala, Independent Directors and Mr. Rajesh Kalyani Non-Executive Director. Mr. Vijai Singh Dugar is the Chairman of the Committee.

The Committee has taken note of the changes in the legislation and also the changes in the relevant rules which have become operative from January 2021.

i. Composition and attendance record of CSR Committee

Name of Member	Category	No. of Meetings held	No. of Meetings attended
Mr. Vijai Singh Dugar	Independent Director	-	-
Mr. Rajesh Kalyani	Non-Executive Director	-	-
Ms. Uditā Jhunjhunwala	Independent Director	-	-

No sitting fee is paid to the members of the CSR Committee.

ii. Extract of Terms of reference

The Role and Responsibilities of the CSR Committee includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall include the activities to be undertaken by the Company as envisaged in the Act;
- To recommend to the Board the amount of expenditure to be incurred on the activities as per the Corporate Social Responsibility Policy of the Company;

- To monitor the projects and activities as per the Corporate Social Responsibility Policy of the Company;
- To review the performance of the Company in the area of CSR including the evaluation of the impact of the Company's CSR activities;
- To consider other functions, as defined by the Board, or as may be stipulated under any law, rule or regulation including the Listing Regulations and the Act.

F. Committee of Directors

The committee of Directors is authorized to take decisions which are required for the day to day operations of the Company. The composition of the Committee of Directors is given below:

Name of Member	Category
Mr. Vijai Singh Dugar	Independent Director
Mr. Sunil Biyani	Non-Executive Director
Mr. Rajesh Kalyani	Non-Executive Director

The committee met 4 (four) times during the year. The Minutes of the meetings of Committee of Directors are reviewed and noted by the Board. No sitting fee is paid to the members of the Committee of Directors.

Shareholders

Disclosure regarding the appointment or re-appointment of directors:

In terms of Section 152 read with Section 149(13) of the Companies Act, 2013, Mr. Sunil Biyani is liable to retire by rotation. The said Director has offered himself for reappointment and resolution for his reappointment, is incorporated in the Notice of the ensuing Annual General Meeting.

Mr. Sunil Biyani: Non-Executive Director

Mr. Sunil Biyani is a Commerce Graduate with master's in business administration and is instrumental in setting up various formats in the Group. He has extensive experience in textiles, retail sectors, Building and Construction, Property related transaction and project management. He leads the real estate, mall management teams of various group companies within the Future Group.

IV. General Body Meetings

a) Details of previous three General Meetings of the Company are as under:

Financial Year	Venue	Date	Time
2020-21	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	28/09/2021	2.00 P.M
2019-20	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	29/09/2020	2.00 P.M
2018-19	Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai – 400018	16/09/2019	1.30 P.M

b) Details of special resolutions passed in previous three Annual General Meetings of the Company are as under

Date of AGM	Number of Special Resolutions Passed	Details of Special Resolution Passed
September 16, 2019	2	<ul style="list-style-type: none"> • Appointment of M/s. S K Patodia & Associates., Chartered Accountants, Mumbai, as the statutory auditors of the Company, in place of the retiring auditor M/s Viren Gandhi & Company for a period of 1 year from the conclusion of eleventh annual general meeting till the conclusion of the twelfth annual general meeting. • Appointment and remuneration of Mr. Pawan Kumar Agarwal (DIN: 01435580) as Executive Director and Chief Financial Officer of the Company for a period of 5 (Five) Years.
September 29, 2020	None	None
September 28, 2021	None	None

c) Details of Special Resolutions passed at the Extraordinary General Meetings for the last 3 years.

No extra ordinary general meeting of the Company was held during the last 3 (three) years.

d) Postal Ballot including e-Voting

During the financial year 2021-2022, pursuant to the provisions of Section 110 of the Companies Act read with the Companies (Management and Administration) Rules, 2014, the Company has not passed any special resolutions through postal ballot.

V. Means of Communication

Website	Your Company maintains a website www.fmn.co.in , wherein there is a dedicated section 'Investors'. The website provides details, inter alia, about the Company, its performance including quarterly financial results, annual reports, press release, shareholding pattern, contact details etc.
Quarterly/ Annual Financial Results	Generally published in Free Press Journal (English Daily Newspaper) and Navshakti (Marathi Newspaper). The results are also uploaded by BSE and NSE on their website www.bseindia.com and www.nseindia.com respectively
Stock exchanges	All periodical information, including the statutory filings and disclosures, are filed with BSE and NSE. The filings required to be made under the Listing Regulations, including the Shareholding pattern and Corporate Governance Report for each quarter are also filed on BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).
Investor servicing	A separate e-mail id info.fmnl@futuregroup.in has been designated for the purpose of registering complaints by shareholders or investors.

VI. General Shareholders information:

- a. Company Registration Details:** The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L45400MH2008PLC179914.
- b. Registered Office and Address:** Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari (E), Mumbai – 400 060.
- c. Annual General Meeting**
- i. AGM Date, Day : September 22, 2022, Thursday
 - ii. Time & Venue : 2.00 PM, through Video Conferencing ("VC")/Other Audio Video Means ("OAVM")
- d. Financial Year:** The financial year of the Company starts from April 01 and ends on March 31 of the succeeding year.
- e. Book Closure Period:** September 16, 2022 to September 22, 2022 (both days inclusive)
- f. Financial Calendar (tentative):**
- | | | |
|-------------------------|---|--------------------------------|
| First Quarterly Result | : | on or before August 14, 2022 |
| Second Quarterly Result | : | on or before November 14, 2022 |
| Third Quarterly Result | : | on or before February 14, 2023 |
| Financial year ending | : | on or before May 30, 2023 |
- g. Listing of Equity Shares on Stock Exchanges**
- I. BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
Scrip Code: 533296
 - II. National Stock Exchange of India Limited (NSE)
"Exchange Plaza", Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Trading Symbol - FMNL
- h. International Security Identification Number:** INE360L01017
- i. Suspension of trading in securities:** There was no suspension of trading in securities of the Company during the year under review.

i. Stock Market Data

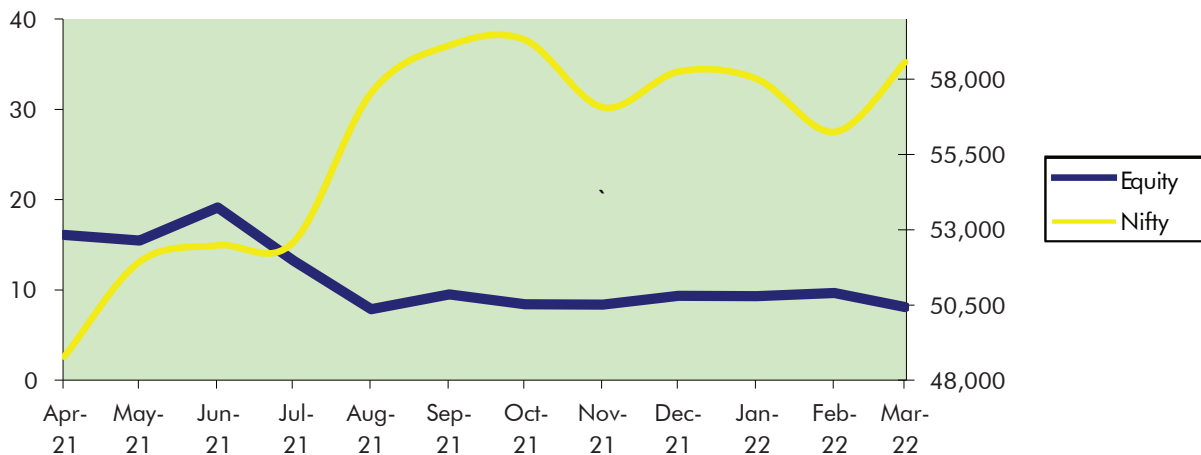
High, lows and Volumes of FMNL from April 1, 2021 to March 31, 2022 at BSE and NSE.

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Number of Shares Traded)	High (₹)	Low (₹)	Volume (Number of Shares Traded)
April 2021	17.08	11.96	2,92,625	16.80	11.55	8,92,366
May 2021	16.45	13.55	2,50,007	16.20	13.70	9,51,941
June 2021	21.00	14.65	6,91,9510	20.75	14.50	3,48,776
July 2021	20.15	13.10	2,73,489	20.00	13.05	20,13,415
August 2021	13.90	7.50	12,40,552	13.70	7.70	67,80,655
September 2021	9.62	7.80	15,13,413	9.80	7.80	52,10,949
October 2021	11.02	8.30	15,01,650	11.05	8.20	77,53,311
November 2021	9.19	7.94	4,58,665	8.95	7.85	31,88,541
December 2021	10.58	8.23	15,16,012	10.55	8.15	48,46,253
January 2022	10.60	8.75	14,11,043	10.65	8.80	45,94,844
February 2022	9.79	8.10	5,30,849	9.80	8.10	25,07,508
March 2022	10.40	7.31	11,89,993	10.25	7.70	46,97,382

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

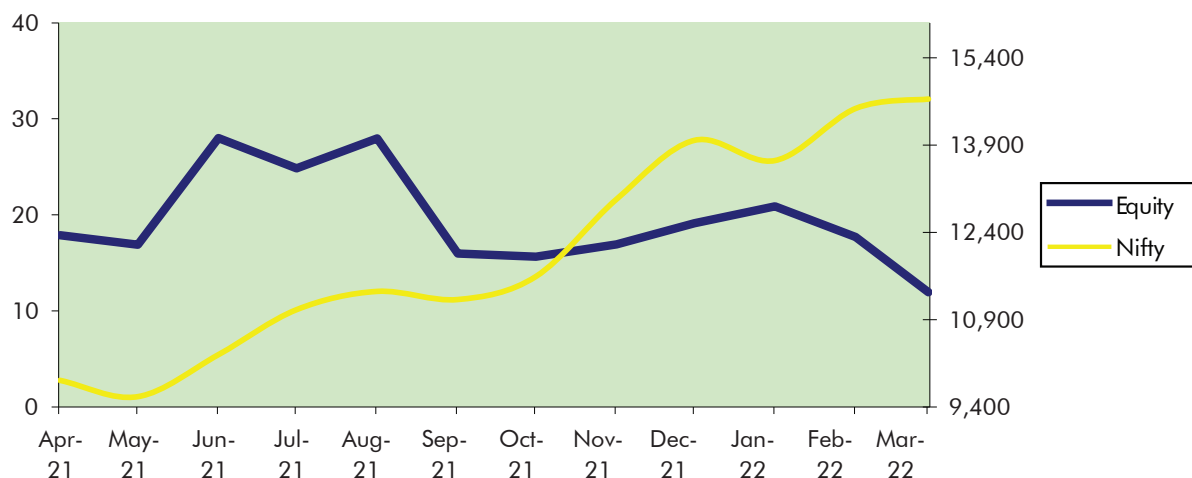
The performance comparison is based on the closing price / Sensex on the last trading day of the month.

Performance of the Stock in BSE



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

Performance of the Stock in NSE



k. Share Transfer System

Pursuant to Regulation 40 of the Listing Regulations, effective April 1, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, during the year, share transfer requests lodged prior to April 1, 2019 and subsequently re-lodged were processed and approved within a period of fifteen days from the date of receipt of documents, provided the documents are valid and complete in all respect. New share transfer request received after April 1, 2020 were not accepted and returned to the Shareholders. As of date of this Report, there are no pending share transfers pending with the Company.

l. Distribution of Shareholding

The distribution of the shareholding of the Equity Shares of the Company by size and by ownership class as on March 31, 2022 is as below:

i. Distribution of shareholding as on March 31, 2022

Distribution Range of Shares	No. of Shares	% of shares	No. of Shareholders	% of Shareholders
1 – 500	19,94,029	3.47	22,986	84.52
501 – 1000	16,18,146	2.81	1,938	7.13
1001 – 2000	15,70,247	2.73	1,027	3.77
2001 – 3000	10,61,582	1.84	415	1.53
3001 – 4000	5,97,410	1.04	165	0.61
4001 – 5000	8,58,945	1.50	179	0.66
5001 – 10000	18,50,307	3.21	251	0.92
Greater than 10000	4,79,93,715	83.40	234	0.86
Total	5,75,44,381	100.00	27,195	100.00

ii. Shareholding pattern by ownership as on March 31, 2022

Categories	As on March 31, 2022	
	No. of Shares	Percentage
Promoters, Relatives and Associates	4,11,83,410	71.57
Directors	71,025	0.12
Public Financial Institutions / State Financial Corporation / Insurance Companies	31,184	0.05
Mutual Funds (Indian)	27	0.00
Nationalized and other Banks	5	0.00
NRI / OCBs	3,05,050	0.53
Public	1,46,83,617	25.52
Others (CM/Other Bodies Corporate/HUF/Body Corporate - Ltd Liability Partnership)	12,70,063	2.21
Total	5,75,44,381	100.00

m. Dematerialization of Shares

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialize their Shares with either of the Depositories. Entire shareholding of Promoters and Promoter Group is in dematerialized form. As on March 31, 2022, 5,75,03,982 Equity Shares representing 99.93% of the total equity capital of the Company were held in dematerialized form. The bifurcation of shares held in Physical and Demat form are given below:

Particulars	No. of Shares	Percentage
Physical Segment	40,399	0.07
Demat Segment		
NSDL	4,77,73,390	83.02
CDSL	97,30,592	16.91
Total	5,75,44,381	100.00

n. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges.

The report, inter alia, confirms that the number of shares issued, listed on the Stock exchanges and that held in demat and physical mode are in agreement with each other.

o. Registrar and Transfer Agents

Link Intime India Private Limited, C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083, Tel: +91 22 49186000
Fax: +91 22 49186060 Email: rnt.helpdesk@linkintime.co.in.

p. Share Transfer system:

Trading in equity shares of the Company through recognized Stock Exchanges is permitted only in dematerialized form. Shares sent for transfer in physical form, if any, are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects. With a view to expedite the process of share transfers, necessary authority has been delegated to the Share Transfer Committee and Stakeholder Relationship Committee to approve the transfers of equity shares of the Company. Investors are requested to take note that pursuant to the respective notification by the Ministry of Corporate Affairs, BSE Limited and the National Stock Exchange of India Limited, transfer of shares held in physical mode is not permissible from April 1, 2019, except in case of transmission or transposition of securities.

No transfer of securities held in physical mode is permitted from the said date. In view of this, investors are advised and recommended to dematerialize the security of the Company held by them at the earliest to avoid any delay for transfer.

q. Shares held in Abeyance and Fractional Shares.

570 Equity shares of the Company which have been issued under the scheme of demerger with Pantaloon Retail India Limited (PRIL – now known as Future Enterprises Limited, FEL) is kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in FEL which are currently held in abeyance.

Fractional entitlement shares on the allotment of shares pursuant to the Scheme of Amalgamation of Future Realtors India Private Limited, AIGL Holding and Investments Private Limited and Prudent Vintrade Private Limited with the Company were consolidated in the hands of a nominated person and equity shares were issued and allotted to such person and the said shares shall be sold by him at a suitable time.

r. Plant Location

The Company is engaged in the business of managing shopping malls on long term basis and currently managing shopping malls at Siliguri, Kolkata, Ujjain and Mumbai.

s. Address for correspondence:**i. Any Query on Annual Report:**

Mr. Anil Cherian
 Company Secretary
 Knowledge House
 Shyam Nagar, Jogeshwari – Vikhroli Link Road
 Jogeshwari (E), Mumbai 400 060
 Phone: 022 - 62995303
 Fax: 022 - 62995473
 Email id for investors: info.fmnl@futuregroup.in
 Website of the Company: www.fmn.co.in

ii. Shareholders correspondence should be addressed to:

Link Intime India Private Limited,
 C 101, 247 Park, LBS Marg,
 Vikhroli West, Mumbai – 400 083,
 Tel: +91 22 49186000 Fax: +91 22 49186060
 Email: rnt.helpdesk@linkintime.co.in

Shareholders holding shares in electronic mode should address their correspondence to their respective Depository Participants.

t. Outstanding Global Depository Receipts / American Depository Receipts / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any Global Depository Receipts / American Depository Receipts / Warrants or any convertible instruments during the year under review. There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as on March 31, 2022.

u. Commodity price risk or Foreign exchange risk and hedging activities

The Company does not have any exposure hedged through commodity derivatives and hence, the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be disclosed.

There is no foreign currency exposure as on March 31, 2022.

v. Credit Rating

The Company has not issued any debt instruments which necessitates any credit rating. The Company does not have any debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad.

VII. Additional Shareholders Disclosure/ information**(i) Related party transaction**

The Company has formulated a 'Policy on materiality of and on dealing with Related Party Transactions', which has been amended, from time to time, in alignment with amendments in SEBI LODR. The policy has been uploaded on the website of the Company and is available at the link: <http://fmn.co.in/investor-relations/policies.html>

All related party transactions are entered with prior approval of the Audit Committee. During 2021-22, there were no materially significant related party transactions entered between the Company and its Promoters, Directors or Key Managerial Personnel, Senior Management, or their relatives, subsidiaries, etc. that may have potential conflict with the interests of the Company at large. Details of Related Party transactions are presented in Note No. 28 to the standalone financial statement.

(ii) Details of non-compliance

There has not been any non-compliance by the Company and no penalties or strictures were imposed on the Company by BSE Limited, the National Stock Exchange of India Limited, the Securities and Exchange Board of India or any other statutory authority, in relation to any matter related to capital markets, during last three years.

(iii) Whistle Blower Policy - Vigil Mechanism

The Company's Whistle Blower Policy is in line with the provisions of the sub section 9 and 10 of Section 177 of the Companies Act, 2013 and as per Regulation 22 of SEBI LODR Regulations. This Policy establishes a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We confirm that during the financial year 2021-2022, no employee of the Company was denied access to the Audit Committee.

The said Whistle-Blower Policy is available on the website of the Company at <http://fmn.co.in/investor-relations/policies.html>

(iv) Material Non-Listed Subsidiary Company

As required under the Listing Regulations, the Company has formulated a Policy for determining 'material' subsidiaries which has been put up on the website of the Company at <http://fmn.co.in/investor-relations/policies.html>

During the FY 2021-22, Suhani Mall Management Company Private Limited is the only material non listed subsidiary company under Regulation 16(1) (c) of SEBI LODR read with the Company's 'Policy for determining material subsidiaries' (the Policy).

The requirements of Regulation 24 and 24A of SEBI LODR with regard to Corporate Governance requirements for Subsidiary Companies have been complied with

(v) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the company is strongly opposed to sexual harassment and that such behavior is prohibited both by law and by the Future group.

To redress complaints of sexual harassment, an Internal Complaints Committee (ICC) of Future Market Networks Limited has been formed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder.

Ms. Monika B. Agre is the Chairperson of the Internal Complaints Committee and other Committee members of the Committee are viz. Mr. Amit Samani, NGO member, Ms. Deepti Gangan, Ms. Ankita Kyal and Mr. Vinod Nair.

During the financial year 2021-2022, no complaints were received by the Company. There were no complaints pending as on the end of the financial year 2021-2022 No cases of child labour, forced labour, involuntary labour and discriminatory employment were reported during the period.

(vi) Policy on Determination of Materiality of Events

The Company has also adopted Policy on Determination of Materiality of Events and Policy on Archival of Documents which has been put up on the website of the Company at <http://fmn.co.in/investor-relations/policies.html>

(vii) Future Market Networks Limited-Unclaimed Suspense Account

The unclaimed / undelivered shares lying in the possession of the Company are required to be dematerialized and transferred into an "Unclaimed Suspense Account" held by the Company. The Company had sent three reminder letters to such shareholders whose share certificates returned undelivered and hence remained unclaimed, by requesting them to update correct details viz. postal addresses, PAN details, etc. registered with the Company to avoid transfer of such unclaimed shares to the "Unclaimed Suspense Account."

The Company has in December 2019, transferred 18,113 of such unclaimed shares to the "Future Market Networks Limited – Unclaimed Suspense Account". Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split, etc., are being and will be credited to such Demat Suspense Account. The Suspense Account is held by the Company on behalf of the allottees who are entitled for the shares and the shares held in such Suspense Account shall not be transferred in any manner whatsoever except for the purpose of allotting / delivering the shares as and when the shareholders approach the Company. The voting rights on such shares shall remain frozen till the rightful owner claims the shares. As and when the allottee approaches the Company, the Company credits the shares lying in the Suspense Account to the demat account of the allottee to the extent of the allottee's entitlement, after proper verification of the identity of the allottee.

Details of Unclaimed Suspense Account

As per Schedule V of Part F of Listing Regulations the Company reports the following details in respect of equity shares lying in the suspense account as on March 31, 2022:

S. No	Particulars (for the financial year 2019-20)	No. of Cases	No. of Equity Shares
1	Aggregate number of shareholders and the outstanding equity shares in the suspense account lying at the beginning of the year;	890	18,113
2	Number of shareholders who approached issuer for transfer of equity shares from suspense account during the year;	-	-
3	Number of shareholders to whom equity shares were transferred from suspense account during the year;	-	-
4	Number of shares and the corresponding no. of shareholders whose shares were transferred from the suspense account to Investor Education and Protection Fund in terms of Investor Education & Protection fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016	-	-
5	Aggregate number of shareholders and the outstanding equity shares in the suspense account lying at the end of the year	890	18,113

(viii) Details of utilization of funds raised through preferential issue:

The Company has not raised funds through preferential Issue.

(ix) Audit Fees:

The fees paid by the Company to the statutory auditors during the financial year 2021 -2022 are as under:

Nature of Service Provided	Amount (In ₹ Lakhs)
Statutory Audit Fees	6.00
Tax Audit Fees	1.00
Total	7.00

(x) Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:

The Company has not declared any dividend in any of the preceding financial years.

The Company has appointed a Nodal Officer under the provisions of (IEPF), the details of which are available on the website of the Company www.fmn.co.in.

Pursuant to Regulation 7(2) of the Listing Regulations, certificates on half yearly basis have been issued by a qualified practicing Company Secretary confirming the compliance of share transfer formalities by the Company.

(xi) Compliance with discretionary requirements (Part E of Schedule II of Listing Regulations)

- i. The Board:** The Chairperson of the Board is an Independent Director. The Company did not maintain a Chairperson's office at the Company's expense or reimburse expenses incurred in performance of his duties, during the year under review.
- ii. Shareholders' Rights:** Quarterly, half yearly and annual financial results of the Company are furnished to the Stock Exchanges and are also published in the newspapers and uploaded on website of the Company. Significant events / Investor's Presentations are also posted on the Company's website under the Investors section. Hence, no half yearly results and significant events were sent to each of household of Shareholders.
- iii. Modified opinion(s) in audit report:** During the year under review, the Company has unmodified audit opinion on the Company's financial statements. The Company continues to adopt best practices and has ensured a track record of financial statements with unmodified audit opinion.
- iv. Reporting of Internal Auditor:** Internal Auditors report to Audit Committee and present their Internal Audit Report and their observations at the meeting of the Audit Committee.

(xii) Certificate on Non-disqualification of Directors

Certificate of M/s. Alwyn D'souza & Co., Practicing Company Secretaries (Membership No.: FCS 5559) confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or from continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this Report.

(xiii) Recommendations of the Committees of the Board

During the year under review, there was no such instances, where the Board has not accepted any recommendations of any Committee of the Board, which is mandatorily required.

(xiv) Management Discussion and Analysis

Management Discussion and Analysis Report (MDA) has been attached to the Board's Report and forms part of this Annual Report.

(xv) Auditor's certificate on corporate governance

As required by Schedule V of the Listing Regulations, the Auditor's certificate on corporate governance is annexed to the Board's report.

(xvi) CEO/CFO certification

The CEO/CFO certification in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations forms part of the Annual Report.

(xvii) Code of Conduct for Directors and Senior Management Personnel

Board of Directors have laid down Code of Conduct for Directors and Senior Management (the Code) for all the Board Members and senior management personnel in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and the Companies Act, 2013.

All the Board Members and Senior Management Personnel have affirmed compliance with this Code. A declaration signed by the Executive Director & CFO to this effect is attached at the end of this Report. This Code is available on the Company's website at www.fmn.co.in.

(xviii) Prohibition of Insider Trading

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Regulations), the Company has adopted the "Code for Prohibition of Insider Trading and to regulate, monitor and report trading by Insiders and designated persons" and "Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)" ("these Codes") which are effective from May 15, 2015. The Code for Prohibition of Insider Trading and to regulate, monitor and report trading by Insiders and designated persons was further modified, from time to time, to align with the amendments to the Regulations. These Codes lay down guidelines and procedures to be followed and disclosures to be made while dealing with securities of the Company and caution about the consequences of violations. These Codes have been formulated to regulate, monitor and ensure reporting of trading by the Employees and Connected Persons designated on the basis of their functional roles in the Company towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable.

The Company has automated the declarations and disclosures to identified designated employees, and the Board reviews the policy on need basis. During the year there has been due compliance with the code by the company and all insiders and requisite disclosures were made to the Stock Exchanges from time to time. The policy is available on our website, www.fmn.co.in.

(xix) Details of Non-compliance relating to Capital Markets during the past 3 years:

The Company has complied with all requirements of the Regulatory Authorities. No penalties / strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital market since the listing of the Company's equity shares.

(xx) Compliance with the requirements of Corporate Governance Report:

The Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) mentioned in Para C of Schedule V of SEBI LODR and disclosed necessary information as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI LODR at the respective places in this report.

(xxi) Disclosure of Accounting Treatment

The standalone and consolidated financial statements for financial year 2020-21 have been prepared in accordance with the applicable Indian Accounting Standards (INDAS) and the provisions of the Companies Act, 2013 and the Rules framed thereunder.

(xxii) Details of non-compliance

No penalty has been imposed by any stock exchange or SEBI nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market over the last three years.

(xxiii) At present, the Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Annual Listing fees for the year 2022-2023 have been paid to BSE and NSE.

(xxiv) The Company has paid custodial fees for the year 2022 -2023 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them.

Standalone Financial Statements and Notes

INDEPENDENT AUDITOR'S REPORT

To the Members of FUTURE MARKET NETWORKS LIMITED

Report on the Audit of Standalone Ind-AS Financial Statements

Opinion

We have audited the standalone Ind-AS financial statements of **Future Market Networks Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the year ended and notes to the Ind-AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the standalone Ind-AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind-AS financial statements gives the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind-AS financial statements under the provisions of the Companies Act, 2013 and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue Recognition :</p> <p>The Company earns revenue from leasing out of commercial units / shops. Revenue pertaining to lease rents is recognized on straight line basis over the lease term in accordance with Ind AS 116.</p> <p>Contingent rent is that portion of the lease payments that is not fixed in amount but is based on the future amount of a factor that changes other than with the passage of time. (eg. percentage of future sales, amount of future use, future price indices, future market rates of interest).Such rent is recognised in the Statement of Profit & Loss in the period they are earned.</p>	<p>As part of our audit, we:</p> <ul style="list-style-type: none"> • Assessed the appropriateness of the accounting policies for revenue recognition, the amount of revenue recognised as per the agreement entered into with the tenants along with Ind AS 116. • Performed analytical procedures to identify deviations in monthly rent received from the tenants / lessees / sub-lessees. • Performed substantive testing by verifying the implementation and operating effectiveness of controls over the data set collected by the management with regards to the revenue of shops and the computation of such contingent rent. • Tested the design, implementation and operating effectiveness of controls over the calculation of discount and rebates. • Assessed the adequacy of the company's disclosures made in to the financial statements
<p>Allowance for credit losses</p> <p>The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.</p> <p>The Company considered current and anticipated future economic conditions relating to industry the Company deals with.</p> <p>In calculating expected credit loss, the Company has also considered related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.</p>	<p>As part of our audit, we:</p> <ul style="list-style-type: none"> • Tested the effectiveness of controls over the development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions, completeness and accuracy of information used in the estimation of probability of default and computation of the allowance for credit losses. • Verified the mathematical accuracy and computation of the allowances by using the same input data used by the Company.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the standalone financial statements which indicates that the Company has incurred a net loss of ₹ 1,237.04 lakhs during the year ended March 31, 2022. The Company has a positive net-worth of ₹ 7,332.20 lakhs as at March 31, 2022. Also, we draw attention to the events which have occurred after the balance sheet date, as set forth in Note No.39 to the standalone financial statements.

Information Other Than the Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind-AS Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the 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 the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note 39 on Contingent Liabilities to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared and paid dividend during the year.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Place : Mumbai
Date : May 19, 2022

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN : 22146268AJHKBZ7753

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Future Market Networks Limited

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls with reference to financial statements of Future Market Networks Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 (the "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 (hereinafter referred to as "the Act").

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included operating and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.
5. 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 over financial reporting with reference to the standalone financial statements of the Company.

Meaning of Internal Financial controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include those policies and procedures that:
 - i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - ii. provide reasonable assurance that 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 authorizations of management and directors of the company; and
 - iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and as such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022 based on the criteria for internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Place : Mumbai
Date : May 19, 2022

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN : 22146268AJHKBZ7753

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Future Market Networks Limited)

To the best of our information and according to the explanations provided to us by the Company and the books of account and the records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company does not have any intangible asset; hence this sub-clause is not applicable.
- (b) The Company has a program of physical verification of Property, Plant and Equipment; and relevant details of right-of-use assets are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
- (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2022 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate, and no discrepancies of 10% or more in the aggregate for each class of inventory.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
- (a) aggregate amount during the year, and balance outstanding at the balance sheet date of such loans or advances and guarantees or security to subsidiaries, joint ventures, associates and other parties are as follows:-

Particulars	(₹ In Lakhs)	
	Guarantees	Loans
Aggregate amount granted/ provided during the year		
Subsidiaries	-	-
Joint Ventures	-	-
Others	-	-
Balance outstanding as at balance sheet date in respect of above cases		
Subsidiaries	-	478.55
Joint Ventures	4,276.00	-
Others	16,100.00	2,511.49

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated and accordingly clause 3(iii)(c) of the order is not applicable.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date
- (e) No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The company has granted loans or advances of ₹ 2,990.04 lakhs which are repayable on demand and which constitute 16% to the total loans granted to related parties as defined in clause (76) of section 2 of the Companies Act, 2013;

FUTURE MARKET NETWORKS LIMITED

- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, making investments and providing guarantees and securities.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Companies Act for the products of the company
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, cess and other material statutory dues were outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, goods & service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited on account of any dispute except as below :

Name of Statute	Name of dues	Amount (₹ in lakhs)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Tax deducted at Source (TDS)	5.46	FY 2014-15	Commissioner of Income Tax (Appeals)

The above disputed service tax amount is due and payable by the third party (Refer note 39)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not made any defaults in repayment of loans or other borrowings or in the payment of interest thereon to any lender at the balance sheet date. The Company does not have any loans or borrowings from Government. Further, the Company has not issued any debentures.
- (b) The Company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.
- (c) The Company has taken term loans during the current year and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short- term basis have been used for long-terms purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and utilized the money raised by the way of term loans for the purpose for which they were obtained during the period..
- (b) According to the records of the Company examined by us and the information and explanation given to us, the company has not made any preferential allotments or private placements of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, provisions of Clause 3(x)(b) of the Order are not applicable to the company.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, the Company has not received any whistle blower complaint during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

- (xiv) (a) According to the records of the Company examined by us and the information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non- Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) According to the information and explanations given to us, and the records of the company examined by us, the Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements read with Note 39 of standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year. This matter has been disclosed in Note 38 of the standalone financial statements.
- (b) There are no ongoing projects as specified in section 135(6) of the Companies Act 2013 and hence reporting under this clause is not applicable to the company.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN : 22146268AJHKBZ7753

Place : Mumbai
Date : May 19, 2022

Balance Sheet as at March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	1,771.59	2,482.97
(b) Right of use assets	3	10,904.11	12,158.04
(c) Capital work-in-progress	3	85.91	63.57
(d) Investment properties	4	7,568.11	7,701.22
(e) Investments in subsidiaries, associates and joint ventures	5 (a)	9,378.00	9,378.02
(f) Financial assets			
(i) Investments	5 (a)	21.82	23.17
(ii) Other financial assets	5 (f)	273.96	247.80
(g) Non-current tax assets	6 (a)	808.26	690.13
(h) Deferred tax assets (net)	6 (b)	6,736.55	7,938.23
(i) Other non-current assets	7	2,774.17	3,378.66
Total non-current assets		40,322.48	44,061.81
Current assets			
(a) Inventories	8	861.12	862.20
(b) Financial assets			
(i) Investments	5 (a)	816.99	101.70
(ii) Trade receivables	5 (b)	1,716.36	2,434.06
(iii) Cash and cash equivalents	5 (d)	561.67	1,509.18
(iv) Bank balances other than above	5 (e)	665.40	-
(v) Loans	5 (c)	2,990.04	3,938.10
(vi) Other financial assets	5 (f)	172.63	310.13
(c) Other current assets	7	3,926.94	2,868.04
		11,711.15	12,023.41
Assets classified as held for sale	9	-	1,954.69
Total current assets		11,711.15	13,978.10
Total Assets		52,033.63	58,039.91
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10 (a)	5,754.44	5,754.44
(b) Other equity	10 (b)	1,577.76	6,870.39
Total Equity		7,332.20	12,624.83
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11 (a)	9,899.39	-
(ii) Lease liabilities	11 (b)	14,438.40	14,880.35
(iii) Other financial liabilities	11 (b)	688.29	1,641.90
(b) Provisions	12	70.80	67.19
(c) Other non-current liabilities	13	568.07	507.73
Total non-current liabilities		25,664.95	17,097.17

Balance Sheet as at March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
- Total outstanding due of micro and small enterprises	11 (c)	80.55	46.44
- Others	11 (c)	502.08	1,288.17
(ii) Lease liabilities	11 (b)	2,197.01	3,529.44
(iii) Other financial liabilities	11 (b)	1,571.07	781.13
(b) Provisions	12	53.00	36.54
(c) Other current liabilities	13	14,632.77	22,636.19
Total current liabilities		19,036.48	28,317.91
Total Liabilities		44,701.43	45,415.08
Total Equity and Liabilities		52,033.63	58,039.91
The above balance sheet should be read in conjunction with the accompanying notes.	1-40		

As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W

Dhiraj Lalpuria
Partner
Membership Number : 146268

Place : Mumbai
Date : May 19, 2022

For and on behalf of the Board of Directors

Vijai Singh Dugar
Director
DIN: 06463399

Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580

Place : Mumbai
Date : May 19, 2022

Anil Cherian
Head - Legal and Company Secretary

Statement of Profit and Loss for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
(a) Revenue from Operations	15	8,066.91	6,454.79
(b) Other Income	16	482.73	775.15
Total Income		8,549.64	7,229.94
Expenses			
(a) Operating Costs	17	1,565.84	2,164.67
(b) Changes in inventories of finished goods, work-in progress and stock-in-trade	18	1.08	1.18
(c) Employee Benefits Expense	19	652.96	453.02
(d) Finance Costs	20	2,039.66	2,056.28
(e) Depreciation and amortization expense	21	1,761.55	3,729.31
(f) Other Expenses	22	2,564.03	2,491.76
Total Expenses		8,585.12	10,896.22
Profit/(Loss) before exceptional items and tax		(35.48)	(3,666.28)
Exceptional items		-	-
Profit/(Loss) Before Tax		(35.48)	(3,666.28)
Income Tax Expense			
Current Tax	6	-	-
Deferred Tax	6	1,201.56	(790.11)
Earlier Year Tax / (Provision written back)		-	5.77
Total Tax Expense		1,201.56	(784.34)
Profit/(Loss) for the year (A)		(1,237.04)	(2,881.94)
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
Actuarial gain/(loss) on employee defined benefit funds recognised in other Comprehensive Income	10	1.85	(2.92)
Fair valuation of equity investments other than investments in subsidiaries, associates and joint ventures	10	(1.36)	(1.53)
B. Income tax relating to above items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	10	0.47	(0.74)
Equity instruments through other comprehensive income	10	(0.35)	(0.39)
Other Comprehensive Income for the year, net of taxes (B)		0.37	(3.32)
Total Comprehensive Income for the year (A+B)		(1,236.67)	(2,885.26)
Earnings per equity share (Face value of ₹ 10/- each)	26		
Basic (in ₹)		(2.15)	(5.01)
Diluted (in ₹)		(2.15)	(5.01)
The above statement of profit and loss should be read in conjunction with the accompanying notes.	1-40		

As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W

Dhiraj Lalpuria
Partner
Membership Number : 146268

Place : Mumbai
Date : May 19, 2022

For and on behalf of the Board of Directors

Vijai Singh Dugar
Director
DIN: 06463399

Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580

Place : Mumbai
Date : May 19, 2022

Anil Cherian
Head - Legal and Company Secretary

Statement of Change in Equity

(All amounts in INR lakhs, unless otherwise stated)

A. Equity Share Capital

As at March 31, 2021	5,754.44
Changes in equity share capital	-
As at March 31, 2022	5,754.44

B. Other Equity

Particulars	Reserves and Surplus				Other Reserves	Total Other Equity
	Securities Premium	Retained Earnings	Capital Reserve	Subordinated Debt	FVOCI - equity investments	
Balance as at April 1, 2020	27,045.67	(23,820.56)	2,636.54	5,355.98	(162.00)	11,055.63
Profit / (Loss) for the year	-	(2,881.94)	-	-	-	(2,881.94)
Other comprehensive income for the year	-	(2.18)	-	-	(1.11)	(3.29)
Total comprehensive income for the year	-	(2,884.12)	-	-	(1.11)	(2,885.23)
Addition during the year	-	-	-	-	-	-
Lease Liabilities	-	-	-	(1,300.01)	-	(1,300.01)
Balance as at March 31, 2021	27,045.67	(26,704.68)	2,636.54	4,055.97	(163.11)	6,870.39
Balance as at April 1, 2021	27,045.67	(26,704.68)	2,636.54	4,055.97	(163.11)	6,870.39
Profit / (Loss) for the year	-	(1,237.04)	-	-	-	(1,237.04)
Other comprehensive income for the year	-	1.38	-	-	(1.01)	0.37
Total comprehensive income for the year	-	(1,235.66)	-	-	(1.01)	(1,236.67)
Addition during the year	-	-	-	-	-	-
Repayment of Subordinated Debts	-	-	-	(4,055.97)	-	(4,055.97)
Balance as at March 31, 2022	27,045.67	(27,940.34)	2,636.54	-	(164.11)	1,577.76

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W

Dhiraj Lalpuria
Partner
Membership Number : 146268

Place : Mumbai
Date : May 19, 2022

For and on behalf of the Board of Directors

Vijai Singh Dugar
Director
DIN: 06463399

Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580

Place : Mumbai
Date : May 19, 2022

Anil Cherian
Head - Legal and Company Secretary

Cash Flow Statement for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Cash Flow from operating activities		
		(35.48)	(3,666.28)
	Adjustments for		
	Add:		
	Provision for doubtful debts	4.29	38.27
	Depreciation and amortisation expenses	1,761.55	3,729.31
	Finance costs	2,039.66	2,056.27
	Bad debts and irrecoverable balances written off	660.82	196.76
	Provision for gratuity & leave encashment	6.65	16.12
	Loss due to fire of property, plant & equipment	-	667.33
	Loss on discard of property, plant & equipment	8.73	328.88
	Loss on sale of investment in Joint venture	819.89	-
	Less:		
	Interest received	(448.32)	(645.90)
	Sundry balance written back	(15.40)	(59.03)
	Loss / (Profit) on sale of investments	(5.43)	0.99
	Profit on sale of property, plant & equipment - net	-	(30.04)
	Gratuity & leave encashment paid	(0.78)	(16.26)
	Operating profit before working capital change	4,796.18	2,616.41
	Change in operating assets and liabilities		
	Trade and other receivables	(244.13)	(234.74)
	Trade payable, other liabilities & provisions	(10,601.66)	(5,770.13)
	Inventories	1.08	1.18
		(10,844.72)	(6,003.68)
	Cash generated / (used) from operations	(6,048.55)	(3,387.26)
	Income taxes (paid) / refund	(164.47)	391.22
A	Net cash inflow / (outflow) from operating activities	(6,213.02)	(2,996.05)
	Cash flow from investing activities:		
	Proceeds from Sale of property, plant & equipment / claim from insurance	381.15	2,738.89
	Purchase of property, plant & equipment, capital work-in-progress and investment property	(75.33)	(495.48)
	Proceeds from divestment in stake of joint venture/ investment	1,140.23	0.01
	Loans received / (given)	948.07	3,607.27
	Interest received	448.32	645.90
	(Investment) / Proceeds from maturity of Bank deposits	(665.40)	6.86
B	Net cash inflow from investing activities	2,177.03	6,503.45

Cash Flow Statement for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from financing activities		
Interest paid	(2,039.66)	(2,056.27)
Repayment of subordinated debt	(4,055.97)	(1,300.00)
Net Proceeds from/ (repayment of) non current borrowings	9,899.39	-
C Net cash outflow from financing activities	3,803.76	(3,356.27)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(232.22)	151.13
Add: Cash and cash equivalents at the beginning of the financial year	1,610.88	1,459.75
Cash and cash equivalents at the end of the year	1,378.66	1,610.88
Cash and cash equivalents [See Note 5(d)]	561.67	1,509.18
Investment in liquid Funds [See Note 5(a)]	816.99	101.70
Balance as per Statement of Cash Flow	1,378.66	1,610.88

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

Change in Liability arising from financing activities

Particulars	As at March 31, 2021	Cash Flows	Non Cash Changes	As at March 31, 2022
Current Borrowings	-	-	-	-
Non Current Borrowings (including current maturities)	-	9,899.39	-	9,899.39

Particulars	As at March 31, 2021	Cash Flows	Non Cash Changes	As at March 31, 2021
Current borrowings	-	-	-	-
Non Current borrowings (including current maturities)	-	-	-	-

As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W

Dhiraj Lalpuria
Partner
Membership Number : 146268

Place : Mumbai
Date : May 19, 2022

For and on behalf of the Board of Directors

Vijai Singh Dugar
Director
DIN: 06463399

Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580

Place : Mumbai
Date : May 19, 2022

Anil Cherian
Head - Legal and Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1. BACKGROUND

Future Market Networks Limited ("The Company") is a public limited company incorporated in India under the provisions of Companies Act, 1956 and validly existing under Companies Act, 2013 ("the Act"). Equity shares of the Company are listed with the BSE Limited and the National Stock Exchange of India. The company is engaged in the business of building capacity and enabling the infrastructure for future markets in a more efficient and cost effective manner. It aims to create a network of new markets by integrating and better organizing the modern wholesale trade, retail and logistics infrastructure in India.

The financial statements were authorized for issue by the Company's Board of Directors on May 19, 2022.

2. Significant Accounting Policies:

a) Basis of preparation

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities, that is measured at fair value;
- assets held for sale measured at lower of carrying amount or fair value less cost to sell; and
- share-based payments

iii. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

b) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. 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 recognised as separate assets, 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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

Useful life considered for calculation of depreciation for various assets class are as follows-

- | | |
|-------------------------------------|----------|
| • Leasehold Improvements | 16 years |
| • Machinery | 10 years |
| • Furniture, fittings and equipment | 10 years |
| • Office and other equipments | 5 Years |
| • Computers | 3 Years |

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

c) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing

costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Freehold land is carried at cost. Investment properties are depreciated using the straight-line method over their estimated useful lives.

Useful life considered for calculation of depreciation for Freehold Building is as follows-

- Freehold buildings 60 years

d) Investments and other financial assets:

i. 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 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.

ii. Measurement of financial assets

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 profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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. The Company classifies its debt instruments into following categories:

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. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments

The Company subsequently measures all equity investments other than in subsidiaries, joint ventures and associates 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, on sale or otherwise, of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognised in profit or loss as other income when the right to receive of the Company established.

iii. 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. Note 24 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv. Derecognition of financial assets

A financial asset is derecognised only when

- 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 cash flows to one or more recipients.

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 not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not 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 company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

A financial liability is recognised when the obligation specified in the contract is discharged, completed or expired.

e) Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

f) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

h) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less from the Balance Sheet date.

i) Revenue Recognition:

The Company derives revenues primarily from leasing of immovable properties which is primarily covered under Ind AS – 116 and consequently the same are accounted as per the said standard.

In relation to revenues not covered under Ind AS 116, the revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue from sale of services are recognized at a time on which the performance obligation is satisfied except Revenue from real estate property development where in revenue is recognized in the financial year in which the agreement to sell is executed.

The period over which revenue is recognised is based on entity's right to payment for performance completed. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than entity's failure to perform as per the terms of the contract.

j) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal Company classified as held for sale continue to be recognised.

k) Employee Benefits:

Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees's service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Share-based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date, which is based on the Black Scholes model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

The details regarding the determination of the fair value of equity settled share based payments transactions are set out in Note 28.

l) 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 end of the reporting period 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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Guidance note to Ind AS 12 – Income taxes, relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

- (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty Financial Statements.
- (2) The entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount
- (3) Entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The effect on adoption of Ind AS 12 Appendix C is insignificant in the financial statements.

Leases:

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

As a lessee

Ind AS 116 Leases sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently remeasured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset will be separately presented in the balance sheet and lease payments will be classified as financing activities.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognizes the lease payments associated with these leases as an expense in standalone statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

m) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Indian rupee (INR), which is Future Market Network's Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

n) Inventories:

Inventories which comprise of finished stock of completed projects are valued at lower of cost or net realizable value. Cost is determined by including cost of land (including development rights), internal development cost, external development charges, materials, services, related overheads and apportioned borrowing costs.

o) Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

p) Earnings per share**Basic earnings per share**

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (Note 26).

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

q) Segment Reporting:

The Company is primarily engaged in the activity of mall management business and considers it to be a single reportable business segment. The operations of the Company are within the geographical territory of India which is considered as a single geographical segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director, who has been identified as being the chief operating decision maker, assesses the financial performance and position of the company, and makes strategic decisions. Refer Note 25 for segment information presented.

r) 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 profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

s) Borrowing costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.

Other borrowing costs are expensed in the period in which they are incurred.

t) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for

future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognised as interest expense. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

u) **Rounding of amounts**

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

v) **Critical estimates and judgments**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal and actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation (Note 14)
- Estimation of current tax expense and payable (Note 6)
- Estimated Fair value of unlisted securities – (Note 23)
- Estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized;
- Estimation of Fair valuation of employee share options and no. of expected vesting options (Note 28)
- Recognition of deferred tax assets – availability of future taxable profits against which deferred tax assets can be used (Note 6)
- Probable outcome of matters included under Contingent Liabilities (Note 39)

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Recent pronouncements

On March 23, 2022, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2022. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statement

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

3. Property, Plant and Equipment

Particulars	Leasehold Improvements	Air Conditioner	Computers	Furniture and fittings	Office and Other Equipments	Plant and Machinery	Vehicles	Total	Right of Use Assets	Capital work-in-progress
Year ended March 31, 2021										
Gross carrying amount										
Opening gross carrying amount	6,945.31	2,058.52	50.05	4,208.28	162.96	4,483.15	-	17,908.27	17,131.72	616.20
Additions	149.47	3.25	1.88	273.50	1.74	617.62	-	1,047.46	-	102.84
Disposal/Transfer	(4,579.11)	(892.99)	(11.26)	(3,701.08)	(50.78)	(1,787.46)	-	(11,022.68)	(47.06)	(655.47)
Closing gross carrying amount	2,515.67	1,168.78	40.67	780.70	113.92	3,313.31	-	7,933.05	17,084.66	63.57
Accumulated depreciation										
Opening accumulated depreciation	3,409.16	1,582.03	43.69	3,098.93	154.09	2,915.29	-	11,203.19	2,902.00	-
Depreciation charge during the year	458.02	224.40	3.93	341.34	3.57	540.19	-	1,571.45	2,024.62	-
Depreciation related to Disposal/Transfer	(2,102.87)	(745.48)	(10.53)	(3,208.22)	(50.70)	(1,206.76)	-	(7,324.56)	-	-
Closing accumulated depreciation	1,764.31	1,060.95	37.09	232.05	106.96	2,248.72	-	5,450.08	4,926.62	-
Net carrying amount	751.36	107.83	3.58	548.65	6.96	1,064.59	-	2,482.97	12,158.04	63.57
Year ended March 31, 2022										
Gross carrying amount										
Opening gross carrying amount	2,515.67	1,168.78	40.67	780.70	113.92	3,313.31	-	7,933.05	17,084.66	63.57
Additions	2.05	0.59	6.89	-	3.47	40.00	-	53.00	-	22.34
Disposal/Transfer	-	-	-	(37.57)	-	(6.35)	-	(43.92)	(366.67)	-
Closing gross carrying amount	2,517.72	1,169.37	47.56	743.13	117.39	3,346.96	-	7,942.13	16,717.99	85.91
Accumulated depreciation										
Opening accumulated depreciation	1,764.31	1,060.95	37.09	232.05	106.96	2,248.72	-	5,450.08	4,926.62	-
Depreciation charge during the year	163.47	50.16	2.39	190.67	3.60	330.89	-	741.18	887.26	-
Depreciation related to Disposal/Transfer	-	-	-	(19.63)	-	(1.09)	-	(20.72)	-	-
Closing accumulated depreciation	1,927.78	1,111.11	39.48	403.09	110.56	2,578.52	-	6,170.54	5,813.88	-
Net carrying amount	589.94	58.26	8.08	340.04	6.83	768.44	-	1,771.59	10,904.11	85.91

i) Property, plant and equipments pledged as security (Note 27)

3(a) CWIP ageing schedule

Ageing for Capital work-in-progress as at 31 March, 2022 is as follows:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	22.34	63.57	-	-	85.91
Projects temporarily suspended	-	-	-	-	-
Total	22.34	63.57	-	-	85.91

Ageing for Capital work-in-progress as at 31 March, 2021 is as follows:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	63.57	-	-	-	63.57
Projects temporarily suspended	-	-	-	-	-
Total	63.57	-	-	-	63.57

Capital work-in-progress mainly comprises building, furniture & fixtures.

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

4. Investment Properties

	Freehold Land	Building	Total
Year ended March 31, 2021			
Gross carrying amount			
Opening gross carrying amount	142.50	8,241.41	8,383.91
Additions	-	-	-
Disposal/Transfer	-	(6.73)	(6.73)
Closing gross carrying amount	142.50	8,234.68	8,377.18
Accumulated depreciation			
Opening accumulated depreciation	-	543.17	543.17
Depreciation charge during the year	-	133.24	133.24
Depreciation related to disposal/transfer	-	(0.45)	(0.45)
Closing accumulated depreciation	-	675.96	675.96
Net carrying amount	142.50	7,558.72	7,701.22
Year ended March 31, 2022			
Gross carrying amount			
Opening gross carrying amount	142.50	8,234.68	8,377.18
Additions	-	-	-
Disposal/Transfer	-	-	-
Closing gross carrying amount	142.50	8,234.68	8,377.18
Accumulated depreciation			
Opening accumulated depreciation	-	675.96	675.96
Depreciation charge during the year	-	133.11	133.11
Depreciation related to disposal/transfer	-	-	-
Closing accumulated depreciation	-	809.07	809.07
Net carrying amount	142.50	7,425.61	7,568.11

(i) Amounts recognised in profit or loss for investment properties

	As at March 31, 2022	As at March 31, 2021
Rental income	991.97	593.75
Direct operating expenses from property that generated rental income	62.80	70.07
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	929.17	523.68
Depreciation	133.11	133.24
Profit from investment properties	796.06	390.44

(ii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly.

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	As at March 31, 2022	As at March 31, 2021
Within one year	800.24	960.57
Later than one year but not later than 5 years	2,776.69	3,087.46
Later than 5 years	-	-
Total	3,576.93	4,048.03

(iii) Fair value

	As at March 31, 2022	As at March 31, 2021
Investment properties	42,617.84	39,771.90

Estimation of fair value

Estimation of fair value - The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in respective area. This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method.

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

5(a). Investments

	As at March 31, 2022	As at March 31, 2021
Non Current Investments		
a. Investment in subsidiaries		
Unquoted		
1,00,000 Equity Shares of Aashirwad Malls Private Limited	570.56	570.56
11,36,600 Equity Shares of Sun City Properties Private Limited	1,295.52	1,295.52
8,47,356 Equity Shares of Suhani Mall Management Company Private Limited	2,023.52	2,023.52
6,58,030 Equity Shares of Future Trade Markets Private Limited	4,019.44	4,019.44
10,000 Equity Shares of Jeremia Real Estate Private Limited	0.20	0.20
b. Investment in joint venture		
Unquoted		
6,384 Equity Shares of Riddhi Siddhi Mall Management Private Limited	698.14	698.14
Total (a+b)	8,607.38	8,607.38
c. Investment in preference shares of joint venture		
Unquoted		
141, 0.01% Non Cumulative Optionally Convertible Preference Shares of Riddhi Siddhi Mall Management Private Limited of ₹ 1,000/- each fully paid up.	770.64	770.64
Total (c)	770.64	770.64
d. Investment in equity instruments		
Fair value through other comprehensive income		
Unquoted		
11,425 Equity Shares of V R Procurement Corporation Private Limited	21.75	22.48
6,903 Equity Shares of Harmony Malls Management Private Limited	0.07	0.69
Total (d)	21.82	23.17
Non-current investments total (a+b+c+d)	9,399.84	9,401.19
Investments in subsidiaries, associates and joint ventures (a+b+c)	9,378.02	9,378.02
Investments (in others) (d)	21.82	23.17
Aggregate amount of unquoted investments	9,399.84	9,401.19
Current		
UTI - Floating Rate Fund	-	101.70
Aditya Birla Sun Life Floating Rate Fund	104.32	-
Aditya Birla Sun Life Low Duration Fund-Growth	712.67	-
Current investments total	816.99	101.70

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

5(b). Trade receivables

	As at March 31, 2022	As at March 31, 2021
Trade receivables		
Related Parties	281.75	974.17
Others	1,590.44	1,611.43
Total	1,872.19	2,585.60
Less: Allowance for bad and doubtful debts	(155.83)	(151.54)
Total trade receivables	1,716.36	2,434.06
Breakup of securities details		
Secured, considered good	-	-
Unsecured, considered good	1,733.70	2,458.65
Doubtful	138.50	126.95
Total	1,872.19	2,585.60
Less: Allowance for doubtful debts	(155.83)	(151.54)
Total trade receivables	1,716.36	2,434.06

Trade Receivables ageing schedule as on March 31, 2022 is as follows

Particulars	Outstanding for following periods from the date of the transaction					Total
	Less Than 6 Months	6 months to 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed Trade Receivables- Considered Good	807.71	243.67	672.03	10.29	-	1,733.70
Undisputed Trade Receivables- Considered Doubtful	4.65	8.17	23.17	53.36	49.16	138.50
Disputed Trade Receivables- Considered Good	-	-	-	-	-	
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	
Total	812.36	251.84	695.20	63.64	49.16	1,872.19

Trade Receivables ageing schedule as on March 31, 2021 is as follows

Particulars	Outstanding for following periods from the date of the transaction					Total
	Less Than 6 Months	6 months to 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed Trade Receivables- Considered Good	1,550.10	627.39	247.22	31.34	2.60	2,458.65
Undisputed Trade Receivables- Considered Doubtful	10.99	1.67	55.58	10.24	48.46	126.95
Disputed Trade Receivables- Considered Good	-	-	-	-	-	
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	
Total	1,561.10	629.06	302.80	41.59	51.06	2,585.60

5(c). Loans

	As at March 31, 2022	As at March 31, 2021
Current		
Loans and advances	2,511.49	2,752.82
Loans and advances to related parties	478.55	1,185.28
Total current loans and advances	2,990.04	3,938.10

The said loan & advance are repayable on demand:-

Type of Borrower	Amount of loan or advance in nature of loan outstanding	Percentage to the total Loans and Advances in nature of loans
Related parties	478.55	16.00%
	(1,185.28)	(30.10%)

Note : Figures in brackets represent figures pertaining to previous year.

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

5(d). Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Cash on hand	1.61	2.71
Balances with Banks		
In current accounts	560.06	1,506.47
Total Cash and cash equivalents	561.67	1,509.18

5(e). Bank Balances other than above

	As at March 31, 2022	As at March 31, 2021
Fixed Deposit*	656.50	-
Interest accrued on fixed deposit	8.90	-
Total Bank Balances other than above	665.40	-

*Lien against Bank Guarantee, ₹ 656.50 lakhs (March 31, 2021 : ₹ Nil)

5(f). Other financial assets

	As at March 31, 2022	As at March 31, 2021
Non - Current		
Security Deposits	273.96	247.80
Total non-current financial assets	273.96	247.80
Current		
Considered good		
Security Deposits	0.01	150.01
Unbilled Revenue	168.52	147.69
Advance to Staff	4.10	12.43
Total current financial assets	172.63	310.13

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

6(a). Non - Current Tax Assets

	As at March 31, 2022	As at March 31, 2021
Balances with Government Authorities	808.26	690.13
Total Non-current tax assets	808.26	690.13

6(b). Current and deferred tax

6(b). (i) Statement of profit and loss:

	As at March 31, 2022	As at March 31, 2021
(a) Income tax expense		
Current tax		
Adjustments for current tax of prior periods	-	5.77
Total current tax (expense)	-	5.77
Deferred tax		
Decrease (increase) in deferred tax assets	1,201.56	(790.11)
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	1,201.56	(790.11)
Income tax expense	1,201.56	(784.34)

6(b). (ii) The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	As at March 31, 2022	As at March 31, 2021
Profit from operation before income tax expenses	(35.48)	(3,666.28)
Tax rate @ 25.168%	(8.93)	(922.73)
Differences due to:		
Permanent differences	-	0.82
Standard deduction on rental income	(70.16)	(39.54)
Amortization of Finance Cost	-	-
Excess provisions for previous years written off	-	5.77
Adjustment related to unabsorbed tax losses	951.88	521.19
Property, Plant & Equipment - Depreciation	195.57	(258.21)
Leases	130.99	(81.70)
Others	2.20	(9.94)
Income tax expenses	1,201.56	(784.34)

6(b). (iii) Tax losses

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the company

	31-Mar-22	31-Mar-21
Unused tax losses for which no deferred tax asset has been recognised	-	1,678.35
Potential tax benefit @ 25.17%	-	422.00

As on March 31, 2022, the Company has net operating losses and carry forwards that shall expire as follows:

Net operating losses	
2024	2,369.19
2026	2,482.17
2027	610.88
2030	909.49
	6,371.73
Unabsorbed depreciation	
Indefinitely	6,197.47

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

6(b). (iv) Deferred tax assets (net)

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Unabsorbed Tax Losses	3,163.41	4,016.84
Defined benefit obligation	-	-
Provisions	58.07	55.31
Fair valuation of financials assets - P&L Assets	280.26	283.59
Fair valuation of financials assets - P&L Liabilities	(230.95)	(209.73)
Fair valuation of financials assets - P&L (Net)	49.31	73.86
Fair valuation of financials assets - OCI Assets	54.96	54.87
Fair valuation of financials assets - OCI Liabilities	-	-
Fair valuation of financials assets - OCI (Net)	54.96	54.87
Property Plant & Equipment	1,956.27	2,155.02
Leases	1,442.44	1,573.44
Freehold Land	12.06	8.89
Deferred tax liabilities	-	-
Defined benefit obligation	-	-
Total deferred tax assets (net)	6,736.55	7,938.23

6(b). (v) Movement in deferred tax liabilities

	Provisions	Unabsorbed Tax Losses	Fair valuation of financial assets	Property Plant & Equipment	Freehold Land	Leases	MAT credit entitlement	Total
At March 31, 2020	46.86	4,016.84	126.39	1,199.67	7.83	1,749.41	-	7,147.00
(Charged)/credited:								
- to profit or loss	7.72	-	1.97	955.35	1.05	(175.98)	-	790.11
- to other comprehensive income	0.73	-	0.39	-	-	-	-	1.12
At March 31, 2021	55.31	4,016.84	128.75	2,155.02	8.88	1,573.43	-	7,938.23
(Charged)/credited:								
- to profit or loss	3.23	(853.43)	(24.79)	(198.75)	3.18	(130.99)	-	(1,201.56)
- to other comprehensive income	(0.47)	-	0.35	-	-	-	-	(0.12)
At March 31, 2022	58.07	3,163.41	104.30	1,956.27	12.06	1,442.44	-	6,736.55

7. Other assets

	As at March 31, 2022	As at March 31, 2021
Other non-current assets		
Capital Advance	2,750.00	3,350.00
Balances with Government Authorities	16.67	21.16
Corpus Funds	7.50	7.50
Total Other Non-current assets	2,774.17	3,378.66
Other current assets		
Security Deposits	210.57	231.33
Business Advance	1,527.96	437.01
Other Receivables	2,168.27	2,186.88
Prepaid Expense	20.15	12.82
Total Other current assets	3,926.94	2,868.04

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

8. Inventories

	As at March 31, 2022	As at March 31, 2021
Finished Shops	861.12	862.20
Total Inventories	861.12	862.20

9. Assets classified as held for sale

	As at March 31, 2022	As at March 31, 2021
Investments	-	1,954.69
Total	-	1,954.69

In January 2019, the Board of Directors resolved to sell the entire stake of their wholly owned subsidiaries, Gati Realtors Private Limited and Future Retail Destination Private Limited (formerly known as Future Retail Destination Limited). 51% stake of both the entities was sold during the financial year 2019-20 and remaining 49% stake has been sold during the current year.

Non-recurring fair value measurements

Assets classified as held for sale during the previous financial year was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair value of the assets was based on the proposed sales consideration negotiated with the buyer.

10(a). Equity Share capital

	As at March 31, 2022	As at March 31, 2021
Authorised		
9,03,00,000 Equity Shares [March 31, 2021: 9,03,00,000] of ₹ 10/- each	9,030.00	9,030.00
5,000 Preference Shares [March 31, 2021: 5,000] of ₹ 100/- each	5.00	5.00
Total	9,035.00	9,035.00
Issued Capital		
5,75,44,951 Equity Shares [March 31, 2021: 5,75,44,951] of ₹ 10/- each	5,754.50	5,754.50
Total	5,754.50	5,754.50
*includes 570 shares held in abeyance		
Subscribed and paid up		
5,75,44,381 Equity Shares [March 31, 2021: 5,75,44,381] of ₹ 10/- each	5,754.44	5,754.44
Total	5,754.44	5,754.44

a) Movements in Equity Share Capital

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	5,75,44,381	5,754.44	5,75,44,381	5,754.44
Add: shares issued during the year	-	-	-	-
Balance as at the end of the year	5,75,44,381	5,754.44	5,75,44,381	5,754.44

Terms and Rights attached to equity shares:-

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder is eligible to one vote per share. 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, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion of their shareholding.

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2022) including equity shares issued pursuant to contract without payment being received in cash

- (i) In Financial Year 2016-17 - Allotted 1,20,125 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 14, 2016.
(ii) In Financial Year 2019-20 - Allotted 12,53,100 equity shares of ₹ 10/- each under Scheme of Merger by absorption.

b) Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the company.

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% held	Number of shares	% held
Future Corporate Resources Private Limited (Formerly known as Suhani Trading And Investment Consultants Private Limited)	4,11,29,343	71.47%	4,11,29,343	71.47%
Ishbhoomi Fabtraders Private Limited	-	-	41,78,298	7.26%
	4,11,29,343	71.47%	4,53,07,641	78.73%

c) Details of shareholding of Promoters

Name of the Promoter	As at March 31, 2022		% Change During the year	As at March 31, 2021	
	Number of Shares	% of total Number of Shares		Number of Shares	% of total Number of Shares
Ashni Kishore Biyani	141	0.00%	-	141	0.00%
Anil Biyani	50	0.00%	-	50	0.00%
Gopikishan Biyani	50	0.00%	-	50	0.00%
Kishore Biyani	50	0.00%	-	50	0.00%
Laxminarayan Bansilal Biyani	50	0.00%	-	50	0.00%
Rakesh Biyani	50	0.00%	-	50	0.00%
Sunil Biyani	50	0.00%	-	50	0.00%
Vijay Biyani	50	0.00%	-	50	0.00%
Vivek Biyani	50	0.00%	-	50	0.00%
Future Corporate Resources Private Limited	4,11,29,343	71.47%	-	4,11,29,343	71.47%
Surplus Finvest Private Limited	53,526	0.09%	-	53,526	0.09%

10(b). Other Equity

	As at March 31, 2022	As at March 31, 2021
Reserve and surplus		
Capital Reserve	2,636.54	2,636.54
Securities Premium	27,045.67	27,045.67
Retained Earnings	(27,940.34)	(26,704.68)
Subordinated Debt*	-	4,055.97
Other Reserves	(164.12)	(163.11)
Total	1,577.76	6,870.39

* The subordinated debt represents loan taken from Future Corporate Resources Private Limited (Formerly known as Suhani Trading And Investment Consultants Private Limited)

(i) Capital Reserve

	As at March 31, 2022	As at March 31, 2021
Opening Balance	2,636.54	2,636.54
Closing Balance	2,636.54	2,636.54

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

(ii) Securities Premium

	As at March 31, 2022	As at March 31, 2021
Opening Balance	27,045.67	27,045.67
Closing Balance	27,045.67	27,045.67

(iii) Retained Earnings

	As at March 31, 2022	As at March 31, 2021
Opening Balance	(26,704.68)	(23,820.56)
Add: Profit / (Loss) for the year	(1,237.04)	(2,881.94)
Add: Lease Liability	-	-
Remeasurements of post-employment benefit obligation	1.85	(2.92)
Deferred tax (Actuarial Gains)	(0.47)	0.74
Closing Balance	(27,940.34)	(26,704.68)

(iv) Other Reserves

	As at March 31, 2022	As at March 31, 2021
Opening Balance	(163.11)	(162.00)
Change in fair value of FVOCI equity instruments	(1.36)	(1.53)
Deferred tax (Fair Value)	0.35	0.39
Closing Balance	(164.12)	(163.1)

Nature and purpose of other reserves

Securities Premium

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Other Reserves - FVOCI equity investments

The company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

11. Financial Borrowings

	As at March 31, 2022	As at March 31, 2021
11(a). Non-current Borrowings		
Secured		
Term loan from Axis Finance Limited (I)	9,679.05	-
Term loan from Axis Finance Limited (II)	220.34	-
Total Non-current Borrowings	9,899.39	-

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Terms of Borrowings

Sr. No	Nature of security	Terms of Repayment
1	Term Loan from Axis Finance Limited, balance outstanding amounting to ₹ 9,679.05 lakhs (March 31, 2021 :Nil), are secured by (a) Charge on all the current assets of Future Market Networks Limited (b) First and exclusive charge on the immovable property Cosmos Mall (entire mall) including any other amenities, Hotel area, Commercial area in the Mall and car parkings thereon owned by Future Market Networks Limited Located at Ujjain (c) Charge on Escrow account for lease rentals including any lease deposits or any other receivables from lessees from the securities (d) Personal Guarantee of the Promoters	Repayable in 39 quarterly installments starting from August 2023. Last installment due in May 2033. Rate of interest - 9.50% pa. (Payable Quarterly) (Present Effective Rate - 9.50%)
2	Term Loan from Axis Finance Limited, balance outstanding amounting to ₹ 220.34 lakhs (March 31, 2021 :Nil), are secured by: (a) First pari passu charge on all the current assets of Future Market Networks Limited. (b) First and exclusive charge overall over the leasehold rights of FMNL in Asansol Sentrum Mall including any other amenities and car parkings thereon located at Asansol, West Bengal. (c) Second charge on the securities mortgaged in existing transactions of Future Group with Axis Finance Limited. (d) Cross collateralization with existing facility of M/s Future Capital Investment Private Limited. with respect to pledge shares of Future Retail Limited (FRL)/ Future Consumer Limited (FCL). (e) Extension of charge on Escrow account for lease rentals including any lease deposits or any other receivables from lessees from the securities. (f) Personal Guarantee of the Promoters	Repayable in 40 quarterly installments starting from January 2024. Last installment due in October 2033. Rate of interest - 9.50% pa. (Payable Quarterly) (Present Effective Rate - 9.50%)

11(b). Other Non-current financial liabilities

	As at March 31, 2022	As at March 31, 2021
Secured deposits		
From Related Parties	4.13	147.16
From Others	684.16	1,494.74
Total	688.29	1,641.90
Lease Liabilities	14,438.40	14,880.35
Total Non-current financial liabilities	15,126.69	16,522.25

11(b). Other Current financial liabilities

	As at March 31, 2022	As at March 31, 2021
Security deposits:		
From Related Parties	142.58	129.45
From Others	1,224.00	438.92
Other payables (Retention Money)	204.49	212.76
Total	1,571.07	781.13
Lease Liabilities	2,197.01	3,529.44
Total Current financial liabilities	3,768.08	4,310.57

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

11(c). **Trade payables**

	As at March 31, 2022	As at March 31, 2021
Total outstanding, due of, micro and small enterprises	80.55	46.44
Total outstanding from others:		
Related Parties	11.58	552.28
Others	490.51	735.89
Total Trade payables	582.63	1,334.61

Trade Payables Ageing Schedule as on March 31, 2022 is as follows

Particulars	Outstanding for following periods from the date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME (Micro , small and Medium Enterprises)	80.55	-	-	-	80.55
Others	474.06	25.78	1.77	0.48	502.08
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
Total	554.61	25.78	1.77	0.48	582.63

Trade Payables Ageing Schedule as on March 31, 2021 is as follows

Particulars	Outstanding for following periods from the date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME (Micro , small and Medium Enterprises)	46.44	-	-	-	46.44
Others	809.14	472.33	-	6.70	1,288.17
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
Total	855.57	472.33	-	6.70	1,334.61

12. **Provisions**

	As at March 31, 2022	As at March 31, 2021
Non current Employee benefit obligations		
Gratuity (Refer Note 14)	48.36	43.58
Leave entitlement (Refer Note 14)	22.44	23.61
Total Non current Employee benefit obligations	70.80	67.19
Current Employee benefit obligations		
Gratuity (Refer Note 14)	2.78	0.67
Leave entitlement (Refer Note 14)	1.35	0.41
Other Provisions	48.87	35.46
Total current Employee benefit obligations	53.00	36.54

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

13. Other liabilities

	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred Rent Income	568.07	507.73
Total Other Non-current liabilities	568.07	507.73
	As at March 31, 2022	As at March 31, 2021
Current		
Statutory dues (including provident fund, tax deducted at source and others)	45.20	50.59
Advance from customers		
- Related Parties	14,219.40	22,127.89
- Others	16.98	19.58
Deferred Rent Income	184.05	225.74
Other payables	167.14	212.40
Total Other current liabilities	14,632.77	22,636.19

14. Disclosure as per Indian Accounting Standard 19 - Employee Benefits

Defined Contribution Plan**Provident Fund**

The contributions to the Provident Fund of the employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. Employer's Contribution to Provident Fund amounting to ₹ 19.29 Lakhs (Previous Year ₹ 14.59 Lakhs) has been recognized as an expense in the Statement of Profit and Loss.

Defined Benefit Plan**Gratuity**

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or company scheme whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	44.27	43.74
Current service cost	6.04	6.47
Interest expense/(income)	3.03	2.90
Total amount recognised in profit and loss	9.07	9.37
(Gain)/loss from change in financial assumptions	(1.84)	(0.64)
Experience (gains)/losses	(0.01)	3.55
Total amount recognised in other comprehensive income	(1.85)	2.91
Employer contributions	-	-
Benefit payments	(0.35)	(11.75)
Closing defined benefit obligation	51.14	44.27

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

The net liability disclosed above relates to unfunded plans are as follows:

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	51.14	44.27
Fair value of plan assets	-	-
Surplus /(Deficit)	51.14	44.27
Effect of assets ceiling	-	-
Net Defined Benefit Liability/(Assets)	51.14	44.27

Significant estimates: Actuarial assumptions

The significant actuarial assumptions were as follows:

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Financial Assumptions		
Discount rate	7.26%	6.89%
Salary growth rate	5.00%	5.00%
Demographic Assumptions		
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate	1.00%	1.00%
Retirement age	58 years	58 years

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
<u>Discount rate</u>		
a. Discount rate -100 basis point	57.90	50.12
b. Discount rate+100 basis point	45.39	39.28
<u>Salary growth rate</u>		
a. Rate -100 basis point	45.52	39.33
b. Rate+100 basis point	56.70	49.22

Expected Future Cash Flows

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Year 1	2.78	0.68
Year 2	2.42	1.70
Year 3	5.07	2.23
Year 4	1.76	3.97
Year 5	2.89	1.27
Year 6 to 10	24.13	14.69

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

15. Revenue from operations

	Year ended March 31, 2022	Year ended March 31, 2021
Sales	5.68	15.85
Rent and other related revenues	7,871.73	6,438.94
Project Management Consultancy	189.50	-
Total	8,066.91	6,454.79

16. Other Income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income		
On bank deposits	8.90	0.46
On others	439.42	645.44
Profit on sale of Property, Plant & Equipment	-	30.05
Profit on sale of Investments	5.43	29.81
Fair Valuation of Investments	13.58	0.65
Excess Provision Written Back	15.40	59.03
Miscellaneous Income	-	9.71
Total	482.73	775.15

17. Operating Costs

	Year ended March 31, 2022	Year ended March 31, 2021
Mall Maintenance Charges	1,555.36	2,152.18
Rent	10.48	12.49
Total	1,565.84	2,164.67

18. Changes in inventories of finished goods, work-in progress and stock-in-trade

	Year ended March 31, 2022	Year ended March 31, 2021
Cost of units sold	1.08	1.18
Total	1.08	1.18

19. Employee Benefits Expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, Wages and Bonus	614.26	424.02
Contribution to Provident and Other Funds	28.11	21.62
Staff Welfare Expenses	10.59	7.38
Total	652.96	453.02

20. Finance Costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expenses	2,039.48	2,041.30
Other Borrowing costs	0.18	14.98
Total	2,039.66	2,056.28

21. Depreciation and amortization expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on Property, Plant and Equipment	741.18	1,571.45
Depreciation on Investment Property	133.11	133.24
Depreciation on Right of use assets	887.26	2,024.62
Total	1,761.55	3,729.31

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

22. Other Expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Power and Fuel	68.63	178.27
Repairs and Maintenance - Others	258.43	305.08
Auditors' Remuneration		
Statutory Audit Fees	6.00	6.00
Tax Audit Fees	1.00	1.00
Other Services	0.50	0.50
Rates and Taxes	116.75	269.87
Insurance	34.96	22.12
Legal and Professional Fees	293.88	144.83
Listing Fees/Custodian Charges	7.23	7.16
Director Sitting Fees	16.85	17.65
Provision for Doubtful Debts	4.29	38.27
Travelling and Conveyance Expenses	20.58	19.05
Corporate Social Responsibility Expenses (Refer Note 38)	-	26.46
Water Charges	2.07	3.31
Other Expenses	904.24	455.98
Loss of Property, Plant and Equipment due to fire (Refer Note 36)	-	667.33
Loss on sale of Investments	819.89	-
Loss on discard of Property, plant and equipment	8.73	328.88
Total	2,564.03	2,491.76

23. Fair value measurements

23(a). Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity Instruments	-	21.82	-	-	23.17	-
- Investment in subsidiaries , joint ventures and associates	-	9,378.00	-	-	9,378.02	-
- Mutual Funds	816.99	-	-	101.70	-	-
Loans	-	-	2,990.04	-	-	3,938.10
Trade receivables	-	-	1,716.36	-	-	2,434.06
Cash and cash equivalents	-	-	561.67	-	-	1,509.18
Bank Balances other than above	-	-	665.40	-	-	-
Other financial assets	-	-	446.59	-	-	310.13
Total financial assets	816.99	9,399.82	6,380.06	101.70	9,401.19	8,191.47
Financial liabilities						
Borrowings	-	-	9,899.39	-	-	-
Deposits from customer	-	-	2,054.87	-	-	2,210.27
Lease liabilities and other payables	-	-	16,635.41	-	-	18,409.79
Other financial liabilities	-	-	204.49	-	-	212.76
Trade payables	-	-	582.63	-	-	1,334.61
Total financial liabilities	-	-	29,376.79	-	-	22,167.43

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

23(b). Fair value hierarchy

Investment in Mutual Funds which are measured at Fair Value through Profit and Loss Account are measured under Level 1.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed are calculated under Level 3 except loans and security deposits which is measured at Level 2.

Investment in Equity Shares which are measured at Fair Value through Other Comprehensive Income are measured under Level 3.

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31 :

	Investment in - Equity instruments
As at March 31, 2020	24.71
Sale of Investment	0.01
Gains/(losses) recognised in Other Comprehensive Income	(1.54)
As at March 31, 2021	23.17
Sale of Investment	-
Gains/(losses) recognised in Other Comprehensive Income	(1.36)
As at March 31, 2022	21.82

Valuation processes

The Company has obtained assistance of independent and competent third party valuation experts to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the Company and the valuer on periodic basis. Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

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

	March 31, 2022		March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security Deposits	273.96	312.69	397.81	397.81
Loans	2,990.04	2,990.04	3,938.10	3,938.10
Total	3,264.00	3,302.73	4,335.91	4,335.91
Financial liabilities				
Borrowings	9,899.39	9,899.39	-	-
Deposits from customer	2,054.87	2,090.10	2,210.27	16,629.47
Total	11,954.26	11,989.49	2,210.27	16,629.47

The following methods and assumptions were used to estimate the fair values:

1. Fair value of trade receivables, trade payables, cash and cash equivalent, Bank balances other than above, other financial assets and other financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
2. The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 in the fair value hierarchy due to the inclusion of observable inputs.
3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

24. 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. 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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. The company is not exposed to any foreign currency risk as neither operates internationally nor has any foreign currency transaction.

(a) Price Risk - Exposure:

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through OCI. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

	March 31, 2022	March 31, 2021
BSE Sensex 30 - Increase 5%	40.85	5.09
BSE Sensex 30 - Decrease 5%	(40.85)	(5.09)

Above referred sensitivity pertains to investment in quoted securities. Profit for the year would increase/(decrease) as a result of gains/(losses) on the same as at fair value through profit or loss.

(b) Interest rate risk

The Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

The exposure of the Company to interest rate changes at the end of the reporting period are as under:

	March 31, 2022	March 31, 2021
Fixed rate borrowing	9,899.39	-
Percentage of fixed rate borrowings to total borrowings	100.00%	-
Total Borrowings	9,899.39	-

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the outstanding balance of borrowings as at the year end. With all other variables held constant, the Company's profit before tax is affected through the impact on fixed rate borrowings, as follows:

	March 31, 2022	March 31, 2021
Interest rate - Increase 50 basis points	(49.50)	-
Interest rate - Decrease 50 basis points	49.50	-

B. 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 operating activities (primarily trade receivables).

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management.

The Company measures the expected credit loss of trade receivables and loan and advances customers wise based on historical trend. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, adequate provision for the loss on collection of receivable has been made.

Movement in provisions of doubtful debts

	As at March 31, 2022	As at March 31, 2021
Opening provision	151.54	120.70
Add:- Additional provision made	4.29	38.28
Less:- Provision written off	-	(7.44)
Closing provisions	155.83	151.54

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

C. 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:

Maturity patterns of liabilities:

	Less than 12 months	More than 12 months	Total
As at March 31, 2022			
Trade payables	582.63	-	582.63
Borrowings	-	9,899.39	9,899.39
Other Financial liabilities	3,768.08	15,951.97	19,720.05
As at March 31, 2021			
Trade payables	1,334.61	-	1,334.61
Borrowings	-	-	-
Other Financial liabilities	4,310.57	17,348.96	21,659.53

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.

25. Segment information

In accordance with the Accounting Standard Ind-AS 108 - Operating Segment, segment information has been given in the consolidated financial statements of Future Market Networks Limited, no separate disclosure of segment reporting is required in these financial statements

26. Earnings per share

	As at March 31, 2022	As at March 31, 2021
(a) Basic and diluted earnings per share		
Profit attributable to the equity holders of the company	(1,237.04)	(2,881.94)
Total basic earnings per share attributable to the equity holders of the company (₹)	(2.15)	(5.01)
(b) Diluted earnings per share		
Profit attributable to the equity holders of the company	(1,237.04)	(2,881.94)
Total diluted earnings per share attributable to the equity holders of the company (₹)	(2.15)	(5.01)
(c) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	5,75,44,381	5,75,44,381
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	5,75,44,381	5,75,44,381

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

27. Assets pledge as security

a) The carrying amounts of assets pledged as security for non - current borrowings are :

	March 31, 2022	March 31, 2021
For Term loan from Axis Finance Limited (I)		
Non-Current Assets		
First and Exclusive Charge	-	-
Property, plant and equipment	106.40	-
Investment properties	4,176.44	-
	4,282.84	-
For Term loan from Axis Finance Limited (II)		
Non-Current Assets		
First and Exclusive Charge	-	-
Investment properties	534.67	-
	534.67	-
Total Non Current Assets pledged as Security	4,817.51	-
Current Assets		
Pari Passu Charge	-	-
Total Current Assets	11,711.15	-
Total Assets pledged as Security	16,528.66	-

Note: Since, the charge on current assets is secondary, the company is not required to file quarterly returns relating to its valuation by the lender.

b) With respect to the financial assistance/credit facilities given to Basuti Sales & Trading Private Limited, the company has mortgaged its immovable property (Ground+ 1st Floor) of Ahmedabad situated at Rajpur, Hirpur(sim) Ahmedabad. The fair value of the immovable property as at March 31, 2022 is ₹ 9,110.00 lakhs. The company has also pledged 3,830 equity shares of Riddhi Siddhi Mall Management Private Limited.

28. Share based payments

(a) Employee option plan/ Tradable Options

Future Market Networks Limited (FMNL) has granted 7,60,000 options to eligible employees on May 25, 2018 under Employee Stock Option Scheme 2016 ("ESOS 2016") at an exercise price of ₹ 85/- per equity share. These options shall vest over a period of four years in the proportion of 25% for each year from the date of grant. These options can be exercised anytime within a period of three years from the date of vesting.

(b) The details pertaining to number of options, weighted average price and assumptions considered for fair value are disclosed below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Weighted Average Exercise price	No. of options	Weighted Average Exercise price	No. of options
Options outstanding at the beginning of the period	85	2,10,000	85	2,10,000
Options granted during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Options outstanding at the end of the period	-	2,10,000	-	2,10,000
Options vested and exercisable at the end of the period	-	2,10,000	-	2,10,000

(c) Effect of share-based payment transactions on the entity's profit or loss for the period and on its financial position:

Total expenses arising from share-based payment transactions on account of share option plans recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2022	March 31, 2021
Employee compensation expense	-	-

Effect of the employee share option plan on the financial statements is as follows:

Particulars	March 31, 2022	March 31, 2021
Deferred employee compensation reserve	-	-

Note:

Since the fair value of the employee stock options is lower than the exercise price there will be no employee compensation expense and hence there is no impact in the Statement of Profit & Loss.

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

29. Related party transactions

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Name of related parties and related parties relationship:-

Name of Related Parties	Relationship	
	March 31, 2022	March 31, 2021
Splendor Fitness Private Limited Galaxy Cloud Kitchens Limited (Formerly known as Galaxy Entertainment Corporation Limited) Utility Developers Private Limited Galaxy Cloud Kitchens Limited	Director Interest	Director Interest
Aashirwad Malls Private Limited Suhani Mall Management Company Private Limited Suncity Properties Private Limited Future Trade Market Private Limited Jeremia Real Estate Private Limited	Subsidiary	Subsidiary
Riddhi Siddhi Mall Management Private Limited Gati Realtors Private Limited (upto 18.11.2021) Future Retail Destination Private Limited (Formerly known as Future Retail Destination Limited) (upto 18.11.2021)	Joint Venture	Joint Venture
Future Corporate Resources Private Limited (Formerly known as Suhani Trading & Investment Consultants Private Limited)	Holding Company	Holding Company
Retail Trust	Ultimate Parent Entity	Ultimate Parent Entity
Future Retail Limited	Associate of Holding Company	Associate of Holding Company
Praxis Home Retail Limited Future Enterprises Limited Future Generali India Insurance Company Limited Future Lifestyle Fashions Limited Future Supply Chain Solutions Limited Nufuture Digital (India) Limited Future Capital Investment Private Limited (w.e.f. 29.03.2022)	Promoter's Group Company	Promoter's Group Company
Ms. Ritu Pawan Agarwal Ms. Jollamma Anil Cherian	Relative of KMP	Relative of KMP
Mr. Anil Cherian	Key Managerial Personnel (KMP)	Key Managerial Personnel (KMP)
Mr. Pawan Agarwal	Executive Director & CFO	Executive Director & CFO
Mr. Pramod Arora Mr. Sunil Biyani Mr. Rajesh Kalyani	Non-Executive Director	Non-Executive Director
Ms. Udita Jhunjunwala Mr. Vijai Singh Dugar Mr. K.A Somayajulu (upto 27.09.2020)	Independent Director	Independent Director

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

(b) Key management personnel compensation

Particulars	March 31, 2022	March 31, 2021
Short-term employee benefits	130.16	65.95
Post-employment benefits	17.10	16.32
Total	147.27	82.26

(c) The following transactions were carried out with the Related Parties in the ordinary course of business:-

Nature of Transaction	Subsidiary Company	Joint Ventures	Holding Company	Relative of KMP	Directors	Director Interested	Associate of the Holding Company	KMP	Promoter's Group Company
Interest Income	58.60	45.95	-	-	-	-	-	-	-
	64.03	110.41	-	-	-	-	-	-	-
Project Management Consultancy	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	7.80
Lease Rent Expenses	-	-	-	6.72	-	-	-	-	-
	-	-	-	6.72	-	-	-	-	37.90
Reimbursement of Expenses	3.03	-	-	-	-	-	51.94	-	26.57
	-	-	-	-	-	-	121.69	-	72.66
Sitting Fees / Remuneration	-	-	-	-	89.88	-	-	56.68	-
	-	-	-	-	55.19	-	-	28.41	-
Advances /Loans given net off received back	(26.62)	(744.75)	-	-	-	-	-	-	-
	(267.11)	15.00	-	-	-	-	-	-	-
Advances /Loans / Deposits taken net off repaid back	-	-	-	-	-	-	(9,209.32)	-	(800.00)
	-	-	-	-	-	-	(2,725.93)	-	0.20
Rent Income	-	-	-	-	-	-	271.98	-	139.80
	-	-	-	-	-	-	683.60	-	166.21
Rent Expense	-	-	-	-	-	-	-	-	47.44
	-	-	-	-	-	-	-	-	-
Loan Given	6.32	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Loan Advance Recived	-	-	919.86	-	-	-	-	-	1,180.98
	-	-	-	-	-	-	-	-	-
Compensation Paid	-	-	-	-	80.00	-	-	-	-
	-	-	-	-	-	-	-	-	-
Purchase of Property,Plant and Equipment and Capital work in progress	-	-	-	-	-	40.00	0.59	-	-
	-	-	-	-	-	-	-	-	-
Insurance Expenses	-	-	-	-	-	-	-	-	35.87
	-	-	-	-	-	-	-	-	24.42
Deposit Repaid	-	-	-	-	-	-	178.96	-	-
	-	-	-	-	-	-	183.06	-	36.00
CAM Income	-	-	-	-	-	-	30.67	-	8.00
	-	-	-	-	-	-	273.69	-	124.34
Promoter's Contribution	-	-	(4,055.97)	-	-	-	-	-	-
	-	-	(1,300.00)	-	-	-	-	-	-

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Nature of Transaction	Subsidiary Company	Joint Ventures	Holding Company	Relative of KMP	Directors	Director Interested	Associate of the Holding Company	KMP	Promoter's Group Company
CAM Paid	-	-	-	-	-	-	-	-	-
	3.34	-	-	-	-	-	-	-	-
Sundry Balance Written off	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	4.12
Marketing Expense	-	-	-	-	-	-	-	-	0.93
	-	-	-	-	-	-	-	-	-
Insurance claim	-	-	-	-	-	-	-	-	31.39
	-	-	-	-	-	-	-	-	500.00

Outstanding Balance as at March 31, 2022

Receivable	-	-	-	-	-	-	281.75	-	1.05
	-	-	-	-	-	-	797.07	-	177.68
Payables	-	-	-	-	-	-	965.99	-	7.78
	-	-	-	-	-	-	-	-	522.28
Subordinated Debt	-	-	-	-	-	-	-	-	-
	-	-	4,055.97	-	-	-	-	-	-
Loans & Advances	478.55	-	-	-	-	-	-	-	-
	440.53	744.75	-	-	-	-	-	-	-
Loan / Advance Taken	-	-	-	-	-	-	-	-	13,253.42
	-	-	-	-	-	-	10,175.31	-	11,952.58
Investments in OCPS	-	770.64	-	-	-	-	-	-	-
	-	770.64	-	-	-	-	-	-	-
Security Deposits Taken	-	-	-	-	-	-	146.71	-	-
	-	-	-	-	-	-	275.93	-	55.56
Insurance claim	-	-	-	-	-	-	-	-	2,168.27
	-	-	-	-	-	-	-	-	2,186.88

Note: Figures in italic represents previous year's figures.

(d) Significant Related Party transactions :

Nature of Transaction	Name of the Company	March 31, 2022	March 31, 2021
Interest Income	Suhani Mall Management Company Private Limited	0.11	13.37
	Sun City Properties Private Limited	50.34	44.00
	Aashirwad Malls Private Limited	1.89	1.36
	Jeremia Real Estate Private Limited	6.25	5.30
	Gati Realtors Private Limited	45.45	89.64
	Future Retail Destination Private Limited	0.50	-
	Riddhi Siddhi Mall Management Private Limited	-	20.77
Project Management Consultancy	Nufuture Digital (India) Limited	-	7.80
Lease Rent Expenses	Ms. Jollamma Anil Cherian	3.36	3.36
	Ms. Ritu Pawan Agarwal	3.36	3.36
	Future Lifestyle Fashions Limited	-	37.90
Reimbursement of Expenses	Future Retail Limited	51.94	121.69
	Praxis Home Retail Limited	24.37	33.55
	Future Lifestyle Fashions Limited	2.20	39.11
	Aashirwad Malls Pvt. Ltd.	3.03	-
Remuneration to KMP	Mr. Pawan Agarwal	73.48	37.54
	Mr. Anil Cherian	56.68	28.41

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Nature of Transaction	Name of the Company	March 31, 2022	March 31, 2021
Sitting Fees / ESOP	Mr. Rajesh Kalyani (Sitting Fees)	4.00	4.15
	Mr. Sunil Biyani (Sitting Fees)	2.00	2.00
	Mr. Vijai Singh Dugar (Sitting Fees)	4.20	4.35
	Mr. K.A Somayajulu (Sitting Fees)	-	2.55
	Mr. Pramod Arora (Sitting Fees)	2.00	1.60
	Ms. Uditā Jhunjhunwala (Sitting Fees)	4.20	3.00
Insurance Expenses	Future Generali India Insurance Company Limited	35.87	24.42
Loan Given net off received Back	Suhani Mall Management Company Private Limited	(26.62)	(271.00)
	Sun City Properties Private Limited	-	2.08
	Aashirwad Malls Private Limited	-	0.13
	Jeremia Real Estate Private Limited	-	1.68
	Gati Realtors Private Limited	(744.75)	15.00
Advances /Loans taken net off repaid back	Future Retail Limited	(9,209.32)	(2,725.93)
	Future Enterprises Limited	(800.00)	0.20
Purchase of Property,Plant and Equipment and Capital work in progress	Future Retail Limited	0.59	-
	Galaxy Cloud Kitchens Limited (formerly known as Galaxy Entertainment Corporation Limited)	40.00	-
Rent Income	Future Retail Limited	271.98	683.60
	Praxis Home Retail Limited	120.06	5.90
	Future Lifestyle Fashions Limited	19.74	160.31
Promoter's Contribution	Future Corporate Resources Private Limited (Formerly Known as "Suhani Trading and Investment Consultants Private Limited")	(4,055.97)	(1,300.00)
CAM Income	Future Retail Limited	30.67	273.69
	Praxis Home Retail Limited	-	86.15
	Future Lifestyle Fashions Limited	8.00	38.20
CAM Paid	Aashirwad Malls Private Limited	-	3.34
Sundry Balance Written off	Future Generali India Insurance Company Limited	-	4.12
Deposit Repaid	Future Retail Limited	178.96	183.06
	Future Lifestyle Fashions Limited	-	36.00
Compensation Paid	Galaxy Cloud Kitchens Limited	80.00	-
Rent Expense	Future Lifestyle Fashion Limited	47.44	-
Loans Given	Aashirwad Malls Private Limited	3.29	-
	Jeremia Real Estate Private Limited	1.38	-
	Sun City Properties Private Limited	1.65	-
Loans / Advances Recieved	Future Capital Investment Private Limited	1,180.98	-
	Future Corporate Resources Private Limited	919.86	-
Marketing Expense	Praxis Home Retail Limited	0.93	-
Insurance claim	Future Generali India Insurance Company Limited	31.39	500.000

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

30. In respect of lease taken by the company, the future minimum lease rental obligation under :

(i) Amount recognised in the balance sheet

Right-of-use assets

Particulars		
As at April 1, 2020 -		14,229.72
Additions		-
Depreciation charge for the year		2,024.62
Deletions		47.06
Net carrying amount as at March 31, 2021		12,158.04
As at April 1, 2021 -		-
Additions		-
Depreciation charge for the year		887.26
Deletions		366.67
Net carrying amount as at March 31, 2022		10,904.11

Lease liabilities

Maturity analysis of lease liabilities

S. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i)	Not later than one year	2,745.57	4,699.59
ii)	Later than one year but not later than five years	7,525.67	7,216.90
iii)	Later than five years	-	-

Effective 1 April 2019, the company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently the company recorded the lease liability and right of use assets at the present value of the lease payments discounted at incremental borrowings as on the date of initial application.

Particulars	As at March 31, 2022	Year ended March 31, 2021
(ii) Amounts recognised in the Statement of Profit or Loss		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	887.26	2,024.62
Interest expense (included in finance costs)	937.03	1,706.92
Expense relating to short-term leases (included in other expenses)	63.25	67.08
Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	-	-
Income from subleasing right-of-use assets (included in other income)	-	-
(iii) Gains or losses arising from sale and leaseback transactions -	-	-
(iv) The total cash outflow for leases during the year ended March 31, 2022	2,344.73	2,730.73

31. In respect of operating lease given by the company, the future minimum lease rental receivable under operating leases is as follows:

S. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i)	Gross block of assets let out on operating lease	16,176.81	16,167.74
ii)	Accumulated depreciation	6,979.61	6,126.05
iii)	Depreciation charged during the year to the Statement of Profit and Loss	874.42	1,704.69
iv)	Lease rentals recognised in Statement of Profit and Loss	4,974.08	3,903.45
v)	Lease rentals receivable not later than one year	4,742.77	5,387.27
vi)	Lease rentals receivable later than one year and not later than five years	15,775.65	10,909.06
vii)	Lease rentals receivable later than five years	-	-

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

32. Payable to MSME

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

33. Disclosures as per Part A of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013 in relation to loans and advances given (except advances given for business / capital purpose)

Sr No	Name of Companies	Relationship	Outstanding Balance		Maximum Balance outstanding during the year	
			As at March 31, 2022	As at March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
A	Loans Given					
1	Future Trade Markets Private Limited	Subsidiary	-	-	0.05	0.86
2	Suhani Mall Management Company Private Limited.	Subsidiary	-	26.62	26.62	284.29
3	Sun City Properties Private Limited	Subsidiary	410.80	358.94	410.94	358.94
4	Riddhi Siddhi Mall Management Private Limited.	Joint Venture	-	-	-	-
5	Harmony Malls Management Private Limited	Other Body Corporate	2,511.49	2,752.82	3,012.12	4,564.74
6	Gati Realtors Private Limited	Joint Venture	-	744.75	770.75	744.75
7	Aashirwad Malls Private Limited	Subsidiary	16.22	11.04	31.44	11.04
8	Jeremia Real Estate Private Limited	Subsidiary	51.53	43.93	51.56	43.93

Note: All the above loans are interest bearing as stated above.

B Corporate Guarantee Given

		Relationship	Outstanding Balance	
			March 31, 2022	March 31, 2021
i.	Central Bank of India - Unique Malls Private Limited (Refer Note below)	Other Body Corporate	2,100	18,750
ii.	Hero FinCorp Limited - Hare Krishna Operating Lease Private Limited (Refer Note below)	Other Body Corporate	14,000	14,000
iii.	State Bank of India - Riddhi Siddhi Mall Management Private Limited	Other Body Corporate	4,276	4,658
C	Investments	Investments made are given under Schedule 5(a)		

Note:

- (i) All the above loans are interest bearing as stated above.
- (ii) With respect to the term loan of ₹ 14,000 lakhs (2021 : ₹ 14,000 Lakhs) to Hare Krishna Operating Lease Private Limited, mortgage deed was executed for exclusive charge on immovable property of R Mall situated at Lal Bahadur Shastri Marg, Revenue Village of Mulund West, Mumbai. The fair value of the immovable property as at March 31, 2022 is ₹ 13,112.74 lakhs. The Company, being a Mortgagor, has received a demand notice of ₹ 12,057.28 lakhs from Hero FinCorp Private Limited (lender) dated April 15, 2022 which is primarily demanded from the borrower (Hare Krishna Operating Lease Private Limited) seeking repayment of the outstanding dues.

In terms of the legal advice received by the Company, security documents creating security interest by way of mortgage are not treated at par with Corporate Guarantee and hence liability of the Company may be limited to the realisable value of the securities provided.

The Company, being a Mortgagor, has also received a demand notice of ₹ 2,082.72 lakhs from Central Bank of India dated May 4, 2022 which is demanded from Unique Malls Private Limited (borrower) seeking repayment of the outstanding dues. The company has given a corporate guarantee towards the said loan.

In the above cases, if the borrower fails to repay the outstanding dues to the lender, the lender shall exercise all the rights available under the mortgage/pledge as above.

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

34. Financial Ratios

The ratios for the year ended March 31, 2022 and March 31, 2021 are as follows:-

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021
Current Ratio (in times)	Total current assets	Total current liabilities	0.62	0.42
Note: During the year, the advances from customer has decreased by 36% which has increased the current ratio.				
Debt equity ratio (in times)	Debt consists of Borrowings & Lease Liabilities	Total Equity	1.35	-
Debt service coverage ratio (in times)	Earnings of Debt service = Net Profit after Taxes + Non-cash operating expenses + Interest + Other Non-Cash Adjustment	Debt Service = Interest & Lease payment + Principal Repayment	4.76	-
Return on Equity ratio (in %)	Profit for the year	Shareholder's equity	(16.87%)	(22.83%)
Note: There is a 57% reduction in Net loss as compared to the previous year which has resulted in the rise in Return on Equity ratio.				
Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Inventory	1.82	2.51
Note: The operating cost has decreased by 28% during the year and consequently, Inventory turnover ratio has fallen.				
Trade Receivables Turnover ratio (in times)	Revenue from operations	Average Trade Receivables	3.89	2.13
Note: During the year, trade receivables has fallen by 42% which has contributed to the rise in Trade Receivables Turnover Ratio				
Trade Payables Turnover ratio (in times)	Cost of Production	Average Account Payables	1.63	3.24
Note: During the year,the operating cost has decreased by 28%, which has majorly contributed to the fall in Trade payables turnover ratio.				
Net Capital Turnover ratio (in times)	Revenue from operations	Average working capital (i.e. total current asset- total current liabilities)	(1.10)	(0.40)
Note: There is a rise in working capital by 55% during the year which has decreased the the fall of Net capital turnover ratio.				
Net Profit ratio (in %)	Profit for the year	Revenue from operations	(15.33%)	(44.65%)
Note: Reduction in Net loss by 57% as compared to the previous year has resulted in the rise in Net profit ratio.				
Return on Capital Employed (in %)	Profit before tax	Networth	21.85%	16.79%
Note: Reduction in loss before tax by 90% as compared to the previous year has resulted in the rise in Return on Capital Employed.				
Return on Investment (in %)	Income Generated from Invested Funds	Average Invested Funds in Treasury Investment	51.36%	16.79%
Note: During the year, EBITDA has increased by 78% which has resulted in the rise in Return on investment.				

35. Impact of COVID-19

Due to the outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of COVID-19, and believes that the impact is likely to be medium term in nature. The management does not see any long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due, and compliance with the debt covenants, as applicable.

36. Loss of Property, Plant and Equipment due to fire

A fire accident occurred on October 22, 2020 night in Orchid City Centre Mall (OCC) Mall Mumbai, which is partly managed by the company. No revenue and corresponding expenses have been accrued and accounted from 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 of ₹ 667.33 lakhs on discard of the property, plant and equipment during the year 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 inspection and No Objection Certificate (NOC) from the fire department.

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

37. Reduction in rent due to COVID- 19

The company is operating various malls throughout the country and providing space and CAM services to the lessees. However, due to surge Of COVID- 19 pandemic since March 2020, and consequential lockdown announced by Government of India, the company provided relief to its lessees by reducing the rent of different malls in the current year. Accordingly, the income and profitability of the company has been affected during the year as compared to the pre- COVID period.

38. Expenditure on Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The Company is spending amount for these activities, which are specified in Schedule VII of the Companies Act, 2013.

- (a) Gross amount required to be spent by the Company during the year - ₹ Nil (March 31, 2021: ₹ 26.46 lakhs)
- (b) Amount spent during the year on :

	In Cash/Bank (₹ in Lakhs)	Yet to be paid in Cash/Bank (₹ in Lakhs)	Total (₹ in Lakhs)
(i) Construction/ acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	-	-	-
	(26.46)	(-)	(26.46)

(Figures in brackets represent amount for previous year)

39. Contingent Liabilities not provided for:

- (a) Corporate Guarantee given to Central Bank of India (lender) on behalf of Unique Malls Private Limited (borrower) - ₹ 2,100.00 Lakhs (2021 : ₹ 18,750 Lakhs) (Refer Note 33). With respect to the said guarantee, the company has received a demand notice of ₹ 2,082.72 lakhs from Central Bank of India dated May 4, 2022 which is primarily demanded from Unique Malls Private Limited seeking repayment of the outstanding dues.
- (b) Collateral security provided in favour of Hero Fincorp Private Limited (lender) for sanctioning term loan of ₹ 14,000 lakhs (2021 : ₹ 14,000 Lakhs) to Hare Krishna Operating Lease Private Limited (borrower) for exclusive charge on immovable property of R Mall situated at Lal Bahadur Shastri Marg, Revenue Village of Mulund West. The fair value of the immovable property as at March 31, 2022 is ₹ 13,112.74 lakhs (Refer Note 33). With respect to the above guarantee, the company has received a demand notice of ₹ 12,057.28 lakhs from Hero FinCorp Private Limited dated April 15, 2022 which is primarily demanded from Hare Krishna Operating Lease Private Limited seeking repayment of the outstanding dues.

In terms of the legal advice received by the Company, security documents creating security interest by way of mortgage are not treated at par with Corporate Guarantee and hence liability of the Company may be limited to the realisable value of the securities provided.

- (c) The Company, being a Mortgagor, has also received a demand notice of ₹ 18,448.96 lakhs from Yes Bank Limited (lender) dated April 19, 2022 which is primarily demanded from Basuti Sales & Trading Private Limited (borrower) seeking repayment of the outstanding dues. The company has pledged 3,830 subject to applicable approvals including existing lender equity shares of Riddhi Siddhi Mall Management Private Limited and secondary charge on immovable property of Big Bazaar (Ground+1) situated at Rajpur- Hirpur, Ahmedabad. The fair value of the immovable property as at March 31, 2022 is ₹ 9,110.00 lakhs.

In the above contingent liabilities (a), (b) and (c), if the borrower fails to repay the outstanding dues to the lender, the lender shall exercise all the rights available under the mortgage/pledge as above.

- (d) Corporate Guarantee given to bank on behalf of Companies - ₹ 4,800 Lakhs (2021: ₹ 4,800 Lakhs) (Refer Note 33)
- (e) In an Arbitration proceedings before the sole Arbitrator, appointed by the Hon'ble High Court of Calcutta, in respect of disputes arose out of termination of a license agreement related to a shopping mall, the Arbitrator has awarded a net amount of ₹ 1,290.52 lakhs to Mahaveer Constructions (" the Claimant") after allowing certain counter claims of the Company.

However, the Company filed petition challenging the arbitration award u/s 34 of Arbitration and Conciliation Act, 1996 before the Hon'ble High Court, Calcutta. Claimant through its Proprietor has also challenged the aforesaid arbitration award before the Hon'ble High Court, Calcutta. The matters are pending before the Hon'ble High Court, Calcutta.

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

- (f) The Company has sub lease rights with respect to the above OCC mall in Mumbai and there were serious disputes amongst the parties under the said arrangement. The parties have arrived at a settlement in a suit filed by the Company and tendered consent terms with Hon'ble High Court of Bombay in the suit filed by the Company viz. Consent Terms dated December 8, 2017 and Supplemental Consent Terms dated April 2019 (Consent Terms). The Consent Terms deals with settlement of long standing dispute between the Company including settlement of past claims of sub lessor (Neel Kamal City Shopping Mall (India) Limited - which has taken it on lease from the lessor and sub-leased it to the Company) under the original arrangement till March 31, 2020 for an amount of ₹ 1,741 lakhs (over and above the existing receivables standing in the books) with an arrangement for future periods including reduced rentals for the sub lease period upto August 2027. The arrangement deals with entitlement of lease rental in respect of premises owned by various third parties and a minority of such third party owners have intervened in the matter raising objections with respect of approval of consent terms by the Hon'ble Court. The Court has taken the consent terms on record but not yet issued an order sanctioning the Consent Terms. In case, the Consent Terms are accepted as filed, the Company will have to honour its payment obligations for the said amount and the parties shall be administrated in terms of the Consent Terms. However, if the Consent Terms are not approved, the parties shall be relegated to the original position of the suit filed by the Company. In view of this, the above has been disclosed as contingent liabilities pending approval of Hon'ble High Court in relation to the Consent Terms.

Also, few Gala owners of the mall have filed claim of ₹ 218.53 lakhs against the company to pay the lease rental/claim amount along with @18% interest, for appointment of court receiver, appointment of commissioner to visit suit premises and retained from subletting and/or giving the suit premises on Leave and License basis or parting with possession or inducing any third party. The said premises impacted by a major fire accident in the financial year 2020-21 which has been treated as a force majeure event.

- (g) Demand due to delay in payment of interest under section 31(4) under Maharashtra Stamp Act for ₹ 90.83 lakhs (2021 : ₹ 90.83 Lakhs) with regard to the amalgamation of Future Realtors (India) Private Limited, AIGL Holdings & investments Private Limited and Prudent Vintrade Private Limited with Future Market Networks Limited (formerly known as Agre Developers Limited) affected in January 2012. The Company had approached the Collector of stamp office, Mumbai with regard to the aforesaid demand and the matter is pending with Collector of stamp office, Mumbai.
- (h) A debt recovery case was filed by Union Bank of India of ₹ 294.67 lakhs before Debt Recovery Tribunal -III Kolkata. The company has filed fresh interim application against the defendant and the matter is adjourned to 11th August 2022 against the Learned DRT III.
- (i) An arbitration petition was filed by Mr.Laxmipat Surana before High Court at Calcutta for occupational charges in respect of the licensed premises situated at Block B Puja Complex, known as Puja the Mega Mart at Jhargram Rd, Kharagpur. The Company terminated the arrangement and handed over the licensed premises which were settled in favour of the Company in the first arbitration. The proceedings in the present arbitration are in progress and no adverse orders passed by the Tribunal as on 31st March 2022.
- (j) An Execution Application was filed by Laxmipat Surana (Petitioner) before the High Court at Calcutta to pay ₹ 2,573.99 lakhs. A conditional stay has been obtained by the Company in this matter from High Court.
- (k) TDS disputed demand - ₹ 5.46 lakhs (2021 : ₹ 5.46 lakhs)

The demand is related to the penalty levied u/s 272A(2)(g) of the Income Tax Act, 1961 pertaining to financial year 2014-15. The Company has filed an appeal against the demand.

40. Previous Years' Figures

The financial statements have been prepared in accordance with the 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. The previous period's figures have been regrouped or rearranged wherever necessary.

**As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W**

**Dhiraj Lalpuria
Partner
Membership Number : 146268**

**Place : Mumbai
Date : May 19, 2022**

For and on behalf of the Board of Directors

**Vijai Singh Dugar
Director
DIN: 06463399**

**Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580**

**Place : Mumbai
Date : May 19, 2022**

**Anil Cherian
Head - Legal and Company Secretary**

**Consolidated
Financial Statements
and Notes**

INDEPENDENT AUDITOR'S REPORT

**To the Members of
FUTURE MARKET NETWORKS LIMITED,
Report on the Audit of Consolidated Ind-AS Financial Statements**

Opinion

We have audited the accompanying consolidated Ind-AS financial statements of **Future Market Networks Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which includes the Group's share of profit in its joint ventures, which comprise the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind-AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind-AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate audited financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated Ind-AS financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022 and their consolidated loss, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition :	
<p>The Group earns revenue from leasing out of commercial units / shops. Revenue pertaining to lease rents is recognized on straight line basis over the lease term in accordance with Ind AS 116.</p> <p>Contingent rent is that portion of the lease payments that is not fixed in amount but is based on the future amount of a factor that changes other than with the passage of time (e.g. percentage of future sales, amount of future use, future price indices, and future market rates of interest). Such rent is recognised in the Statement of Profit & Loss in the period they are earned.</p>	<p>As part of our audit, we:</p> <ul style="list-style-type: none"> • Assessed the appropriateness of the accounting policies for revenue recognition, the amount of revenue recognized as per the agreement entered into with the tenants along with Ind AS 116. • Performed analytical procedures to identify deviations in monthly rent received from the tenants / lessees / sub-lessees. • Performed substantive testing by verifying the implementation and operating effectiveness of controls over the data set collected by the management with regards to the revenue of shops and the computation of such contingent rent. • Tested the design, implementation and operating effectiveness of controls over the calculation of discount and rebates. • Assessed the adequacy of the Group's disclosures made in to the financial statements
Allowance for credit losses	
<p>The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.</p> <p>The Group considered current and anticipated future economic conditions relating to industry the Group deals with.</p> <p>In calculating expected credit loss, the Group has also considered related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.</p>	<p>As part of our audit, we:</p> <ul style="list-style-type: none"> • Tested the effectiveness of controls over the development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions, completeness and accuracy of information used in the estimation of probability of default and computation of the allowance for credit losses. • Verified the mathematical accuracy and computation of the allowances by using the same input data used by the Group.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the consolidated financial statements which indicates that the Company has incurred a net loss of ₹ 2,804.05 lakhs during the year ended March 31, 2022. The Company has a positive net-worth of ₹ 4,182.56 lakhs as at March 31, 2022. Also, we draw attention to the events which have occurred after the balance sheet date, as set forth in Note No. 40 to the consolidated financial statements.

Information Other Than the Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Group's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind-AS Financial Statements

The Holding Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the entities included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial Statements by the Directors of the Company, as aforesaid.

In preparing the consolidated Ind-AS financial statements, the respective management and Board of Directors of the entities included in the Group, its associates and jointly controlled entities are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group, its associate or jointly controlled entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, its associates and jointly controlled entities are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Ind AS Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Groups ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS consolidated financial statements, including the disclosures, and whether the Ind AS consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding company and such other entities included in the financial statements of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS consolidated financial statements for the year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We did not audit the financial statements of five subsidiaries included in the consolidated financial statement, whose financial statements reflect total assets of ₹ 11,415.93 lakhs as at March 31, 2022, total revenues of ₹ 473.27 lakhs, total net loss after tax of ₹ (1461.65) lakhs, total comprehensive income / (loss) of ₹ (1461.65) lakhs and net cash (outflows) ₹ 630.58 lakhs for the year ended March 31, 2022, as considered in the consolidated Ind-AS financial statements. The consolidated Ind-AS financial statements also include the Group's share of profit / (loss) of ₹ 105.36 lakhs for the year ended on that date, in respect of one joint venture, not audited by us.

These financial statements have been audited by other auditors whose reports have been furnished to us by the management. Our opinion on the consolidated Ind-AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, in terms of sub-section (3) of Section 143 of the Act, is based solely on the report of the other auditors.

2. The consolidated financial results also includes the Group's share of net profit/(loss) after tax and total comprehensive income of ₹ 224.68 lakhs for the year ended March 31, 2022, in respect of its two joint ventures respectively, whose financial statements / financial information / financial results have not been audited by us.

The financial statements of these entities has not been reviewed or audited by their auditors and has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the information provided by the Management and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated Ind-AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

3. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. 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 of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statement;
 - d) In our opinion, the aforesaid consolidated Ind-AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors and the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2022 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 with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

- g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company and its subsidiaries, to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries, is not in excess of the limit laid down under Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditors' 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 Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - Refer Note 40 on Contingent Liabilities to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Group has not declared and paid dividend during the year.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Place : Mumbai
Date : May 19, 2022

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN: 22146268AJHKMS3438

Annexure A to the Independent Auditor's Report

Referred to in paragraph 4 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Future Market Networks Limited

Report on the Internal Financial Controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls with reference to financial statements of Future Market Networks Limited ("the Holding Company"), its subsidiaries and joint ventures (the Holding Company and its subsidiaries together referred to as "the Group") as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and jointly controlled entities all incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective Companies 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 (the "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 (hereinafter referred to as "the Act").

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence obtained by us and by the other auditors of the subsidiaries and jointly controlled entities in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements includes those policies and procedures that:
 - i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - ii. provide reasonable assurance that 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 authorizations of management and directors of the company; and
 - iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting With Reference to these Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries, its associates and jointly controlled entities have, in all material respects, an adequate internal financial controls system over financial reporting with reference to consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on the internal financial controls with reference to consolidated financial statements reporting criteria established by the Holding company its subsidiaries, its associates and jointly controlled entities 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 (the "Guidance Note").

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Place : Mumbai
Date : May 19, 2022

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN: 22146268AJHKMS3438

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Future Market Networks Limited)

- xxi. According to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have certain remarks included in their reports under Companies (Auditor's Report) Order, 2020 ("CARO"), which have been reproduced as per the requirements of the Guidance Note on CARO:

Sr. No.	Name of the entities	CIN	Subsidiary/ Joint Venture	Clause number of CARO Report which is qualified or adverse remarks
1	Aashirwad Malls Private Limited	U70101GJ2004PTC045030	Subsidiary	xvii
2	Future Trade Market Private Limited	U45400MH2011PTC224924	Subsidiary	No adverse Remarks
3	Jeremia Real Estate Private Limited	U74999MH2013PTC244711	Subsidiary	No adverse Remarks
4	Suhani Mall Management Company Private Limited	U45200MH2005PTC156837	Subsidiary	No adverse Remarks
5	Sun City Properties Private Limited	U70109WB1998PTC087521	Subsidiary	No adverse Remarks
6	Riddhi Siddhi Mall Management Private Limited	U70102MH2006PTC161884	Joint Venture	vii(b)

Note: In January 2019, the Board of Directors resolved to sell the entire stake of their wholly owned subsidiaries, Gati Realtors Private Limited and Future Retail Destination Private Limited (formerly known as Future Retail Destination Limited). 51% stake of both the entities was sold during the financial year 2019-20 and remaining 49% stake has been sold during the current year.

Consolidated Balance Sheet as at March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	1,771.59	2,511.51
(b) Right of use assets	3	11,124.35	12,391.99
(c) Capital work-in-progress	3	626.48	557.18
(d) Investment properties	4	10,886.49	11,077.07
(e) Goodwill on consolidation		1,834.36	1,834.36
(f) Investments accounted for using the equity method	5 (a)	1,687.20	1,581.84
(g) Financial assets			
(i) Investments	5 (a)	21.82	23.18
(ii) Other financial assets	5 (f)	273.96	247.80
(h) Non-current tax assets	6 (a)	808.26	690.13
(i) Deferred tax assets (net)	6 (c)	6,798.73	8,057.53
(j) Other non-current assets	7	2,774.17	3,378.66
Total non-current assets		38,607.40	42,351.25
Current assets			
(a) Inventories	8	861.12	862.20
(b) Financial assets			
(i) Investments	5 (a)	3,225.71	202.50
(ii) Trade receivables	5 (b)	1,744.31	2,648.86
(iii) Cash and cash equivalents	5 (d)	941.14	1,584.58
(iv) Bank Balances other than above	5 (e)	665.40	-
(v) Loans	5 (c)	5,101.06	6,081.54
(vi) Other financial assets	5 (f)	1,675.35	4,086.91
(c) Other current assets	7	4,055.03	2,956.84
		18,269.12	18,423.43
Assets classified as held for sale	9	-	3,703.06
Total current assets		18,269.12	22,126.49
Total assets		56,876.53	64,477.74
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10 (a)	5,754.44	5,754.44
(b) Other equity	10 (b)	(1,571.88)	5,310.86
Equity attributable to owners		4,182.56	11,065.30
(c) Non controlling interest		261.25	238.20
Total Equity		4,443.81	11,303.50

Consolidated Balance Sheet as at March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11 (a)	9,899.39	-
(ii) Lease liabilities	11 (b)	15,076.39	15,508.28
(iii) Other financial liabilities	11 (b)	742.26	1,696.96
(b) Provisions	12	70.80	67.19
(c) Deferred tax liabilities (net)	6 (c)	0.90	0.07
(d) Other non-current liabilities	13	662.14	615.11
Total non-current liabilities		26,451.87	17,887.61
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11 (a)	470.58	419.86
(ii) Trade payables			
- Total outstanding due of micro and small enterprises	11 (c)	80.55	46.45
- Others	11 (c)	520.43	1,315.97
(iii) Lease liabilities	11 (b)	2,204.91	3,538.42
(iv) Other financial liabilities	11 (b)	3,327.12	2,488.58
(b) Provisions	12	53.00	81.38
(c) Current tax liabilities (net)	6 (b)	0.35	0.65
(d) Other current liabilities	13	19,323.90	27,395.32
		25,980.85	35,286.63
Liabilities classified as held for sale		-	-
Total current liabilities		25,980.85	35,286.63
Total Liabilities		52,432.72	53,174.24
Total Equity and Liabilities		56,876.53	64,477.74
The above balance sheet should be read in conjunction with the accompanying notes.	1-41		

As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W

Dhiraj Lalpuria
Partner
Membership Number : 146268

Place : Mumbai
Date : May 19, 2022

For and on behalf of the Board of Directors

Vijai Singh Dugar
Director
DIN: 06463399

Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580

Place : Mumbai
Date : May 19, 2022

Anil Cherian
Head - Legal and Company Secretary

Consolidated Statement of Profit and Loss for year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
(a) Revenue from Operations	15	8,525.97	6,899.73
(b) Other Income	16	438.33	723.60
Total Income		8,964.30	7,623.33
Expenses			
(a) Operating Costs	17	1,573.61	2,172.22
(b) Changes in inventories of finished goods, work-in progress and stock-in-trade	18	1.08	1.18
(c) Employee Benefits Expense	19	692.38	482.19
(d) Finance Costs	20	2,118.53	2,233.91
(e) Depreciation and amortization expense	21	1,861.22	3,863.44
(f) Other Expenses	22	4,142.30	2,682.90
Total Expenses		10,389.11	11,435.84
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax		(1,424.81)	(3,812.51)
Share of net profit of associates and joint ventures accounted by using equity method		(119.32)	(52.50)
Profit before exceptional item and tax		(1,544.12)	(3,865.01)
Less : Exceptional items		-	-
Profit/(Loss) Before Tax		(1,544.12)	(3,865.01)
Income Tax Expenses			
Current Tax	6	0.35	0.98
Deferred Tax	6	1,259.52	(792.60)
Earlier Year Tax / (Provision written back)		0.06	5.38
Total Tax Expenses		1,259.92	(786.24)
Profit/(Loss) after tax from Continuing Operations (A)		(2,804.05)	(3,078.77)
Discontinued Operations			
Profit / (Loss) from Discontinued Operations before tax		-	-
Tax Expense on Discontinued Operations		-	-
Profit / (Loss) after tax from Discontinued Operations (B)		-	-
Profit / (Loss) after tax for the Year (A+B)		(2,804.05)	(3,078.77)
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	10	1.85	(2.92)
Equity instruments through other comprehensive income		(1.36)	(1,969.42)
Share of other comprehensive income of associates and joint ventures accounted by using equity method		-	-
(b) Income tax relating to items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	10	0.46	(0.74)
Equity instruments through other comprehensive income		(0.34)	(156.99)
Share of other comprehensive income of associates and joint ventures accounted by using equity method		-	-
Other Comprehensive Income for the year, net of taxes (C)		0.37	(1,814.61)
Total Comprehensive Income for the year (A+B+C)		(2,803.68)	(4,893.38)
Profit is attributable to :			
Owners of Future Market Networks Limited		(2,827.10)	(3,090.89)
Non Controlling Interest		23.05	11.62
Other comprehensive income is attributable to :			
Owners of Future Market Networks Limited		0.37	(1,565.74)
Non Controlling Interest		-	(248.87)

Consolidated Statement of Profit and Loss for year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Total comprehensive income is attributable to :			
Owners of Future Market Networks Limited		(2,826.73)	(4,656.61)
Non Controlling Interest		23.05	(237.25)
Total comprehensive income is attributable to Owners of Future Market Networks Limited			
Continuing Operations		(2,826.73)	(4,656.63)
Discontinuing Operations		-	-
Earnings per equity share from profit attributable to owners of Future Market Networks Limited from Continuing Operations (Face value of ₹ 10/- each)			
Basic (in ₹)		(4.91)	(5.37)
Diluted (in ₹)		(4.91)	(5.37)
Earnings per equity share from profit attributable to owners of Future Market Networks Limited from Discontinuing Operations (Face value of ₹ 10/- each)			
Basic (in ₹)		-	-
Diluted (in ₹)		-	-
Earnings per equity share from profit attributable to owners of Future Market Networks Limited (Face value of ₹ 10/- each)			
Basic (in ₹)		(4.91)	(5.37)
Diluted (in ₹)		(4.91)	(5.37)
The above statement of profit and loss should be read in conjunction with the accompanying notes.	1-41		

As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W

Dhiraj Lalpuria
Partner
Membership Number : 146268

Place : Mumbai
Date : May 19, 2022

For and on behalf of the Board of Directors

Vijai Singh Dugar
Director
DIN: 06463399

Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580

Place : Mumbai
Date : May 19, 2022

Anil Cherian
Head - Legal and Company Secretary

Consolidated Statement of Change in Equity

(All amounts in INR lakhs, unless otherwise stated)

A. Equity Share Capital

As at March 31, 2021	5,754.44
Changes in equity share capital	-
As at March 31, 2022	5,754.44

B. Other Equity

Particulars	Reserves and Surplus				Other Reserves	Total Other Equity	Non-controlling interests	Total
	Securities Premium	Retained Earnings	Capital Reserve	Subordinated Debt	FVOCI-equity investments			
Balance as at March 31, 2020	27,045.67	(24,542.18)	3,166.47	5,355.98	239.66	11,265.60	475.45	11,741.05
Profit / (Loss) for the year	-	(3,090.89)	-	-	-	(3,090.89)	11.62	(3,079.27)
Other comprehensive income for the year	-	(2.18)	-	-	(1,563.56)	(1,565.74)	(248.87)	(1,814.61)
Total comprehensive income for the year	-	(3,093.07)	-	-	(1,563.56)	(4,656.63)	(237.25)	(4,893.88)
Addition / (Deduction) during the year	-	(1,161.50)	-	(1,300)	1,161.50	(1,300.00)	-	(1,300.00)
Lease liability	-	1.89	-	-	-	1.89	-	1.89
Balance as at March 31, 2021	27,045.67	(28,794.86)	3,166.47	4,055.98	(162.40)	5,310.86	238.20	5,549.06
Profit / (Loss) for the year	-	(2,827.10)	-	-	-	(2,827.10)	23.05	(2,804.05)
Other comprehensive income for the year	-	1.38	-	-	(1.02)	0.36	-	0.36
Total comprehensive income for the year	-	(2,825.72)	-	-	(1.02)	(2,826.74)	23.05	(2,803.69)
Addition / (Deduction) during the year	-	-	-	(4,055.98)	-	(4,055.98)	-	(4,055.98)
Lease liability	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	27,045.67	(31,620.59)	3,166.47	-	(163.42)	(1,571.88)	261.25	(1,310.63)

The above statement of changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W

Dhiraj Lalpuria
Partner
Membership Number : 146268

Place : Mumbai
Date : May 19, 2022

For and on behalf of the Board of Directors

Vijai Singh Dugar
Director
DIN: 06463399

Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580

Place : Mumbai
Date : May 19, 2022

Anil Cherian
Head - Legal and Company Secretary

Consolidated Cash Flow Statement for year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Cash Flow from operating activities		
	Profit / (Loss) before tax (including discontinued operations)	(1,544.12)	(3,865.51)
	Adjustments for :		
	Provision for Expected Credit Loss	4.29	38.27
	Depreciation and amortisation expense	1,861.22	3,863.44
	Finance costs	2,118.53	2,233.91
	Loss due to fire/ on discard of Property, plant & equipment	2,343.58	1,122.01
	Bad debts	663.26	196.76
	Provision for gratuity & leave encashment	6.65	16.12
	Interest income	(392.77)	(652.93)
	Sundry balance written back	(15.40)	(59.03)
	Loss / (Profit) on sale of investments	(5.43)	0.99
	Share of (Profit) / loss of associates and joint ventures	119.32	52.50
	Profit on sale of Property, plant & equipment (net)	8.73	(30.04)
	Gratuity & leave encashment paid	(0.78)	(16.26)
	Operating profit before working capital change	5,167.07	2,900.23
	Adjustments for :		
	Trade and other receivables	2,175.11	(293.65)
	Trade payable, other liabilities & provisions	(10,681.08)	(5,969.76)
	Inventories	(1.08)	1.18
		(8,507.05)	(6,262.23)
	Cash generated / (used) from operations	(3,339.98)	(3,362.01)
	Income taxes (paid) / refund	(183.71)	389.30
A	Net cash inflow / (outflow) from operating activities (A)	(3,523.69)	(2,972.71)
	Cash flow from investing activities:-		
	Proceeds from Sale of Property, Plant & Equipment / Claim from insurance	333.33	2,738.89
	Proceeds from divestment in stake of joint venture/ investment	1,162.00	1.04
	Purchase of Property, Plant & Equipment	(75.33)	(538.07)
	Investment in Preference Shares	(2,000.00)	-
	Loans received / (given)	980.48	3,607.27
	Interest / Dividend received	392.77	652.93
	Investment / Proceeds from maturity of Bank deposits	(665.40)	231.15
B	Net cash inflow from investing activities (B)	127.85	6,693.21
	Cash flow from financing activities :-		
	Interest paid	(2,118.53)	(2,233.91)
	Repayment of subordinated debt	(4,055.98)	(1,300.00)
	Net repayment of non current borrowings	9,950.11	(127.14)
C	Net cash outflow from financing activities (C)	3,775.60	(3,661.06)

Consolidated Cash Flow Statement for year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net increase/(decrease) in cash and cash equivalents (A+B+C)	379.77	59.43
Add: Cash and cash equivalents at the beginning of the financial year	1,787.08	1,727.65
Cash and cash equivalents at the end of the year	2,166.85	1,787.08
Cash and cash equivalents [See Note 5(d)]	941.14	1,584.58
Investment in Liquid Funds [See Note 5(a)]	1,225.71	202.50
Balance as per Statement of Cash Flow	2,166.85	1,787.08

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

Change in Liability arising from financing activities

Particulars	As at March 31, 2021	Cash Flows	Non Cash Changes	As at March 31, 2022
Current Borrowings	419.86	(2.10)	52.82	470.58
Non Current Borrowings (including current maturities)	-	9,874.71	24.68	9,899.39

Particulars	As at March 31, 2020	Cash Flows	Non Cash Changes	As at March 31, 2021
Current Borrowings	376.87	42.99	-	419.86
Non Current Borrowings (including current maturities)	-	-	-	-

As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W

Dhiraj Lalpuria
Partner
Membership Number : 146268

Place : Mumbai
Date : May 19, 2022

For and on behalf of the Board of Directors

Vijai Singh Dugar
Director
DIN: 06463399

Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580

Place : Mumbai
Date : May 19, 2022

Anil Cherian
Head - Legal and Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1. BACKGROUND

Future Market Networks Limited (the “Company”) is a public limited company incorporated in India under the provisions of Companies Act, 1956 and validly existing under Companies Act, 2013 (“the Act”). Information on the Group’s structure is provided in Note 33 Equity shares of the Company are listed with the BSE Limited and the National Stock Exchange of India. The group is engaged in the business of building capacity and enabling the infrastructure for future markets in a more efficient and cost effective manner. It aims to create a network of new markets by integrating and better organizing the modern wholesale trade, retail and logistics infrastructure in India.

The consolidated financial statements comprise financial statements of the Company and its subsidiaries (collectively referred to as the “Group”). These consolidated financial statements were authorized for issue by the Company’s Board of Directors on May 19, 2022.

2. Significant Accounting Policies:**a) Basis of preparation****i. Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value;
- assets held for sale measured at lower of carrying amount or fair value less cost to sell; and
- share-based payments

iii. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

Principles of consolidation and equity accounting:**i. Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

ii. Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognized at cost.

iii. Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognized at cost in the consolidated balance sheet.

iv. Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group’s share of the post – acquisition profits or losses of the investee in profit and loss, and other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy described in note 1 (h) below.

v. Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity (Note 33)

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

b) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. 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 recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

Useful life considered for calculation of depreciation for various assets class are as follows-

• Leasehold Improvements	16 years
• Machinery	10 years
• Furniture, fittings and equipment	10 years
• Office and other equipments	5 Years
• Computers	3 Years

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

c) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Freehold land is carried at cost. Investment properties are depreciated using the straight-line method over their estimated useful lives.

Useful life considered for calculation of depreciation for Freehold Building is as follows-

- Freehold buildings 60 years

d) Investments and other financial assets:

i. Classification

The Group 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 amortised 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 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 Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

ii. Measurement of financial assets

At initial recognition, the Group 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 profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following categories:

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. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments

The Group subsequently measures all equity investments other than in subsidiaries, joint ventures and associates at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognised in profit or loss as other income when the right to receive of the Group established.

iii. Impairment of financial assets

The Group 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. Note 24 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv. Derecognition of financial assets

A financial asset is derecognised only when

- The Group 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 cash flows to one or more recipients.

Where the entity has transferred an asset, the group 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 not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not 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 derecognized 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.

A financial liability is recognised when the obligation specified in the contract is discharged, completed or expired.

e) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

f) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

h) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less from the Balance Sheet date.

i) Revenue Recognition:

As on April 1, 2019, there are no ongoing contracts covered under the provisions of Ind – AS 115.

The Group derives revenues primarily from leasing of immovable properties which is primarily covered under Ind AS – 116 and consequently the same are accounted as per the said standard.

In relation to revenues not covered under Ind AS 116, the revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue from sale of services are recognized at a time on which the performance obligation is satisfied except Revenue from real estate property development where in revenue is recognized in the financial year in which the agreement to sell is executed.

The period over which revenue is recognised is based on entity's right to payment for performance completed. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than entity's failure to perform as per the terms of the contract.

j) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

k) Employee Benefits:

Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Share-based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date, which is based on the Black Scholes model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Groups estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

The details regarding the determination of the fair value of equity settled share based payments transactions are set out in Note 28.

l) 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 end of the reporting period 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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

Guidance note to Ind AS 12 – Income taxes, relating to income tax consequences of dividend clarify that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

- (1) The entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty Financial Statements.
- (2) The entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount
- (3) Entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The effect on adoption of Ind AS 12 Appendix C is insignificant in the financial statements

m) Leases:

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

As a lessee

Ind AS 116 sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently remeasured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset will be separately presented in the balance sheet and lease payments will be classified as financing activities.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognizes the lease payments associated with these leases as an expense in consolidated statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

n) Foreign Currency transactions:

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Indian rupee (INR), which is Future Market Network's Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

o) Inventories:

Inventories which comprise of finished stock of completed projects are valued at lower of cost or net realizable value. Cost is determined by including cost of land (including development rights), internal development cost, external development charges, materials, services, related overheads and apportioned borrowing costs.

p) Investments in joint ventures and associates

Investments in joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

q) Earnings per share**Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (Note 26).

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

r) Segment Reporting:

The Group is primarily engaged in the activity of mall management business and considers it to be a single reportable business segment. The operations of the Group are within the geographical territory of India which is considered as a single geographical segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director, who has been identified as being the chief operating decision maker, assesses the financial performance and position of the company, and makes strategic decisions. Refer Note 25 for segment information presented.

s) 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 profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

t) Borrowing costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.

Other borrowing costs are expensed in the period in which they are incurred.

u) Provisions and contingent liabilities

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognised as interest expense. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

v) Rounding of amounts

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

w) Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal and actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation (Note 14)
- Estimation of current tax expense and payable (Note 6)
- Estimated Fair value of unlisted securities – (Note 23)
- Estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized;
- Estimation of Fair valuation of employee share options and no. of expected vesting options (Note 28)
- Recognition of deferred tax assets – availability of future taxable profits against which deferred tax assets can be used (Note 6)
- Probable outcome of matters included under Contingent Liabilities

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Recent pronouncements

On March 23, 2022, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2022. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of In AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to In AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of In AS 109 in assessing whether to derecognize a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to In AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statement

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

3. Property, Plant and Equipment

Particulars	Leasehold Improvements	Air Conditioner	Computer and Software	Furniture and fittings	Office and Other Equipments	Plant and Machinery	Total	Right of use assets	Capital work-in-progress
Year ended March 31, 2021									
Gross carrying amount									
Opening gross carrying amount	6,945.31	2,360.56	50.33	4,208.28	163.03	4,587.31	18,314.82	17,393.07	1,191.09
Additions	149.47	3.25	1.88	273.50	1.74	617.62	1,047.46	-	145.43
Disposal/Transfer/Reclassification	(4,579.11)	(892.99)	(11.26)	(3,701.08)	(50.78)	(1,787.46)	(11,022.68)	(47.07)	(779.34)
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	2,515.67	1,470.82	40.95	780.70	113.99	3,417.47	8,339.60	17,346.00	557.18
Accumulated depreciation									
Opening accumulated depreciation	3,409.16	1,816.27	43.69	3,098.93	154.09	2,996.07	11,518.21	2,915.70	-
Depreciation charge during the year	458.01	271.26	3.93	341.34	3.58	556.33	1,634.45	2,038.31	-
Disposal/Transfer/Reclassification	(2,102.87)	(745.49)	(10.54)	(3,208.21)	(50.70)	(1,206.76)	(7,324.57)	-	-
Closing accumulated depreciation	1,764.30	1,342.04	37.08	232.06	106.97	2,345.64	5,828.09	4,954.01	-
Net carrying amount March 31, 2021	751.37	128.78	3.87	548.64	7.02	1,071.83	2,511.51	12,391.99	557.18
Year ended March 31, 2022									
Gross carrying amount									
Opening gross carrying amount	2,515.67	1,470.82	40.95	780.70	113.99	3,417.47	8,339.60	17,346.00	557.18
Additions	2.06	0.59	6.89	-	3.47	40.00	53.01	-	69.31
Disposal/Transfer/Reclassification	-	-	-	(37.57)	-	(6.36)	(43.93)	(366.67)	-
Closing gross carrying amount	2,517.73	1,471.41	47.84	743.13	117.46	3,451.11	8,348.68	16,979.33	626.48
Accumulated depreciation									
Opening accumulated depreciation	1,764.30	1,342.04	37.08	232.06	106.97	2,345.64	5,828.09	4,954.01	-
Depreciation charge during the year	163.47	71.13	2.64	190.66	3.60	338.18	769.68	900.97	-
Disposal/Transfer/Reclassification	-	-	-	(19.63)	-	(1.08)	(20.71)	-	-
Closing accumulated depreciation	1,927.77	1,413.17	39.72	403.09	110.57	2,682.74	6,577.06	5,854.98	-
Net carrying amount March 31, 2022	589.96	58.24	8.12	340.04	6.89	768.37	1,771.59	11,124.35	626.48

(i) Property, plant and equipment pledged as security (Refer Note 27)

3(a) CWIP ageing schedule

Ageing for Capital work-in-progress as at 31 March, 2022 is as follows:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	69.31	106.15	-	451.03	626.48
Projects temporarily suspended	-	-	-	-	-
Total	69.31	106.15	-	451.03	626.48

Ageing for Capital work-in-progress as at 31 March, 2021 is as follows:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	106.15	-	451.03	-	557.18
Projects temporarily suspended	-	-	-	-	-
Total	106.15	-	451.03	-	557.18

Capital work-in-progress mainly comprises building, furniture & fixtures.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

4. Investment Properties

	Freehold Land	Building	Total
Year ended March 31, 2021			
Gross carrying amount			
Opening gross carrying amount	390.31	11,716.39	12,106.70
Additions	-	-	-
Disposal/Transfer	-	(6.73)	(6.73)
Closing gross carrying amount	390.31	11,709.66	12,099.97
Accumulated depreciation and impairment			
Opening accumulated depreciation	-	832.67	832.67
Depreciation charge during the year	-	190.68	190.68
Depreciation related to disposal / transfer	-	(0.45)	(0.45)
Closing accumulated depreciation	-	1,022.90	1,022.90
Net carrying amount	390.31	10,686.76	11,077.07
Year ended March 31, 2022			
Gross carrying amount			
Opening gross carrying amount	390.31	11,709.66	12,099.97
Additions	-	-	-
Disposal/Transfer	-	-	-
Closing gross carrying amount	390.31	11,709.66	12,099.97
Accumulated depreciation and impairment			
Opening accumulated depreciation	-	1,022.90	1,022.90
Depreciation charge during the year	-	190.57	190.57
Depreciation related to disposal / transfer	-	-	-
Closing accumulated depreciation	-	1,213.47	1,213.47
Net carrying amount	390.31	10,496.19	10,886.49

Note: Investment property pledged as security (Refer Note 27)

(i) Amounts recognised in profit or loss for investment properties

	As at March 31, 2022	As at March 31, 2021
Rental income	1,367.64	973.98
Direct operating expenses from property that generated rental income	82.43	89.49
Profit from investment properties before depreciation	1,285.21	884.49
Depreciation	190.57	190.68
Profit from investment properties	1,094.64	693.81

(ii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly.

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	As at March 31, 2022	As at March 31, 2021
Within one year	1,253.72	1,375.65
Later than one year but not later than 5 years	4,748.72	4,851.55
Later than 5 years	1,195.74	2,164.52
Total	7,198.17	8,391.71

(iii) Fair value

	As at March 31, 2022	As at March 31, 2021
Investment properties	49,464.54	46,453.46

Estimation of fair value

Estimation of fair value - The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in respective area. This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

5(a). Investments

	As at March 31, 2022	As at March 31, 2021
a. Investment in joint venture		
Unquoted		
6,384 Equity Shares of Riddhi Siddhi Mall Management Private Limited	916.56	811.20
Total (a)	916.56	811.20
b. Investment in preference shares		
Unquoted		
141 0.01% Non Cumulative Optionally Convertible Preference Shares of Riddhi Siddhi Mall Management Private Limited of ₹ 1,000/- each fully paid up.	770.64	770.64
Total (b)	770.64	770.64
c. Investment in equity instruments		
Fair value through other comprehensive income		
Unquoted		
11,425 Equity Shares of V.R.Procurement Corporation Private Limited	21.75	22.49
6,903 Equity Shares of Harmony Malls Management Private Limited	0.07	0.69
Total (c)	21.82	23.18
Non-current investments total (a+b+c)	1,709.02	1,605.02
Investments accounted for using the equity method (a+b)	1,687.20	1,581.84
Investments (in others) (c)	21.82	23.18
Profit / (Loss) from Discontinued Operations before tax	1,709.02	1,605.02
Current		
UTI - Floating Rate Fund	408.73	202.50
Aditya Birla Sun Life Floating Rate Fund	104.32	-
Aditya Birla Sun Life Low Duration Fund-Growth	712.67	-
Investment in Preference Shares		
1,00,00,000 (March 31, 2021: Nil) Redeemable Non-Cumulative Preference Share of ₹ 10 each of Gnani Investments and Trading Company Private Limited	2,000.00	-
Profit / (Loss) from Discontinued Operations before tax	3,225.71	202.50

5(b). Trade receivables

	As at March 31, 2022	As at March 31, 2021
Trade receivables		
Receivables from related parties	281.75	974.17
Others	1,618.39	1,826.23
Total	1,900.14	2,800.40
Less: Allowance for bad and doubtful debts	(155.83)	(151.54)
Total Trade receivables	1,744.31	2,648.86
Breakup of securities details		
Secured, considered good	-	-
Unsecured, considered good	1,761.64	2,673.45
Doubtful	138.50	126.95
Total	1,900.14	2,800.40
Less: Allowance for doubtful debts	(155.83)	(151.54)
Total Trade receivables	1,744.31	2,648.86

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Trade Receivables ageing schedule as on March 31, 2022 is as follows

Particulars	Outstanding for following periods from the date of the transaction					Total
	Less Than 6 Months	6 months to 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed Trade Receivables- Considered Good	833.51	245.67	672.17	10.29	-	1,761.64
Undisputed Trade Receivables- Considered Doubtful	4.65	8.17	23.17	53.36	49.16	138.50
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Total	838.16	253.84	695.34	63.64	49.16	1,900.14

Trade Receivables ageing schedule as on March 31, 2021 is as follows

Particulars	Outstanding for following periods from the date of the transaction					Total
	Less Than 6 Months	6 months to 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed Trade Receivables- Considered Good	1,757.30	629.06	253.15	31.34	2.60	2,673.46
Undisputed Trade Receivables- Considered Doubtful	10.99	1.67	55.58	10.24	48.46	126.95
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Total	1,768.30	630.73	308.73	41.59	51.06	2,800.40

5(c). Loans

	As at March 31, 2022	As at March 31, 2021
Current		
Loans and advances to others	5,101.06	5,336.78
Loans and advances to related parties	-	744.76
Total current loans and advances	5,101.06	6,081.54

5(d). Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Cash on hand	1.68	2.98
Balances with banks		
In current accounts	939.46	1,581.60
Total Cash and cash equivalents	941.14	1,584.58

5(e). Bank Balances other than above

	As at March 31, 2022	As at March 31, 2021
Fixed Deposit*	656.50	-
Interest accrued on fixed deposit	8.90	-
Total Bank Balances other than above	665.40	-

*Lien against Bank Guarantee, ₹ 656.50 lacs (March 31, 2021 : ₹ Nil)

5(f). Other financial assets

	As at March 31, 2022	As at March 31, 2021
Other non-current financial assets		
Security Deposits	273.96	247.80
Total Non-current financial assets	273.96	247.80
Other current financial assets		
Considered good		
Security Deposits	43.30	193.29
Loan and advances to others	1,458.78	3,733.50
Unbilled revenue	168.52	147.69
Advance to staff	4.75	12.43
Total current financial assets	1,675.35	4,086.91

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

6(a). Non - Current Tax Assets

	As at March 31, 2022	As at March 31, 2021
Balances with Government authorities	808.26	690.13
Total Non-current tax assets	808.26	690.13

6(b). Current Tax Liabilities

	As at March 31, 2022	As at March 31, 2021
Provision for tax	0.35	0.65
Total Non-current tax assets	0.35	0.65

6(c). Current and deferred tax

6(b). (i) Statement of profit and loss:

	As at March 31, 2022	As at March 31, 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	0.35	0.98
Adjustments for current tax of prior periods	0.06	5.38
Total current tax (expense)	0.40	6.36
Deferred tax		
Decrease (increase) in deferred tax assets	1,258.70	(792.60)
(Decrease) increase in deferred tax liabilities	0.83	-
Total deferred tax expense/(benefit)	1,259.52	(792.60)
Income tax expense	1,259.92	(786.24)

6(c) (ii) The reconciliation between the statutory income tax rate applicable to the group and the effective income tax rate of the group is as follows :

	As at March 31, 2022	As at March 31, 2021
Profit from operation before income tax expenses	(1,544.12)	(3,865.01)
Tax rate @ 25.168%	(388.62)	(972.75)
<i>Differences due to:</i>		
Permanent differences	1.42	0.82
Profit / (Loss) from Discontinued Operations before tax	-	12.71
Profit of share in associate and JV not taxable	413.51	-
Standard deduction on rental income	(70.16)	(39.53)
Change in tax rate	-	-
Adjustment related to unabsorbed losses	961.46	505.40
Property, Plant & Equipment - Depreciation	195.57	(258.21)
Excess provisions for previous years w/off	0.06	5.76
Leases	130.99	(81.69)
Others	15.70	41.36
Income tax expenses	1,259.92	(786.12)

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

6(c)(iii) Tax losses

	As at March 31, 2022	As at March 31, 2021
Net Deferred Tax Asset		
Tax losses	3,562.27	4,463.49
Provisions	58.08	55.31
Fair valuation of financial assets - P&L (Net)	45.83	72.79
Fair valuation of financial assets - OCI (Net)	54.96	54.87
Property Plant & Equipment	1,519.39	1,735.27
Freehold Land	12.07	8.89
Lease Liability	1,546.14	1,666.90
Net Deferred Tax Asset	6,798.73	8,057.53
	As at March 31, 2022	As at March 31, 2021
Net Deferred Tax Liabilities		
Tax losses	-	-
Fair Valuation of Security Deposit	-	-
Fair Valuation of Investment	0.90	(0.07)
Net Deferred Tax Liabilities	0.90	(0.07)
Deferred tax assets (net)	6,797.84	8,057.46
Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the group		
	March 31, 2022	March 31, 2021
Unused tax losses for which no deferred tax asset has been recognised	-	1,678.35
Potential tax benefit @ 25.168%	-	422.44

6(c) (iv) Movement in deferred tax liabilities

	Provisions	Unabsorbed Tax Losses	Fair valuation of financial assets	Property Plant & Equipment	Freehold Land	Security Deposits	Leases	Total
At March 31, 2020	46.86	4,447.20	(60.85)	792.96	7.84	28.63	1,844.50	7,115.13
(Charged)/credited:								
- to profit or loss	7.72	16.29	31.51	942.31	1.05	(28.63)	(177.60)	792.66
- to other comprehensive income	0.73	-	156.94					157.67
- Deferred tax on basis adjustment								-
At March 31, 2021	55.31	4,463.49	127.60	1,735.27	8.89	-	1,666.90	8,065.46
(Charged)/credited:								
- to profit or loss	3.23	(901.22)	(28.04)	(215.88)	3.18		(120.76)	(1,259.52)
- to other comprehensive income	(0.46)	-	0.34	-	-		-	(0.12)
- Deferred tax on basis adjustment								-
At 31 March 2022	58.08	3,562.27	99.90	1,519.39	12.07	-	1,546.14	6,797.84

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

7. Other assets

	As at March 31, 2022	As at March 31, 2021
Other non-current assets		
Capital advance	2,750.00	3,350.00
Corpus funds	7.50	7.50
Balances with Government authorities	16.67	21.16
Total Other Non-current assets	2,774.17	3,378.66
Other current assets		
Security deposits	210.57	231.33
Business advance	1,527.96	437.01
Balances with Government authorities	97.10	74.24
Prepaid expense	46.33	22.58
Other receivables	2,173.07	2,191.68
Total Other current assets	4,055.03	2,956.84

8. Inventories

	As at March 31, 2022	As at March 31, 2021
Finished Shops	861.12	862.20
Total Inventories	861.12	862.20

9. Assets classified as held for sale

	As at March 31, 2022	As at March 31, 2021
Investments	-	3,703.06
Total	-	3,703.06

In January 2019, the Board of Directors resolved to sell the entire stake of their wholly owned subsidiaries, Gati Realtors Private Limited and Future Retail Destination Private Limited (formerly known as Future Retail Destination Limited). 51% stake of both the entities was sold during the financial year 2019-20 and remaining 49% stake has been sold during the current year.

Non-recurring fair value measurements

Assets classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair value of the assets was based on the proposed sales consideration negotiated with the buyer.

10(a). Equity Share capital

	As at March 31, 2022	As at March 31, 2021
Authorised		
90,300,000 (March 31, 2021: 90,300,000) equity shares of ₹ 10/- each	9,030.00	9,030.00
5,000 (March 31, 2021: 5,000) preference shares of ₹ 100/- each	5.00	5.00
Total	9,035.00	9,035.00
Issued Capital*		
5,75,44,951 equity shares (March 31, 2021: 5,75,44,951) of ₹ 10/- each	5,754.50	5,754.50
Total	5,754.50	5,754.50

*includes 570 shares held in abeyance

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Subscribed and paid up		
5,75,44,381 equity shares (March 31, 2021: 5,75,44,381) of ₹ 10/- each	5,754.44	5,754.44
Total	5,754.44	5,754.44

a) Movements in Equity Share Capital

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	5,75,44,381	5,454.44	5,75,44,381	5,454.44
Add: shares issued during the year	-	-	-	-
Balance as at the end of the year	5,75,44,381	5,454.44	5,75,44,381	5,454.44

Terms and Rights attached to equity shares:-

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder is eligible to one vote per share. 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, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion of their shareholding.

Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2022) including equity shares issued pursuant to contract without payment being received in cash

- (i) In Financial Year 2016-17 - Allotted 1,20,125 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 14, 2016.
- (ii) In Financial Year 2019-20 - Allotted 12,53,100 equity shares of ₹ 10/- each under Scheme of Merger by absorption.

b) Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the group.

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% held	Number of shares	% held
Future Corporate Resources Private Limited (Formerly known as Suhani Trading And Investment Consultants Private Limited)	4,11,29,343	71.47%	4,11,29,343	71.47%
Ishbhoomi Fabtraders Private Limited	-	-	41,78,298	7.26%
	4,11,29,343	71.47%	4,53,07,641	78.73%

c) Details of shareholding of Promoters

Name of the Promoter	As at March 31, 2022		% Change During the year	As at March 31, 2021	
	Number of Shares	% of total Number of Shares		Number of Shares	% of total Number of Shares
Ashni Kishore Biyani	141	0.00%	-	141	0.00%
Anil Biyani	50	0.00%	-	50	0.00%
Gopikishan Biyani	50	0.00%	-	50	0.00%
Kishore Biyani	50	0.00%	-	50	0.00%
Laxminarayan Bansilal Biyani	50	0.00%	-	50	0.00%
Rakesh Biyani	50	0.00%	-	50	0.00%
Sunil Biyani	50	0.00%	-	50	0.00%
Vijay Biyani	50	0.00%	-	50	0.00%
Vivek Biyani	50	0.00%	-	50	0.00%
Future Corporate Resources Private Limited	4,11,29,343	71.47%	-	4,11,29,343	71.47%
Surplus Finvest Private Limited	53,526	0.09%	-	53,526	0.09%

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

10(b). Other Equity

	As at March 31, 2022	As at March 31, 2021
Capital Reserve	3,166.47	3,166.47
Securities Premium	27,045.67	27,045.67
Retained Earnings	(31,620.59)	(28,794.86)
Subordinated Debt *	-	4,055.98
Other Reserves	(163.42)	(162.40)
Total Other Equity	(1,571.88)	5,310.86

* The subordinated debt represents loan taken from Future Corporate Resources Private Limited (Formerly known as Suhani Trading And Investment Consultants Private Limited)

(i) Capital Reserve

	As at March 31, 2022	As at March 31, 2021
Opening Balance	3,166.47	3,166.47
Closing Balance	3,166.47	3,166.47

(ii) Securities Premium

	As at March 31, 2022	As at March 31, 2021
Opening Balance	27,045.67	27,045.67
Share issued	-	-
Closing Balance	27,045.67	27,045.67

(iii) Retained Earnings

	As at March 31, 2022	As at March 31, 2021
Opening Balance	(28,794.86)	(24,542.18)
Add: Profit for the year	(2,827.10)	(3,090.89)
Add: Lease liability	-	1.89
Items of other comprehensive income recognised in retained earnings:	-	(1,161.50)
Remeasurements of post-employment benefit obligation & Deferred Tax (Actuarial Gains)	1.38	(2.18)
Closing Balance	(31,620.59)	(28,794.86)

(iv) Other Reserves

	As at March 31, 2022	As at March 31, 2021
Opening Balance	(162.40)	239.66
Change in fair value of FVOCI equity instruments & Deferred Tax there-on (Fair Value)	(1.02)	(1,563.56)
Items of other comprehensive income transfer to retained earnings	-	1,161.50
Closing Balance	(163.42)	(162.40)

Nature and purpose of other reserves**Securities Premium**

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

FVOCI equity investments

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

11. Financial Borrowings

	As at March 31, 2022	As at March 31, 2021
11(a). Non-current Borrowings		
Secured		
Term loan from Axis Finance Limited (I)	9,679.05	-
Term loan from Axis Finance Limited (II)	220.34	-
	9,899.39	-
11(a). Current Borrowings		
Secured		
Current maturities of long term borrowings	-	-
Unsecured		
Loans from related party	455.58	404.86
Other Loans and Advances	15.00	15.00
Total Current Borrowing	470.58	419.86

Terms of Borrowings

Sr. No	Nature of security	Terms of Repayment
1	<p>Term Loan from Axis Finance Limited, balance outstanding amounting to ₹ 9,679.05 lakhs (March 31, 2021 :Nil), are secured by</p> <p>(a) Charge on all the current assets of Future Market Networks Limited</p> <p>(b) First and exclusive charge on the immovable property Cosmos Mall (entire mall) including any other amenities, Hotel area, Commercial area in the Mall and car parkings thereon owned by Future Market Networks Limited Located at Ujjain</p> <p>(c) Charge on Escrow account for lease rentals including any lease deposits or any other receivables from lessees from the securities</p> <p>(d) Personal Guarantee of the Promoters</p>	<p>Repayable in 39 quarterly installments starting from August 2023. Last installment due in May 2033.</p> <p>Rate of interest - 9.50% pa. (Payable Quarterly) (Present Effective Rate - 9.50%)</p>
2	<p>Term Loan from Axis Finance Limited, balance outstanding amounting to ₹ 220.34 lakhs (March 31, 2021 :Nil), are secured by:</p> <p>(a) First pari passu charge on all the current assets of Future Market Networks Limited.</p> <p>(b) First and exclusive charge overall over the leasehold rights of FMNL in Asansol Sentrum Mall including any other amenities and car parkings thereon located at Asansol, West Bengal.</p> <p>(c) Second charge on the securities mortgaged in existing transactions of Future Group with Axis Finance Limited.</p> <p>(d) Cross collateralization with existing facility of M/s Future Capital Investment Private Limited. with respect to pledge shares of Future Retail Limited (FRL)/ Future Consumer Limited (FCL).</p> <p>(e) Extension of charge on Escrow account for lease rentals including any lease deposits or any other receivables from lessees from the securities.</p> <p>(f) Personal Guarantee of the Promoters</p>	<p>Repayable in 40 quarterly installments starting from January 2024. Last installment due in October 2033.</p> <p>Rate of interest - 9.50% pa. (Payable Quarterly) (Present Effective Rate - 9.50%)</p>

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

11(b). Other financial liabilities

	As at March 31, 2022	As at March 31, 2021
Non Current		
Security deposits		
From Related Parties	4.13	147.16
From Others	738.13	1,549.80
Total	742.26	1,696.96
Lease Liabilities	15,076.39	15,508.28
Total Non-current financial liabilities	15,818.65	17,205.24
Current		
Security deposits		
From Related Parties	142.58	129.45
From Others	1,234.78	441.36
Other Payables	1,949.76	1,917.77
Total	3,327.12	2,488.58
Lease Liabilities	2,204.91	3,538.42
Total Current financial liabilities	5,532.03	6,027.00

11(c). Trade payables

	As at March 31, 2022	As at March 31, 2021
Total outstanding due of micro and small enterprises	80.55	46.45
Total outstanding from others:		
Related Parties	11.58	552.28
Others	508.85	763.70
Total Trade payables	600.98	1,362.42

Trade Payables Ageing Schedule as on March 31, 2022 is as follows

Particulars	Outstanding for following periods from the date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME (Micro , small and Medium Enterprises)	80.55	-	-	-	80.55
Others	492.37	25.81	1.77	0.48	520.43
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
Total	572.92	25.81	1.77	0.48	600.98

Trade Payables Ageing Schedule as on March 31, 2021 is as follows

Particulars	Outstanding for following periods from the date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME (Micro , small and Medium Enterprises)	46.45	-	-	-	46.45
Others	836.94	472.33	-	6.70	1,315.97
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
Total	883.39	472.33	-	6.70	1,362.42

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

12. Provisions

	As at March 31, 2022	As at March 31, 2021
Non current Employee benefit obligations		
Gratuity (Refer Note 14)	48.36	43.58
Leave entitlement (Refer Note 14)	22.44	23.61
Total Non current Provisions	70.80	67.19
Current Employee benefit obligations		
Gratuity (Refer Note 14)	2.78	0.67
Leave entitlement (Refer Note 14)	1.35	0.41
Other Provisions	48.87	80.30
Total current Provision	53.00	81.38

13. Other liabilities

	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred Rent Income	662.14	615.11
Total Other Non-current liabilities	662.14	615.11
Current		
Statutory dues (including provident fund, tax deducted at source and others)	57.85	66.54
Advance from customers		
- Related Parties	18,871.28	26,854.77
- Others	16.98	19.58
Deferred Rent Income	197.36	239.05
Other payables	180.43	215.38
Total Other current liabilities	19,323.90	27,395.32

14. Disclosure as per Indian Accounting Standard 19 - Employee Benefits

Defined Contribution Plan

Provident Fund

The contributions to the Provident Fund of the employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. Employer's Contribution to Provident Fund amounting to ₹ 19.29 Lakhs (Previous year ₹ 14.59 Lakhs) has been recognized as an expense in the Statement of Profit and Loss.

Defined Benefit Plan

Gratuity

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or company scheme whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	44.27	43.74
Current service cost	6.04	6.47
Interest expense/(income)	3.03	2.90
Total amount recognised in profit and loss	9.07	9.37
Acquisition / Divestiture	-	-
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(1.84)	(0.64)
Experience (gains)/losses	(0.01)	3.55
Total amount recognised in other comprehensive income	(1.85)	2.91
Employer contributions	-	-
Benefit payments	(0.35)	(11.75)
Closing defined benefit obligation	51.14	44.27

The net liability disclosed above relates to unfunded plans are as follows:

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	51.14	44.27
Fair value of plan assets	-	-
Surplus /(Deficit)	51.14	44.27
Effect of assets ceiling	-	-
Net Defined Benefit Liability/(Assets)	51.14	44.27

Significant estimates: Actuarial assumptions

The significant actuarial assumptions were as follows:

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Financial Assumptions		
Discount rate	7.26%	6.89%
Salary growth rate	5.00%	5.00%
Demographic Assumptions		
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate	1.00%	1.00%
Retirement age	58 years	58 years

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Discount rate		
a. Discount rate -100 basis point	57.90	50.12
b. Discount rate+100 basis point	45.39	39.28
Salary growth rate		
a. Rate -100 basis point	45.52	39.33
b. Rate+100 basis point	56.70	49.22

Expected Future Cash Flows

	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Year 1	2.78	0.68
Year 2	2.42	1.70
Year 3	5.07	2.23
Year 4	1.76	3.97
Year 5	2.89	1.27
Year 6 to 10	24.13	14.69

15. Revenue from operations

	Year ended March 31, 2022	Year ended March 31, 2021
Sales	5.68	15.85
Rent and other related revenues	8,279.56	6,796.89
Project management consultancy	240.73	86.99
Total	8,525.97	6,899.73

16. Other Income

	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income		
On bank deposits	8.89	5.36
On others	383.88	586.90
Profit on sale of property, plant & equipment	-	30.04
Profit on sale of investments	5.43	31.40
Fair valuation of investments	21.51	1.00
Excess provision written back	15.40	59.19
Miscellaneous income	3.22	9.71
Total	438.33	723.60

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

17. Operating Costs

	Year ended March 31, 2022	Year ended March 31, 2021
Mall Maintenance Charges	1,563.13	2,159.73
Rent	10.48	12.49
Total	1,573.61	2,172.22

18. Changes in inventories of finished goods, work-in progress and stock-in-trade

	Year ended March 31, 2022	Year ended March 31, 2021
Cost of units sold	1.08	1.18
Total	1.08	1.18

19. Employee Benefits Expense

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	653.68	453.20
Contribution to provident and other funds	28.11	21.61
Staff welfare expenses	10.59	7.38
Total	692.38	482.19

20. Finance Costs

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expenses	2,118.35	2,218.87
Other borrowing costs	0.18	15.04
Total	2,118.53	2,233.91

21. Depreciation and amortization expense

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	769.68	1,634.45
Depreciation on investment property	190.57	190.68
Depreciation on right of use assets	900.97	2,038.31
Total	1,861.22	3,863.44

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

22. Other Expenses

	Year ended March 31, 2022	Year ended March 31, 2021
Power and fuel	73.55	182.52
Repairs and maintenance - others	261.01	305.36
Auditors' remuneration		
Statutory audit fees	7.30	7.23
Tax audit fees	1.00	1.00
Other services	0.50	0.50
Rates and taxes	141.88	299.32
Insurance	37.40	24.90
Legal and professional fees	298.85	161.12
Listing fees/custodian charges	7.23	7.16
Corporate social responsibility expenses (Refer Note :41)	-	26.46
Director sitting fees	20.95	22.65
Provision for doubtful debts	4.29	38.26
Travelling and conveyance expenses	21.06	19.05
Sundry balance written off	2.44	125.85
Water charges	2.07	3.31
Other expenses	910.45	462.00
Loss on sale of Investment	2,343.58	-
Loss of property, plant and equipment due to fire (Refer Note: 36)	-	667.33
Loss on discard of property, plant and equipment	8.73	328.88
Total	4,142.30	2,682.90

23. Fair value measurements

23(a) Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity Instruments	-	21.82	-	-	23.18	-
- Preference Shares	-	-	2,000.00	-	-	-
- Mutual Funds	1,225.71	-	-	202.50	-	-
Loans	-	-	5,101.06	-	-	6,522.64
Trade receivables	-	-	1,744.31	-	-	2,648.87
Cash and cash equivalents	-	-	941.14	-	-	1,584.58
Bank Balances other than above	-	-	665.40	-	-	-
Other financial assets	-	-	1,949.31	-	-	3,893.62
Total financial assets	1,225.71	21.82	12,401.22	202.50	23.18	14,649.71
Financial liabilities						
Borrowings	9,899.39	-	470.58	-	-	419.86
Lease Liability	17,281.30	-	-	19,046.70	-	-
Deposits from customer	-	-	2,119.62	-	-	2,267.77
Other financial liabilities	-	-	1,949.76	-	-	1,917.77
Trade payables	-	-	600.98	-	-	1,362.42
Total financial liabilities	27,180.69	-	5,140.94	19,046.70	-	5,967.82

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

23(b) Fair value hierarchy

Investment in Mutual Funds which are measured at Fair Value through Profit and Loss Account are measured under Level 1. Assets and liabilities which are measured at amortised cost for which fair values are disclosed are calculated under Level 3 except loans and security deposits which is measured at Level 2.

Investment in Equity Shares which are measured at Fair Value through Other Comprehensive Income are measured under Level 3.

Profit / (Loss) from Discontinued Operations before tax**Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the year ended March 31 :

	Investment in - Equity instruments
As at March 31, 2020	1,993.63
Sale of investment	(1,969.91)
Gains / (losses) recognised in other comprehensive income	(0.54)
As at March 31, 2021	23.18
Sale of investment	-
Gains / (losses) recognised in other comprehensive income	(1.36)
As at March 31, 2022	21.82

Valuation processes

The group has obtained assistance of independent and competent third party valuation experts to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the group and the valuer on periodic basis. Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

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

	March 31, 2022		March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security Deposits	317.26	355.99	441.10	441.10
Loans	5,101.06	5,101.06	6,081.54	6,081.54
Total	5,418.32	5,457.05	6,522.64	6,522.64
Financial liabilities				
Borrowings	10,369.97	10,369.97	419.86	419.86
Deposits from customer	2,119.62	2,154.85	2,267.77	2,267.77
Total	12,489.59	12,524.82	2,687.63	2,687.63

The following methods and assumptions were used to estimate the fair values:

1. Fair value of trade receivables, trade payables, cash and cash equivalent, Bank balances other than above, other financial assets and other financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
2. The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 in the fair value hierarchy due to the inclusion of observable inputs.
3. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
4. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.
5. The fair value of the long-term Borrowings with floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company borrowing (since the date of inception of the loans). Further, the Company has no long-term Borrowings with fixed rate of interest.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

24. Financial risk management

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

A. 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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The group is not exposed to any foreign currency risk as neither operates internationally nor has any foreign currency transaction.

(a) Price Risk - Exposure:

The group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet at fair value through OCI. To manage its price risk arising from investments in equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group.

	March 31, 2022	March 31, 2021
BSE Sensex 30 - Increase 5%	61.29	10.13
BSE Sensex 30 - Decrease 5%	(61.29)	(10.13)

Above referred sensitivity pertains to investment in quoted securities. Profit for the year would increase/(decrease) as a result of gains/(losses) on the same as at fair value through profit or loss.

(b) Interest rate risk

The Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

The exposure of the Company to interest rate changes at the end of the reporting period are as under:

	March 31, 2022	March 31, 2021
Fixed rate borrowings	9,899.39	-
Percentage of fixed rate borrowings to total borrowings	95.46%	-
Total borrowings	10,369.97	419.86

Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the outstanding balance of borrowings as at the year end. With all other variables held constant, the Company's profit before tax is affected through the impact on fixed rate borrowings, as follows:

	March 31, 2022	March 31, 2021
Interest rates – increase by 50 basis points*	(49.50)	-
Interest rates – decrease by 50 basis points*	49.50	-

Profit / (Loss) from Discontinued Operations before tax

B. Credit Risks

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management.

The group measures the expected credit loss of trade receivables and loan and advances customers wise based on historical trend. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, adequate provision for the loss on collection of receivable has been made.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Movement in provisions of doubtful debts

	As at March 31, 2022	As at March 31, 2021
Opening provision	151.54	137.59
Add:- Additional provision made	4.29	38.26
Less:- Provision write off	-	24.31
Closing provisions	155.83	151.54

C. Liquidity Risk:

Liquidity risk is the risk that the group will face in meeting its obligations associated with its financial liabilities. The group'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 group's credit rating and impair investor confidence.

The following table shows the maturity analysis of the group's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

Maturity patterns of liabilities:

	Less than 12 months	More than 12 months	Total
As at March 31, 2022			
Trade payables	600.98	-	600.98
Borrowings	470.58	9,899.39	10,369.97
Other Financial liabilities	5,532.03	15,818.65	21,350.68
As at March 31, 2021			
Trade payables	1,362.42	-	1,362.42
Borrowings	419.86	-	419.86
Other Financial liabilities	6,027.00	17,205.24	23,232.24

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.

25. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Director of the group. Entire group has been as one reportable segment based on the information reviewed by CODM.

(a) Description of segments and principal activities

The group is engaged in the business of building capacity and enabling the infrastructure for future markets in a more efficient and cost effective manner. It aims to create a network of new markets by integrating and better organizing the modern wholesale trade, retail and logistics infrastructure in India.

(b) Segment revenue

The group operates as a single segment. The segment revenue is measured in the same way as in the statement of profit or loss.

Segment	As at March 31, 2022		As at March 31, 2021	
	Revenue from external customers	Total segment revenue	Revenue from external customers	Total segment revenue
Mall Management	8,525.97	8,525.97	6,899.73	6,899.73
Total segment revenue	8,525.97	8,525.97	6,899.73	6,899.73

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

The group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	As at March 31, 2022	As at March 31, 2021
India	8,525.97	6,899.73
Outside India	-	-
Total	8,525.97	6,899.73

(c) Segment assets

The group is domiciled in India. The amount of Non current assets broken down by location of the customers is shown in the table below.

Non current assets*	As at March 31, 2022	As at March 31, 2021
India	30,099.64	32,688.70
Outside India	-	-
Total	30,099.64	32,688.70

*Other than financial instruments and deferred tax assets

Profit / (Loss) from Discontinued Operations before tax

(d) Major Customer

Total 1 no of customers are contributing more than 10% of the total revenue of the group

Major Customer	As at March 31, 2022	As at March 31, 2021
Customer 1	2,875.44	957.29

26. Earnings per share

	As at March 31, 2022	As at March 31, 2021
(a) Basic and diluted earnings per share		
Profit attributable to the equity holders of the group from Continuing Operations	(2,827.10)	(3,090.89)
Total basic earnings per share attributable to the equity holders of the group (₹)	(4.91)	(5.37)
Profit attributable to the equity holders of the group from Discontinuing Operations	-	-
Total basic earnings per share attributable to the equity holders of the group (₹)	-	-
Profit attributable to the equity holders of the group from Continuing & Discontinuing Operations	(2,827.10)	(3,090.89)
Total basic earnings per share attributable to the equity holders of the group (₹)	(4.91)	(5.37)
(b) Weighted average number of shares used as the denominator	5,75,44,381	5,75,44,381
(c) Diluted earnings per share is same as basic earning per share diluted earnings per share	5,75,44,381	5,75,44,381

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

27. Assets pledge as security

- a) The carrying amounts of assets pledged as security for non - current borrowings are :

	March 31, 2022	March 31, 2021
For Term loan from Axis Finance Limited (I)		
Non-Current Assets		
First and Exclusive Charge	-	-
Property, plant and equipment	106.40	-
Investment properties	4,176.44	-
	4,282.84	-
For Term loan from Axis Finance Limited (II)		
Non-Current Assets		
First and Exclusive Charge	-	-
Investment properties	534.67	-
	534.67	-
Total Non Current Assets pledged as Security	4,817.51	-
Current Assets		
Pari Passu Charge	-	-
Total Current Assets	11,711.15	-
Total Assets pledged as Security	16,528.66	-

Note: Since, the charge on current assets is secondary, the company is not required to file quarterly returns relating to its valuation by the lender.

- b) With respect to the financial assistance/credit facilities given to Basuti Sales & Trading Private Limited, the company has mortgaged its immovable property (Ground+1st Floor) of Ahmedabad situated at Rajpur, Hirpur(sim) Ahmedabad. The fair value of the immovable property as at March 31, 2022 is ₹ 9,110.00 lakhs. The company has also pledged 3,830 equity shares of Riddhi Siddhi Mall Management Private Limited.

28. Share based payments

- (a) Employee option plan/ Tradable Options

- (i) Employee option trade plan/Tradable Options

Future Market Networks Limited (FMNL) has granted 7,60,000 options to eligible employees on May 25, 2018 under Employee Stock Option Scheme 2016 ("ESOS 2016") at an exercise price of ₹ 85/- per equity share. These options shall vest over a period of four years in the proportion of 25% for each year from the date of grant. These options can be exercised anytime within a period of three years from the date of vesting.

- (b) The details pertaining to number of options, weighted average price and assumptions considered for fair value are disclosed below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Weighted Average Exercise price (₹)	No. of options	Weighted Average Exercise price (₹)	No. of options
Options outstanding at the beginning of the period	85	2,10,000	85	2,10,000
Options granted during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Options outstanding at the end of the period		2,10,000		2,10,000
Options vested and exercisable at the end of the period		-		-

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

(c) Effect of share-based payment transactions on the entity's profit or loss for the year and on its financial position:

Total expenses arising from share-based payment transactions on account of Share option plans recognised in consolidated profit or loss as part of employee benefit expense were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Employee compensation expense	-	-

Effect of the employee share option plan on the consolidated financial statements is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred employee compensation reserve	-	-

Note:

Since the fair value of the employee stock options is lower than the exercise price there will be no Employee compensation expense and hence there is no impact in the Statement of Profit & Loss.

(d) Method and Assumptions Used to Estimate the Fair Value of Options Granted During the Year:

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

1. Risk Free Interest Rate	7.59% - 7.88%
2. Expected Life	2.5 - 5.5 years
3. Expected Volatility	76.99%
4. Dividend Yield	0.00%
5. Price of the Underlying Share in Market at the Time of the Option Grant (₹)	122.10

29. Related party transactions

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Name of related parties and related parties relationship:-

Name of Related Parties	Relationship	
	March 31, 2022	March 31, 2021
Splendor Fitness Private Limited	Director Interest	Director Interest
Galaxy Cloud Kitchens Limited (Formerly known as Galaxy Entertainment Corporation Limited)		
Utility Developers Private Limited		
Riddhi Siddhi Mall Management Private Limited	Joint Venture	Joint Venture
Gati Realtors Private Limited (upto 18.11.2021)		
Future Retail Destination Private Limited (Formerly known as Future Retail Destination Limited) (upto 18.11.2021)		
Future Corporate Resources Private Limited (Formerly known as Suhani Trading & Investment Consultants Private Limited)	Holding Company	Holding Company
Retail Trust	Ultimate Parent Entity	Ultimate Parent Entity
Future Retail Limited	Associate of Holding Company	Associate of Holding Company

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Name of Related Parties	Relationship	
	March 31, 2022	March 31, 2021
Praxis Home Retail Limited	Promoter's Group Company	Promoter's Group Company
Future Enterprises Limited		
Future Generali India Insurance Company Limited		
Future Lifestyle Fashions Limited		
Future Supply Chain Solutions Limited		
Nufuture Digital (India) Limited		
Future Capital Investment Private Limited (w.e.f. 29.03.2022)		
Ms. Ritu Pawan Agarwal	Relative of KMP	Relative of KMP
Ms. Jollamma Anil Cherian		
Mr. Anil Cherian	Key Managerial Personnel (KMP)	Key Managerial Personnel (KMP)
Mr. Pawan Agarwal	Executive Director & CFO	Executive Director & CFO
Mr. Pramod Arora	Non-Executive Director	Non-Executive Director
Mr. Sunil Biyani		
Mr. Rajesh Kalyani		
Ms. Udita Jhunjhunwala	Independent Director	Independent Director
Mr. Vijai Singh Dugar		
Mr. K.A Somayajulu (upto 27.09.2020)		

(b) Key management personnel compensation

Particulars	March 31, 2022	March 31, 2021
Short-term employee benefits	130.16	65.95
Post-employment benefits	17.10	16.32
Total	147.27	82.26

(c) The following transactions were carried out with the Related Parties in the ordinary course of business:-

Nature of Transaction	Joint Ventures	Holding Company	Relative of KMP	Directors	Director Interested	Associate of the Holding Company	KMP	Promoter's Group Company
Interest income	45.95	-	-	-	-	-	-	-
	110.42	-	-	-	-	-	-	-
Project management consultancy	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	7.80
Lease rent expenses	-	-	6.72	-	-	-	-	-
	-	-	6.72	-	-	-	-	37.90
Reimbursement of expenses	-	-	-	-	-	51.94	-	26.57
	-	-	-	-	-	121.69	-	72.66
Sitting fees / remuneration	-	-	-	92.08	-	-	57.28	-
	-	-	-	57.79	-	-	29.81	-
Promoter contribution	-	(4,055.97)	-	-	-	-	-	-
	-	(1,300.00)	-	-	-	-	-	-
Advances / loans given net off received back	(744.75)	-	-	-	-	-	-	-
	15.00	-	-	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Nature of Transaction	Joint Ventures	Holding Company	Relative of KMP	Directors	Director Interested	Associate of the Holding Company	KMP	Promoter's Group Company
Advances / loans / deposits taken net off repaid back	-	-	-	-	-	(9,388.28)	-	(800.00)
	-	-	-	-	-	(2,908.99)	-	(35.80)
Rent income	-	-	-	-	-	271.98	-	139.80
	-	-	-	-	-	683.60	-	387.21
Insurance expenses	-	-	-	-	-	-	-	35.87
	-	-	-	-	-	-	-	24.42
CAM income	-	-	-	-	-	30.67	-	8.00
	-	-	-	-	-	273.69	-	124.34
Sundry balance written off	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	4.12
Insurance claim	-	-	-	-	-	-	-	31.39
	-	-	-	-	-	-	-	500.00

Outstanding Balance as at March 31, 2022

Receivable	-	-	-	-	-	281.75	-	1.05
	-	-	-	-	-	797.41	-	177.68
Payables	-	-	-	-	-	965.99	-	7.78
	-	-	-	-	-	-	-	522.28
Subordinated debt	-	4,055.97	-	-	-	-	-	-
Loans & advances	-	-	-	-	-	-	-	-
	769.75	-	-	-	-	-	-	-
Loans / advances taken	-	-	-	-	-	-	-	13,253.42
	-	2,500.00	-	-	-	10,175.31	-	15,884.46
Investments in OCPS	770.64	-	-	-	-	-	-	-
	770.64	-	-	-	-	-	-	-
Security deposits taken	-	-	-	-	-	146.71	-	-
	-	-	-	-	-	275.93	-	55.56
Insurance claim	-	-	-	-	-	-	-	2,168.27
	-	-	-	-	-	-	-	2,186.88

Note: Figures in italic represents previous year's figures.

(d) Significant Related Party transactions :

Nature of Transaction	Name of the Company	March 31, 2022	March 31, 2021
Interest Income	Gati Realtors Private Limited	45.45	89.65
	Future Retail Destination Private Limited	0.50	-
	Riddhi Siddhi Mall Management Private Limited	-	20.77
Project Management Consultancy	Nufuture Digital (India) Limited	-	7.80
Lease Rent Expenses	Jollamma Anil Cherian	3.36	3.36
	Ritu Pawan Agarwal	3.36	3.36
	Future Lifestyle Fashions Limited	-	37.90
Reimbursement of Expenses	Future Retail Limited	51.94	121.69
	Praxis Home Retail Limited	24.37	33.55
	Future Lifestyle Fashions Limited	2.20	39.11
Remuneration to KMP	Mr. Pawan Agarwal	73.48	37.54
	Mr. Anil Cherian	56.68	28.41

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Nature of Transaction	Name of the Company	March 31, 2022	March 31, 2021
Sitting Fees / ESOP	Mr. Pawan Agarwal	1.00	1.40
	Mr. Anil Cherian	0.60	1.40
	Mr. Rajesh Kalyani (Sitting Fees)	4.00	4.15
	Mr. Sunil Biyani (Sitting Fees)	2.00	2.00
	Mr. Vijai Singh Dugar (Sitting Fees)	5.40	5.55
	Mr. K.A Somayajulu (Sitting Fees)	-	2.55
	Mr. Pramod Arora (Sitting Fees)	2.00	1.60
	Ms. Udita Jhunjhunwala (Sitting Fees)	4.20	3.00
Insurance Expenses	Future Generali India Insurance Company Limited	35.87	24.42
Loan given net off received back	Gati Realtors Private Limited	(744.75)	15.00
Advances / loans taken net off repaid back	Future Retail Limited	(9,209.32)	(2,725.93)
	Future Enterprises Limited	(800.00)	0.20
Purchase of Property, Plant and Equipment and Capital work in progress	Future Retail Limited	0.59	-
	Galaxy Cloud Kitchens Limited (formerly known as Galaxy Entertainment Corporation Limited)	40.00	-
Rent income	Future Retail Limited	271.98	683.60
	Praxis Home Retail Limited	120.06	(5.90)
	Future Lifestyle Fashions Limited	19.74	393.11
CAM income	Future Retail Limited	30.67	273.69
	Praxis Home Retail Limited	-	86.15
	Future Lifestyle Fashions Limited	8.00	38.20
Promoter's contribution	Future Corporate Resources Private Limited (Formerly Known as "Suhani Trading and Investments Private Limited")	(4,055.97)	(1,300.00)
Sundry balance written off	Future Generali India Insurance Company Limited	-	4.12
Deposit repaid	Future Retail Limited	178.96	183.06
	Future Lifestyle Fashions Limited	-	36.00
Insurance Claim	Future Generali India Insurance Company Limited	31.39	500.00
Compensation Paid	Galaxy Cloud Kitchens Limited	80.00	-
Rent Expense	Future Lifestyle Fashion Limited	47.44	-
Loans / Advances Received	Future Capital Investment Private Limited	1,180.98	-
	Future Corporate Resources Private Limited	919.86	-
Marketing Expense	Praxis Home Retail Limited	0.93	-

30. In respect of lease taken by the company, the future minimum lease rental obligation under :

(i) Amount recognised in the balance sheet

Right-of-use assets

Particulars	As at March 31, 2021
As at April 1, 2020 -	14,477.37
Additions	-
Depreciation charge for the year	2,038.31
Deletions	47.07
Net carrying amount as at March 31, 2021	12,391.99
As at April 1, 2021 -	12,391.99
Additions	-
Depreciation charge for the year	900.97
Deletions	366.67
Net carrying amount as at March 31, 2022	11,124.35

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Lease liabilities

Maturity analysis of lease liabilities

S. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i)	Not later than one year	2,811.78	4,761.77
ii)	Later than one year but not later than five years	7,825.30	7,498.30
iii)	Later than five years	1,342.15	1,268.54
Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(ii)	Amounts recognised in the Statement of Profit or Loss		
	Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	900.97	2,038.31
	Interest expense (included in finance costs)	1,008.18	1,776.96
	Expense relating to short-term leases (included in other expenses)	63.25	67.08
	Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	-	-
	Income from subleasing right-of-use assets (included in other income)	-	-
(iii)	Gains or losses arising from sale and leaseback transactions -	-	-
(iv)	The total cash outflow for leases during the year ended March 31, 2022	2,407.78	2,789.85

31. In respect of operating lease given by the company, the future minimum lease rental receivable under operating leases is as follows:

S. No.	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i)	Gross block of assets let out on operating lease	20,058.34	16,167.74
ii)	Accumulated depreciation as at March 31	7,790.53	6,126.05
iii)	Depreciation charged during the year to the Statement of Profit and Loss	960.25	3,729.31
iv)	Lease rentals recognised in Statement of Profit and Loss	5,349.75	3,903.45
v)	Lease rentals receivable not later than one year	5,196.24	5,387.27
vi)	Lease rentals receivable later than one year and not later than five years	17,747.68	10,909.06
vii)	Lease rentals receivable later than five years	1,195.74	-

32. Payable to MSME

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

33. Interests in other entities

(a) Subsidiaries

The Group's subsidiaries are set out below. Share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Date of acquiring subsidiary	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
Aashirwad Malls Private Limited	20-Jan-12	India	100.00%	100.00%	NIL	NIL	Mall Management
Suhani Mall Management Company Private Limited	20-Jan-12	India	86.26%	86.26%	13.74%	13.74%	Mall Management
Sun City Properties Private Limited	20-Jan-12	India	55.17%	55.17%	44.83%	44.83%	Mall Management
Future Trade Markets Private Limited	16-Aug-17	India	100.00%	100.00%	NIL	NIL	Ware-housing & Real Estate
Jeremia Real Estate Private Limited	27-Aug-18	India	100.00%	100.00%	NIL	NIL	Ware-housing & Real Estate

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-group eliminations.

Summarised balance sheet	Suhani Mall Management Company Private Limited		Sun City Properties Private Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Current assets	3,072.35	2,852.69	90.80	87.29
Current liabilities	4,716.30	4,813.36	926.83	827.05
Net current assets	(1,643.95)	(1,960.67)	(836.02)	(739.75)
Non-current assets	3,352.99	3,509.82	1,026.41	929.10
Non-current liabilities	786.03	790.37	-	-
Net non-current assets	2,566.96	2,719.45	1,026.41	929.10
Profit / (Loss) from Discontinued Operations before tax				
Net assets	923.01	758.78	190.39	189.35
Accumulated NCI	175.90	153.32	85.34	84.88

Summarised statement of profit and loss	Suhani Mall Management Company Private Limited		Sun City Properties Private Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue	430.20	423.35	2.91	3.07
Profit for the year	164.26	65.41	1.04	1.78
Other comprehensive income	-	(1,811.29)	-	-
Total comprehensive income	164.26	(1,745.88)	1.04	1.78
Profit allocated to NCI	22.57	(239.88)	0.46	0.80
Dividends paid to NCI	-	-	-	-

Summarised cash flow	Suhani Mall Management Company Private Limited		Sun City Properties Private Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Cash flows from operating activities	455.99	250.76	0.21	(2.46)
Cash flows from investing activities	(304.00)	3.15	(102.92)	(86.58)
Cash flows from financing activities	(92.27)	(415.54)	102.58	88.96
Net increase/ (decrease) in cash and cash equivalents	59.72	(161.63)	(0.13)	(0.08)

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

(c) Interests in associates and joint ventures

Set out below are the joint ventures of the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly or indirectly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	Place of business/ country of incorporation	Relationship	Proportion of Interest (%)	Accounting method	Carrying Value		Share of (Profit) / Loss from Associates and Joint Ventures	
					March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Gati Realtors Private Limited (upto 18.11.2021)*	India	Join Venture	49.00%	Equity method	531.98	2,127.74	136.41	12.37
Riddhi Siddhi Mall Management Private Limited	India	Join Venture	50.00%	Equity method	1,468.78	1,581.84	105.36	30.36
Future Retail Destination Private Limited (formerly known as Future Retail Destination Limited) (upto 18.11.2021)*	India	Join Venture	49.00%	Equity method	1,422.72	1,575.32	88.27	9.78
Total equity accounted investments					3,423.47	5,284.90	330.04	52.50

Summarised balance sheet	Year ended	Current assets	Current liabilities	Net current assets	Non-current assets	Non-current liabilities	Net non-current assets	Net assets	Owners' share
Riddhi Siddhi Mall Management Private Limited	March 31, 2022	2,773.51	72.34	2,701.17	6,311.74	4,615.73	1,696.01	4,397.17	2,198.59
	March 31, 2021	2,791.90	50.26	2,741.64	6,402.19	4,957.39	1,444.81	4,186.45	2,093.22
Future Retail Destination Private Limited (formerly known as Future Retail Destination Limited) (upto 18.11.2021)*	March 31, 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	March 31, 2021	389.32	1,445.17	(1,055.85)	12,211.19	7,943.59	4,267.60	3,211.75	1,573.76
Gati Realtors Private Limited (upto 18.11.2021)*	March 31, 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	March 31, 2021	480.63	2,343.04	(1,862.41)	16,560.65	12,291.22	4,269.43	2,407.02	1,179.44

Summarised statement of profit and loss	Year ended	Revenue	Profit for the year	Other comprehensive income	Total comprehensive income
Riddhi Siddhi Mall Management Private Limited	March 31, 2022	914.29	210.73	-	210.73
	March 31, 2021	610.27	(60.72)	-	(60.72)
Future Retail Destination private Limited formerly known as Future Retail Destination Limited) (upto 18.11.2021)*	March 31, 2022	-	(180.14)	-	(180.14)
	March 31, 2021	18.65	(19.95)	-	(19.95)
Gati Realtors Private Limited (upto 18.11.2021)*	March 31, 2022	-	(278.38)	-	(278.38)
	March 31, 2021	8.85	(25.24)	-	(25.24)

*In January 2019, the Board of Directors resolved to sell the entire stake of their wholly owned subsidiaries, Gati Realtors Private Limited and Future Retail Destination Private Limited (formerly known as Future Retail Destination Limited). 51% stake of both the entities was sold during the financial year 2019-20 and remaining 49% stake has been sold during the current year. The investments were presented separately under assets held for sale.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

34. Additional Information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as subsidiary -

Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	%	Amount	%	Amount	%	Amount	%	Amount
Parent								
Future Market Networks Limited	13.86%	850.04	105.01%	(2,819.32)	100.00%	0.37	105.01%	(2,818.95)
Subsidiaries:								
Aashirwad Mall Management Private Limited	9.13%	559.99	(0.19%)	5.08	-	-	(0.19%)	5.08
Suhani Mall Management Private Limited	16.69%	1,023.06	(6.12%)	164.37	-	-	(6.12%)	164.37
Suncity Properties Private Limited	25.24%	1,547.31	(0.04%)	1.04	-	-	(0.04%)	1.04
Future Trade Markets Private Limited	34.65%	2,124.54	1.28%	(34.48)	-	-	1.28%	(34.48)
Gati Realtors Private Limited	0.00%	-	0.00%	-	-	-	0.00%	-
Future Retail Destination Private Limited	0.00%	-	0.00%	-	-	-	0.00%	-
Jeremia Real Estate Private Limited	0.43%	26.06	0.05%	(1.42)	-	-	0.05%	(1.42)
Total	100.00%	6,131	100.00%	(2,684.73)	100.00%	0.37	100.00%	(2,684.36)
Minority Interest in all subsidiaries		261.25		23.05		-		23.05
Joint Ventures		(1,687.20)		(119.32)		-		(119.32)
Total		4,182.56		(2,827.10)		0.37		(2,826.73)

35. Impact of COVID-19

Due to the outbreak of COVID-19 globally and in India, the Group's management has made initial assessment of likely adverse impact on business and financial risks on account of COVID-19, and believes that the impact is likely to be medium term in nature. The management does not see any long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due, and compliance with the debt covenants, as applicable.

36. Loss of Property, Plant and Equipment due to fire

A fire accident occurred on October 22, 2020 night in Orchid City Center Mall (OCC) Mall Mumbai, which is partly managed by the Holding company. No revenue and corresponding expenses have been accrued and accounted since November, 2020. The Holding Company is yet to receive the final insurance claim as determined by the insurance company and has accounted the resulting loss of ₹ 667.33 lakhs on discard of the property, plant and equipment 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 inspection and No Objection Certificate (NOC) from the fire department.

37. Reduction in rent due to COVID- 19

The company is operating various malls throughout the country and providing space and CAM services to the lessees. However, due to surge Of COVID- 19 pandemic since March 2020, and consequential lockdown announced by Government of India, the company provided relief to its lessees by reducing the rent of different malls in the current year. Accordingly, the income and profitability of the company has been affected during the year as compared to the pre- COVID period.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

38. Expenditure on Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The Company is spending amount for these activities, which are specified in Schedule VII of the Companies Act, 2013.

- (a) Gross amount required to be spent by the Company during the year - Nil (March 31, 2021: ₹ 26.46 lakhs)
- (b) Amount spent during the year on :

Particulars	In Cash/Bank ₹ in Lakhs.	Yet to be paid in Cash/Bank ₹ in Lakhs.	Total ₹ in Lakhs.
(i) Construction/ acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	-	-	-
	(-)	(-)	(-)

(Figures in brackets represent amount for previous year)

39. Financial Ratios

The ratios for the year ended March 31, 2022 and March 31, 2021 are as follows:-

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021
Current Ratio (in times)	Total current assets	Total current liabilities	0.70	0.52
Note: During the year, the advances from customer has decreased by 30% which has increased the current ratio.				
Debt equity ratio (In times)	Debt consists of Borrowings & Lease Liabilities	Total Equity	2.33	0.04
Debt service coverage ratio (in times)	Earnings of Debt service = Net Profit after Taxes + Non-cash operating expenses + Interest + Other Non-Cash Adjustment	Debt Service = Interest & Lease payment + Principal Repayment	2.95	24.52
Note: Term loan taken during the year has resulted in the decrease in debt service coverage ratio.				
Return on Equity ratio (in %)	Profit for the year	Shareholder's equity	(63.10%)	(27.24%)
Note: Redemption of Subordinated debt during the year has resulted in the fall in Return on Equity ratio.				
Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Inventory	1.83	2.52
Note: The operating cost has decreased by 28% during the year and consequently, Inventory turnover ratio has fallen.				
Trade Receivables Turnover ratio (in times)	Revenue from operations	Average Trade Receivables	3.88	2.16
Note: During the year, trade receivables has fallen by 31% which has contributed to the rise in Trade Receivables Turnover Ratio.				
Trade Payables Turnover ratio (in times)	Cost of Production	Average Account Payables	1.60	1.52
Note: The operating cost has decreased by 28% during the year and consequently, trade payables turnover ratio has fallen.				
Net Capital Turnover ratio (in times)	Revenue from operations	Average working capital (i.e. total current asset- total current liabilities)	(1.11)	(0.41)
Note: There is a rise in working capital by 54% during the year which has resulted in the fall of Net capital turnover ratio.				
Net Profit ratio (in %)	Profit for the year	Revenue from operations	(32.89%)	(44.62%)
Note: Increase in revenue by 24% as compared to the previous year has resulted in the rise in Net profit ratio.				
Return on Capital Employed (in %)	Profit before tax	Net worth	16.44%	19.04%
Return on Investment (in %)	Income Generated from Invested Funds	Average Invested Funds in Treasury Investment	54.81%	19.75%
Note: Redemption of Subordinated debt during the year has resulted in the fall in Return on Investment.				

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

40. Contingent Liabilities not provided for:

- (a) Corporate Guarantee given to Central Bank of India (lender) on behalf of Unique Malls Private Limited (borrower) - ₹ 2,100.00 Lakhs (2021 : ₹ 18,750 Lakhs) (Refer Note 32 of Standalone Financial Statements). With respect to the said guarantee, the holding company has received a demand notice of ₹ 2,082.72 lakhs from Central Bank of India dated May 4, 2022 which is primarily demanded from Unique Malls Private Limited seeking repayment of the outstanding dues.
- (b) Collateral security provided in favour of Hero Fincorp Private Limited (lender) for sanctioning term loan of ₹ 14,000 lakhs (2021 : ₹ 14,000 Lakhs) to Hare Krishna Operating Lease Private Limited (borrower) for exclusive charge on immovable property of R Mall situated at Lal Bahadur Shastri Marg, Revenue Village of Mulund West. The fair value of the immovable property as at March 31, 2022 is ₹ 13,112.74 lakhs (Refer Note 32 of Standalone Financial Statements). With respect to the above guarantee, the holding company has received a demand notice of ₹ 12,057.28 lakhs from Hero FinCorp Private Limited dated April 15, 2022 which is primarily demanded from Hare Krishna Operating Lease Private Limited seeking repayment of the outstanding dues.

In terms of the legal advice received by the Company, security documents creating security interest by way of mortgage are not treated at par with Corporate Guarantee and hence liability of the Company may be limited to the realisable value of the securities provided.

- (c) The Company, being a Mortgagor, has also received a demand notice of ₹ 18,448.96 lakhs from Yes Bank Limited (lender) dated April 19, 2022 which is primarily demanded from Basuti Sales & Trading Private Limited (borrower) seeking repayment of the outstanding dues. The Company has pledged 3,830 equity shares subject to all approvals including favour existing lender of Riddhi Siddhi Mall Management Private Limited and second charge on immovable property of Big Bazaar (Ground + 1) situated at Rajpur- Hirpur, Ahmedabad. The fair value of the immovable property as at March 31, 2022 is ₹ 9,110.00 lakhs.

In the above contingent liabilities (a), (b) and (c), if the borrower fails to repay the outstanding dues to the lender, the lender shall exercise all the rights available under the mortgage/pledge as above.

- (d) Corporate Guarantee given to bank on behalf of Companies - ₹ 4,800 Lakhs (2021 : ₹ 4,800 Lakhs) (Refer Note 32 of Standalone Financial Statements)
- (e) In an Arbitration proceedings before the sole Arbitrator, appointed by the Hon'ble High Court of Calcutta, in respect of disputes arose out of termination of a license agreement related to a shopping mall, the Arbitrator has awarded a net amount of ₹ 1,290.52 lakhs to Mahaveer Constructions (" the Claimant") after allowing certain counter claims of the holding company.

However, the holding company filed an petition challenging the arbitration award u/s 34 of Arbitration and Conciliation Act, 1996 before the Hon'ble High Court, Calcutta. Claimant through its Proprietor has also challenged the aforesaid arbitration award before the Hon'ble High Court, Calcutta. The matters are pending before the Hon'ble High Court, Calcutta.

- (f) The holding Company has sub lease rights with respect to the above OCC mall in Mumbai and there were serious disputes amongst the parties under the said arrangement. The parties have arrived at a settlement in a suit filed by the Company and tendered consent terms with Hon'ble High Court of Bombay in the suit filed by the Company viz. Consent Terms dated December 8, 2017 and Supplemental Consent Terms dated April 2019 (Consent Terms). The Consent Terms deals with settlement of long standing dispute between the Company including settlement of past claims of sub lessor (Neel Kamal City Shopping Mall (India) Limited - which has taken it on lease from the lessor and sub-leased it to the Company) under the original arrangement till March 31, 2020 for an amount of ₹ 1,741 lakhs (over and above the existing receivables standing in the books) with an arrangement for future periods including reduced rentals for the sub lease period upto August 2027. The arrangement deals with entitlement of lease rental in respect of premises owned by various third parties and a minority of such third party owners have intervened in the matter raising objections with respect of approval of consent terms by the Hon'ble Court. The Court has taken the consent terms on record but not yet issued an order sanctioning the Consent Terms. In case, the Consent Terms are accepted as filed, the Company will have to honour its payment obligations for the said amount and the parties shall be administrated in terms of the Consent Terms. However, if the Consent Terms are not approved, the parties shall be relegated to the original position of the suit filed by the Company. In view of this, the above has been disclosed as contingent liabilities pending approval of Hon'ble High Court in relation to the Consent Terms.

Also, few Gala owners of the mall have filed claim of ₹ 218.53 lakhs against the company to pay the lease rental/claim amount along with @18% interest, for appointment of court receiver, appointment of commissioner to visit suit premises and retained from subletting and/or giving the suit premises on Leave and License basis or parting with possession or inducting any third party. The said premises impacted by a major fire accident in the financial year 2020-21 which has been treated as a force majeure event."

- (g) Demand due to delay in payment of interest under section 31(4) under Maharashtra Stamp Act for ₹ 90.83 lakhs (2021 : ₹ 90.83 Lakhs) with regard to the amalgamation of Future Realtors (India) Private Limited, AIGL Holdings & investments Private Limited and Prudent Vintrade Private Limited with Future Market Networks Limited (formerly known as Agre Developers Limited) affected in January 2012. The Company had approached the Collector of stamp office, Mumbai with regard to the aforesaid demand and the matter is pending with Collector of stamp office, Mumbai.
- (h) A debt recovery case was filed by Union Bank of India of ₹ 294.67 lakhs before Debt Recovery Tribunal -III Kolkata. The company has filed fresh interim application against the defendant and the matter is adjourned to July 16, 2021 against the Learned DRT III.

Notes to the consolidated financial statements for the year ended March 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

- (i) An arbitration petition was filed by Mr.Laxmipat Surana before High Court at Calcutta for occupational charges in respect of the licensed premises situated at Block B Puja Complex, known as Puja the Mega Mart at Jhargram Rd, Kharagpur. The holding company terminated the arrangement and handed over the licensed premises which were settled in favour of the holding company in the first arbitration. The proceedings in the present arbitration are in progress and no adverse orders passed by the Tribunal as on 31st March 2022.
- (ii) An Execution Application was filed by Laxmipat Surana (Petitioner) before the High Court at Calcutta to pay ₹ 2,573.99 lakhs. A conditional stay has been obtained by the holding company in this matter from High Court.
- (k) TDS disputed demand - ₹ 5.46 lakhs (2021 : ₹ 5.46 lakhs)

The demand is related to the penalty levied u/s 272A(2)(g) of the Income Tax Act, 1961 pertaining to financial year 2014-15. The holding company has filed an appeal against the demand.

41. Previous Years' Figures

The financial statements have been prepared in accordance with the 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. The previous period's figures have been regrouped or rearranged wherever necessary.

**As per our report of even date
For S K Patodia & Associates
Chartered Accountants
Firm Registration No. : 112723W**

**Dhiraj Lalpuria
Partner
Membership Number : 146268**

**Place : Mumbai
Date : May 19, 2022**

For and on behalf of the Board of Directors

**Vijai Singh Dugar
Director
DIN: 06463399**

**Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580**

**Place : Mumbai
Date : May 19, 2022**

**Anil Cherian
Head - Legal and Company Secretary**

FUTURE MARKET NETWORKS

catalysing consumption

CIN: L45400MH2008PLC179914

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