



Future Market Networks Limited

Annual Report 2020-21

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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. K.A. Somayajulu	DIN: 02535927	Independent Director (till September 27, 2020)
Mr. Sunil Biyani	DIN: 00006583	Non-Executive Director
Mr. Rajesh Kalyani	DIN: 00220632	Non-Executive Director
Mr. Pramod Arora	DIN: 02559344	Non-Executive Director
Mr. Pawan Kumar Agarwal	DIN: 01435580	Executive Director & Chief Financial Officer
Mr. Anil Cherian		Head – Legal and Company Secretary

BOARD COMMITTEES

Audit Committee	Stakeholders Relationship Committee
Mr. Vijai Singh Dugar	Mr. Vijai Singh Dugar
Mr. K.A. Somayajulu (till September 27, 2020)	Mr. Sunil Biyani
Mr. Rajesh Kalyani	Mr. Rajesh Kalyani
Ms. Udit Jhunjhunwala (w.e.f August 29, 2020)	
Nomination, Remuneration and Compensation Committee	CSR Committee
Mr. Vijai Singh Dugar	Mr. Vijai Singh Dugar
Mr. K.A. Somayajulu (till September 27, 2020)	Mr. K.A. Somayajulu (till September 27, 2020)
Mr. Rajesh Kalyani	Mr. Rajesh Kalyani
Ms. Udit Jhunjhunwala (w.e.f August 29, 2020)	Ms. Udit Jhunjhunwala (w.e.f August 29, 2020)

STATUTORY AUDITORS

S K Patodia & Associates, Chartered Accountants, Mumbai

BANKERS

Kotak Mahindra Bank

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 Private Limited
C 101, 247 Park, LBS Marg,
Vikhroli West, Mumbai 400083
Telephone : 022 - 4918 6000
Fax : 022 - 4918 6060

13th Annual General Meeting

on Tuesday, September 28, 2021 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 2020-21. 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 13th Annual General Meeting of the members of Future Market Networks Limited will be held Tuesday, 28th day of September 2021 at 2:00 p.m. through Video Conferencing ("VC")/Other Audio Video Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 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, 2021 together with the report of Auditors thereon.
2. To appoint a director in place of Mr. Rajesh Kalyani (DIN: 00220632), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.
3. 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:

4. To consider and if thought fit, to accord assent/dissent to the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, Companies (Significant Beneficial Owners) Rules, 2018, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), the provisions of the Memorandum and Articles of Association of the Company and the applicable rules, guidelines and circulars issued by the concerned statutory or regulatory authorities from time to time, and other applicable approvals, if any the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include any Committee of the Board), to enter into following transactions with Future Enterprises Limited and/or its subsidiaries or step down subsidiaries to the extent of maximum amounts as stated herein below:

Nature of Transactions as per Section 188 of the Companies Act 2013	Name of the Related Party	Name of Director or Key Managerial Personnel who is related, if any	Nature of Relationship	Nature, Material Terms, Monetary Value and particulars of the contract or arrangement	Any other information relevant or important for the Members to take decision on the proposed resolution
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	Future Enterprises Limited including its subsidiaries or step-down subsidiaries	None	Promoter Group Company and/or its subsidiaries or step-down subsidiaries	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 payables, whichever is lower.	The existing arrangements have been reviewed by the Board and Audit Committee and the transactions are at ordinary course of business and at arms' length price.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to settle and finalize all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, negotiating, finalizing and executing necessary agreements and ancillary agreements/undertakings, memorandum, deeds, documents and such other papers or writings as may be deemed necessary or expedient in its own discretion and in the best interest of the Company and to delegate all or any of its powers herein conferred to the Committee of Directors and/or any Director(s)/Officer(s) of the Company, 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, 2021

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

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

IMPORTANT NOTES:

- In view of the massive outbreak of the Covid-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs and all other relevant circulars issued from time to time and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by SEBI (hereinafter collectively referred to as ("the Circulars"), physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and the Circulars, the AGM of the Company is being held through VC / OAVM.

FUTURE MARKET NETWORKS LIMITED

2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this Annual General Meeting (AGM) is annexed.
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 Chairperson 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 / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to alwyn.co@gmail.com with a copy marked to evoting@nsdl.co.in.
6. 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, except in case of request received for transmission or transposition of securities.

In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. 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, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held by them in electronic form and to Registrar and Share Transfer Agent Viz. Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 in case the shares are held by them in physical form.
9. As per the provisions of Section 72 of the Act and Rule 19 (1) of the Companies (Share Capital and Debentures) Rules, 2014, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website at www.fmn.co.in Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Link Intime in case the shares are held in physical form.
10. 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.

11. 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.
12. 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 on or before September 23, 2021 through email on info.fmnl@futuregroup.in. The same will be replied by the Company suitably.
13. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2020-21 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 2020-21 will also be available in the "Investors Relations" section on the website of the Company at www.fmn.co.in, 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>.
14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. 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.
16. 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).
17. 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 have to claimed 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.
18. 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.
19. 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.
20. Documents referred to in the Notice and explanatory statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at info.fmnl@futuregroup.in.
21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
22. 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.
- ii. The remote e-voting period commences on Saturday, September 25, 2021 (9:00 a.m. IST) and ends on Monday, September 27, 2021 (5:00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 21, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 21, 2021.
- 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. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- v. Any person, 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, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- vi. 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"> 1. 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. 2. 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 3. 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. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. 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. 2. 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. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. 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	<p>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.</p>

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?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. 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.nsd.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.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 EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/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.
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 who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at info.fmnl@futuregroup.in from September 23, 2021 (9:00 a.m. IST) to September 25, 2021 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Other Instructions:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e- voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
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, 2021

**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. 4 of the accompanying Notice:

Item No. 4

The Company availed financial assistance from Future Enterprises Limited (FEL), Promoter Group Company, from time to time and members of the Company at their Annual General Meeting held on September 16, 2019 approved the same. The outstanding amount payable to FEL as on March 31, 2021 is ₹ 119,52,57,923/- (rupees one hundred nineteen crores fifty-two lakhs fifty seven thousand nine hundred twenty three only).

FEL had requested the Company to provide collateral security by way of mortgage of immovable property and/or pledge of securities held by the Company in its Joint Venture Company to secure the loan availed by FEL and/or its subsidiaries or step-down subsidiaries to the extent of outstanding payables. It is agreed by FEL that they shall not demand repayment of outstanding payables until this charge/lien is in force.

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the aggregate value of the consideration involved with respective related party transactions can qualify as material related party transaction and hence require approval of shareholders. In terms of the said Regulation, respective members who are Interested shall abstain from voting in respect of the proposed resolution given in the notice, irrespective of whether the entity is a party to the particular transaction or not.

Since the value of the transaction can exceed the threshold limit prescribed under the listing regulations for material related party transaction, the Company proposes to seek the approval of members.

The Board recommends the resolution as set out in Item no. 4 for approval of the Members. Also, the Members are further informed that no related party shall be entitled to vote on this resolution.

Directors, Key Managerial Personnel, and their relatives who are members of the Company, may be deemed to be concerned or interested in the Item No. 4 of the accompanying notice only to the extent of their respective shareholding in the Company, to the same extent as that of every other member of the Company.

Registered Office:

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Website: www.fmn.co.in

Place : Mumbai

Date : August 10, 2021

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

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

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. Rajesh Kalyani
DIN	00220632
Date of Birth	October 8, 1969
Date of Appointment	September 23, 2010
Qualification	Chartered Accountant
Expertise in specific functional areas:	Mr. Rajesh Kalyani is a member of the Institute of Chartered Accountants of India with 30 years of experience. He is in employment at a senior position with one of the leading organized retailer and has wide experience in areas of business planning, project & working capital management, properties, commercial & taxation matters.
Other Directorship(s)/ Designated Partner	Retail Light Techniques India Limited R.R. Kalyani Enterprises LLP Bartraya Mall Development Company Private Limited Future Money Financial Services Limited (Formerly known as Expandus Capital Limited)
Membership in Committees	Name of the Company : Retail Light Techniques India Limited Committee : Audit Committee Position held : Chairman Name of the Company : Future Market Networks Limited Committees: Audit Committee, Nomination Remuneration and Compensation Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee Position held : Member
Number of shares held in the Company	41025
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 2020-21

FUTURE MARKET NETWORKS LIMITED

2. 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 Goldmohur Design and Apparel Park 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 White Knight Mercantile LLP Oviya Multitrading LLP Biyani Capital Resources LLP GSR 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 : Goldmohur Design and Apparel Park 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 2020-21

Board's Report

Board's Report

BOARD'S REPORT TO THE MEMBERS

Your Directors present their thirteenth report together with the audited financial statement of your Company for the year ended on March 31, 2021.

FINANCIAL HIGHLIGHTS

a) Standalone

(₹ In Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Revenue from Operations	6454.79	12155.71
Other Income	775.15	4903.90
Total Income	7229.94	17059.61
Operating Cost	2164.67	3611.47
Cost of units sold	1.18	121.28
Personnel Cost	453.02	591.80
Other Expenses	2491.76	2659.22
Total Expenditure	5110.63	6983.77
Profit before Interest, Depreciation and Tax	2119.31	10075.84
Less: Interest	2056.28	2947.81
Less: Depreciation	3729.31	5113.97
Profit/(Loss) before exceptional item and tax	(3666.28)	2014.06
Less: Exceptional Item	-	-
Less: Profit/(Loss) before tax	(3666.28)	2014.06
Less: Current, Deferred Tax/Earlier Year's Provision Written back	784.34	907.15
Profit (Loss) after Taxation	(2881.94)	1106.91

b) Consolidated

(₹ in Lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Revenue from Operations	6899.73	12676.79
Other Income	723.60	6728.73
Total Revenue	7623.33	19405.52
Operating Cost	2172.22	3629.21
Cost of units sold	1.18	121.28
Personnel Cost	482.19	638.11
Other Expenses	2682.90	2869.18
Total Expenditure	5338.49	7257.28
Profit before Interest, Depreciation and Tax	2284.84	12147.74
Less: Interest	2233.91	3035.39
Less: Depreciation	3863.44	5248.10
Add: Share of net profit of associates and joint ventures accounted by using equity method	(52.50)	76.87
Less: Exceptional Items	-	-
Profit before tax from Continuing Operations	(3865.01)	3941.12
Less: Provision for taxation/Earlier Year's Provision Written back	6.36	3.24
Less: Deferred Tax	792.60	928.10
Profit/(Loss) after Taxation from continuing operation	(3078.77)	3009.78
Profit/(Loss) from discontinued operation	-	(17.03)
Profit/ (Loss) for the year	(3078.77)	2992.75

Dividend

In view of the loss for Financial Year (FY) 2020-21 and considering the necessity to conserve resources of the Company during this uncertain and difficult times due to the COVID-19 pandemic, the Directors, have not recommended any dividend for the financial year ended March 31, 2021.

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 2020-21, no amount has been transferred to any reserves.

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

Except as disclosed elsewhere in this report, no 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 in 2020-21 following the Covid-19 pandemic. Gross Domestic Product (GDP) is estimated to have declined by 7.3 percent, compared to 4 percent growth in the previous year.

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.

During 2020-21, 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.

Your Company has, along with Gati Realtors Private Limited (SPV-1) and Future Retail Destination Private Limited (SPV-2) (SPV 1 and 2 (SPV's) entered into a strategic arrangement with ESR NAGPUR 1 PTE LTD and ESR DELHI 3 PTE LTD (investor SPV's) respectively for the aforesaid integrated large-scale warehouses.

The Company shall exit from the respective SPV's by way of sale of its investment in the respective SPVs.

Financials - Standalone Highlights

During the year ended March 31, 2021, your Company has achieved total Revenue (i.e. Revenue from Operations & Other income) of ₹ 7229.94 Lakhs as against ₹ 17059.61 Lakhs for the previous year ended March 31, 2020. Your Company has posted loss (i.e profit/loss before tax) of ₹ -3666.28 Lakhs for the current year as against Profit of ₹ 2014.06 Lakhs for the previous year (a negative growth in term of % is 282.04% against the previous year).

Consolidated Highlights

During the year ended March 31, 2021, your Company's consolidated Revenue stood at ₹ 7623.23 Lakhs as against ₹ 19405.52 Lakhs for the previous year ended March 31, 2020. Your Company has posted loss (i.e profit/loss before tax) of ₹ -3865.01 Lakhs for the current year as against of ₹ 3941.12 Lakhs (profit) 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, 2021 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

Your Company 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. The extent to which Covid-19 impacts the operations will depend on future developments which remain uncertain.

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

The Board of Directors of the Company at its meeting held on August 29, 2020 has inter-alia, considered and approved the Composite Scheme of Arrangement which involves: (i) merger of Future Market Networks Limited ("the Company" or Transferor Company 3"), and other 18 Transferor Companies with Future Enterprises Limited ("FEL" or "Transferee Company") and their respective Shareholders and Creditors; (ii) Transfer and vesting of the Logistics & Warehousing Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail Ventures Limited ("RRVL"); (iii) Transfer and vesting of the Retail & Wholesale Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail and Fashion Lifestyle Limited, a wholly owned subsidiary of RRVL ("RRVL WOS"); and (iv) Preferential allotment of equity shares and warrants of FEL to RRVL WOS ("The Composite Scheme of Arrangement"/ Scheme"), pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

The combination contemplated under the scheme has been approved by Competition Commission of India on November 20, 2020. Further stock exchanges have issued observation letter without any adverse observation on January 20, 2021. Pursuant to this the scheme application has been filed with National Company Law Tribunal Mumbai (NCLT) on January 26, 2021 for convening the meeting of the Shareholders and Creditors of the Transferor Companies and Transferee Company.

Amazon has initiated proceedings after arbitration against the Future Retail Limited (FRL) and its promoters on October 5, 2020 before Singapore International Arbitration Centre (SIAC). After completion of Emergency Arbitration hearing held pursuant to application of Amazon, Emergency Arbitrator has passed an interim order on October 25, 2020 (EA Order) inter alia restraining FRL and promoters to take any steps in furtherance of the resolution passed on August 29, 2020. However, based on the legal advice received by FRL, it has contended that the EA Order would not be enforceable in view of FRL being not a signatory to the arbitration agreement under which arbitration has been initiated.

The Company shall update on matters related to the Scheme to Stock Exchanges for the information of members and public in terms of the Listing Regulations and you may refer such updates in this regard.

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, 2021 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, 2021 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.

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, 2021 are furnished as Annexure ‘1’ attached herewith and forms part of this report.

Holding Company

As on March 31, 2021, 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.

The Company 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, no company became or ceased to be a Subsidiary / Associate / Joint Venture company of the Company. 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, 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 Company Private Limited	5	Jeremia Real Estate Private Limited
3	Future Trade Markets Private Limited		
	Name of the Joint Venture		Name of Associates
1	Riddhi Siddhi Mall Management Private Limited	1	Future Retail Destination Private Limited
		2	Gati Realtors 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 Auditor’s 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

The Company will provide the financial statements of subsidiaries upon receipt of a written request from any member of the Company interested in obtaining the same. The financial statement of subsidiaries will also be available for inspection at the Registered Office of your Company during working hours up to the date of the Annual General Meeting.

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, 2021, 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 Listing Regulations forms part of this Annual Report.

Corporate Social Responsibility (CSR)

The Company’s guiding principle for CSR is to build its relationship with stakeholders and the community at large and contribute to their long term social good and welfare. The Company, in every financial year, in line with the Companies Act, 2013, pledges to spend minimum two percentage of the average net profits made during the three immediately preceding financial years towards CSR initiatives.

The Company has constituted a Corporate Social Responsibility (CSR) Committee comprising of Mr. Rajesh Kalyani, Non-Executive Director, Ms. Udita Jhunjhunwala and Mr. Vijai Singh Dugar, Independent Directors. Ms. Udita Jhunjhunwala is the Chairperson of the Committee. During the year, Mr. K. A. Somayajulu ceased to be a member of the Committee consequent to his completion of Tenure as the Independent Director of the Company effective from the close of business hours of September 27, 2020. The Board at its meeting held on August 29, 2020 inducted Ms. Udita Jhunjhunwala as a member 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 Company gives preference to the local area and area around it where it operates for spending the amounts earmarked for CSR activities. During the year the Company has spent ₹ 26.46 lakhs as against the statutory requirement of CSR expenditure of ₹ 26.46 lakhs.

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

During the year under review, there are no changes in the Board except cessation of Mr. K.A. Somayajulu as an Independent Director of the Company w.e.f. September 27, 2020 upon expiry of his 2nd term as an Independent Director.

Appointment

Pursuant to Section 152 of the Companies Act, 2013 and Article 91 of the Articles of Association of the Company, Mr. Rajesh Kalyani (DIN: 00220632) and Mr. Sunil Biyani (DIN: 00006583) both Non-Executive Non-Independent Directors retire by rotation at the 13th Annual General Meeting of the Company and being eligible has offered themselves for re-appointment. The Board has recommended their reappointment 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. Rajesh Kalyani and 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. Both the abovementioned Directors are 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 Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations. The declarations also confirm compliance with sub-rule 1 and 2 of Rule 6 of the Companies (Appointment and Qualifications of Directors) Fifth Amendment Rules, 2019.

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, 2021, 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
2	Mr. Anil Cherian	Head - Legal & Company Secretary

Meetings of Board

The Board of Directors met Five (5) times during the financial year ended March 31, 2021 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 March 23, 2021, 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 director's 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, 2021, 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 director's 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, 2021, 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, 2021 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, 2021, the Audit Committee comprised of Two Non-Executive Independent Directors, namely Mr. Vijai Singh Dugar and Ms. Udita Jhunjunwala and one Non-Executive Non-Independent Director, Mr. Rajesh Kalyani. Mr. Vijai Singh Dugar is the Chairman of the Committee. During the year under review, Mr. K. A. Somayajulu ceased to be a member of the Committee consequent to his completion of Tenure as the Independent Director of the Company effective from the close of business hours of September 27, 2020. The Board at its meeting held on August 29, 2020 inducted Ms. Udita Jhunjunwala as a member 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 2021 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 2021 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 M/s. 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 Auditor's Report issued by M/s. S K Patodia & Associates, Chartered Accountants, Mumbai for the financial year ended on March 31, 2021 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 2020-21.

Secretarial Audit of Material Unlisted Indian Subsidiary

For the financial year 2020-21, 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 2020-21 by Mr. Amit Samani of M/s. Amit Samani & Co., 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, 2021, 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 the Special Purpose Vehicle Companies viz. 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 the Listing Regulations are provided in the standalone financial statement at note no. 32.

Further, in terms of Regulation 34(3) read with Schedule V of the 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, 2021, in the format prescribed in the relevant accounting standards for annual results, are given in Note no. 28 to the standalone financial statement.

Credit Rating

During the year under review, the Rating assigned by Infomercs Valuation and Ratings Private Limited is withdrawn as per the request of the Company.

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, 2021 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

The Company has constituted an Internal Complaints Committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH). The details required to be disclosed under POSH forms Part of the Corporate Governance Report.

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, 2021 and the date of this Report, other than those disclosed in this Report.

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 2021 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 Ltd. (NSE) in terms of the Regulation 34 (3) read with Schedule V of the Listing Regulations, and the listing fee for the year 2021-22 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, 2021, 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, 2021 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 26, 2021

Vijai Singh Dugar
Chairman
DIN: 06463399

Pawan Kumar Agarwal
Executive Director & CFO
DIN: 01435580

**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, 2021.

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 conversations) 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. 27 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. 27 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. 27 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

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

(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-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21
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	(11,32,381)	6,60,55,098	20,92,80,553	(16,64,630)	(26,62,970)
7	Total assets	15,82,387	63,62,51,694	38,66,24,437	10,16,39,930	25,62,970
8	Total Liabilities	17,14,768	56,03,73,586	17,07,63,584	8,27,04,560	25,62,970
9	Investments	-	-	1,00,79,579	-	-
10	Turnover	27,50,588	4,23,35,444	6,83,878	3,06,500	-
11	Profit /Loss before taxation	(3,56,227)	62,85,189	(1,57,71,444)	2,42,460	(6,77,580)
12	Provision for taxation/ Deferred Tax	-	(2,56,093)	2,126	64,910	-
13	Profit after taxation	(3,56,227)	65,41,282	(1,57,73,570)	1,77,550	(6,77,580)
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	Future Retail Destination Private Limited	Gati Realtors Private Limited
1	Latest audited Balance Sheet Date	31-Mar-21	31-Mar-21*	31-Mar-21*
2	Date of becoming Associate/Joint Venture	20-Jan-12	25-Oct-19	28-Aug-19
3	Shares of Associate/Joint Ventures held by the company on the year end			
	No.	Equity - 6,384 Preference - 141	1,47,00,000	53,22,625
	Amount of Investment in Associates/Joint Venture (₹)	14,68,77,636	14,22,71,500	5,31,97,975
	Extend of Holding%	50%	49%	49%
4	Description of how there is significant influence	In terms of Joint Venture Agreement	In terms of Share Purchase Agreement	In terms of Share Purchase Agreement
5	Reason why the associate/joint venture is not consolidated	-	-	-
6	Net worth attributable to shareholding as per latest audited Balance Sheet (₹)	41,86,44,679	32,11,75,000	24,07,02,000
7	Profit/Loss for the year (₹)	(60,72,116)	(19,95,000)	(25,24,000)
i.	Considered in Consolidation	-30,36,058	-9,77,550	-12,36,760

*Unaudited

Names of associates or joint ventures which are yet to commence operations: None

Names of associates or joint ventures which have been liquidated or sold during the year: None

For and on behalf of Board of Directors

Place: Mumbai
Date: May 26, 2021

Vijai Singh Dugar
Chairman
DIN: 06463399

Pawan Kumar Agarwal
Executive Director & CFO
DIN: 01435580

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	1	1
Mr. Rajesh Kalyani	Member – Non-Executive Director	1	1
Ms. Udit Jhunjhunwala	Member – Independent Director	1	1

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) : ₹ 1,322.97 Lakhs.

7. (₹ In Lakhs)

a	Two percent of average net profit of the company as per section 135(5)	26.46
b	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
c	Amount required to be set off for the financial year, if any	Nil
d	Total CSR obligation for the financial year (7a + 7b – 7c)	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
26.46	Not Applicable				

FUTURE MARKET NETWORKS LIMITED

(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.
Education	Yes	Maharashtra	Thane, Mumbai, Raigad	Completed Academic Year	Yes	Education	17.79	No	Nirmal Jeevan Charitable Trust, and Aastha Charitable Trust.	NA
Medical Aid	Yes	Maharashtra	Thane, Mumbai, Palghar	Completed	Yes	Medial Aid	8.67	No	Aastha Charitable Trust.	NA

(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): ₹ 26.46 lakhs

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

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

Vijai Singh Dugar
Chairman
DIN: 06463399

Pawan Kumar Agarwal
Executive Director & CFO
DIN: 01435580

Place: Mumbai
Date : May 26, 2021

ANNEXURE '4' TO THE BOARD'S REPORT

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 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 governance practices by **Future Market Networks Limited** (CIN:L45400MH2008PLC179914) (hereinafter called "the Company").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances for the purpose of expressing our opinion thereon.

Based on our verification of the Company's statutory books, legal papers, minute books, forms and returns filed and other records maintained by the Company, and also 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, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the above mentioned books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2021** and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder to the extent applicable;
- (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 to the extent of Foreign Direct Investment including FEMA (Acquisition and Transfer of Immovable Property in India) Regulations, 2000 (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 (Share Based Employee Benefits) Regulations, 2014;
 - (d) 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:

- (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) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, there were no events/actions requiring compliance thereof by the Company during the Audit period in pursuance of following Regulations, **as amended from time to time**:

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- 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;
- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

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

The Securities and Exchange Board of India has passed a final order dated February 03, 2021 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 the matter 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. In this regard, an appeal filed by certain persons which inter alia includes (i) Mr. Kishore Biyani - Promoter and Future Corporate Resources Private Limited - the Holding Company, against the final order passed by the Securities and Exchange Board of India on February 3, 2021 which was heard by the Securities Appellate Tribunal ('SAT') on February 15, 2021. The Hon'ble SAT vide its order dated February 15, 2021 has stayed the effect and operation of the SEBI Order against the Promoters / Promoter entities subject to the conditionalities set out in terms of its order.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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 to all Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be.

None of the members have communicated dissenting views, in the matters / agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company 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 year under report, there were following specific event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc other than as stated herein below:

1. The Company has sub lease rights with respect to Ground to 2nd 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 (Neelkamal 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 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/ Lessors 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. 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.

2. 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 mall is subject to receipt of necessary approvals from concerned authorities.
3. The Board of Directors of the Company at its meeting held on August 29, 2020 has inter-alia, considered and approved the Composite Scheme of Arrangement which involves: (i) merger of Future Market Networks Limited ("the Company" or Transferor Company 3"), and other 18 Transferor Companies with Future Enterprises Limited ("FEL" or "Transferee Company") and their respective Shareholders and Creditors; (ii) Transfer and vesting of the Logistics & Warehousing Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail Ventures Limited ("RRVL"); (iii) Transfer and vesting of the Retail & Wholesale Undertaking from FEL as a going concern on a slump sale basis to Reliance Retail and Fashion Lifestyle Limited, a wholly owned subsidiary of RRVL ("RRVL WOS"); and (iv) Preferential allotment of equity shares and warrants of FEL to RRVL WOS ("The Composite Scheme of Arrangement"/ Scheme"), pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

The combination contemplated under the scheme has been approved by Competition Commission of India on November 20, 2020. Further stock exchanges have issued observation letter without any adverse observation on January 20, 2021. Pursuant to this the scheme application has been filed with National Company Law Tribunal Mumbai (NCLT) on January 26, 2021 for convening the meeting of the Shareholders and Creditors of the Transferor Companies and Transferee Company. NCLT has heard this Application and the intervention application filed by Amazon.com Investment Holdings LLC. (Amazon) and has reserved the order on the said application filed by Amazon.

Amazon has initiated arbitration against the Future Retail Limited (FRL) and its promoters on October 5, 2020 before Singapore International Arbitration Centre (SIAC). After completion of Emergency Arbitration hearing held pursuant to application of Amazon, Emergency Arbitrator has passed and interim order on October 25, 2020 (EA Order) inter alia restraining FRL and promoters to take any steps in furtherance of the resolution passed on August 29, 2020. However, based on the legal advice received by FRL, it has contended that the EA Order would not be enforceable in view of FRL being not a signatory to the arbitration agreement under which arbitration has been initiated.

In terms of the information provided by Future Retail Limited (FRL) a party to the composite scheme of arrangement, it has filed a suit before Hon'ble Delhi High Court making a prayer to injunct Amazon from tortuously interfering with the scheme. The Hon'ble Single Judge of the Delhi High Court has passed a Judgment in the Interim Application, wherein it has prima facie held that there is no arbitration agreement between Amazon and FRL; FRL's Resolution dated August 29, 2020 approving the scheme is neither void nor contrary to any statutory provision nor the Articles of Association of FRL. The said Judgement further prima facie held that Amazon's representations to various regulatory authorities amounted to unlawful interference with the Scheme and a civil wrong actionable by both FRL and Reliance in case they suffer any loss. No injunction was granted and all the Statutory Authorities were directed to take the decision on the objections in accordance with the law. The Hon'ble Court also prima facie held that conflation of the two shareholders agreements will be in violation of FEMA FDI Rules. An Appeal was preferred by Amazon against certain observations contained in this Judgment.

In another application of Amazon under section 17(2) of Arbitration & Conciliation Act, 1996 to enforce EA Order, Hon'ble Delhi High Court vide its interim order dated February 2, 2021 directed the parties to maintain status quo (Status Quo Order). FRL challenged this Order before the Hon'ble Division Bench of Delhi High Court in an appeal. The Learned Division Bench has stayed the aforesaid Status Quo Order on February 8, 2021. Amazon has preferred a Special Leave Petition before Hon'ble Supreme Court against the order of the Hon'ble Division Bench on February 13, 2021. The Hon'ble Supreme Court ruled that the proceedings before NCLT will be allowed to go on but will not culminate in any final order of sanction of the Scheme.

On March 18, 2021 a detailed order was passed by the Single Judge of the High Court ("Detailed Order") inter alia confirming the directions in the Status Quo Order passed by Hon'ble Delhi High Court in the application under section 17(2) of Arbitration & Conciliation Act, 1996, granting further reliefs in favour of Amazon, and inter alia restricting all respondents from taking any further action in violation of the EA Order. An appeal was filed by FRL, as well as other respondents, before the Hon'ble Division Bench against the Detailed Order. On March 22, 2021 the Hon'ble Division Bench was pleased to pass a common order in both the appeals, staying the Detailed Order.

Amazon filed special leave petitions before the Hon'ble Supreme Court against the order of the Hon'ble Division Bench passed on March 22, 2021. On April 19, 2021 the Hon'ble Supreme Court was pleased to stay the proceedings before the Single Judge and the Division Bench of the Delhi High Court and directed parties to complete the pleadings and listed all the three SLPs for final disposal on 4th May 2021. Due to Covid-19 related restrictions and preponement of court's summer vacation, the SLPs are now expected to be listed after June 28, 2021.

Further in relation to the Arbitration Proceedings, a Tribunal has been constituted by SIAC on January 5, 2021 and FRL has filed two applications before the Tribunal, first being an application under section 16 of Arbitration & Conciliation Act, 1996 ("Arbitration Act") challenging the jurisdiction of the Tribunal; and second being an Application under Rule 10 of Schedule I of SIA Rules for vacation of the EA Order. As per the schedule finalised by the Tribunal, hearing for both the application would commence on the July 12, 2021.

Place : Mumbai
Date : May 26, 2021

Alwyn D'Souza & Co.
Company Secretaries

[Alwyn D'Souza, FCS.5559]
[Proprietor]
[Certificate of Practice No. 5137]
[UDIN : F005559C000375566]

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, the verification was done on the basis of electronic data provided to us by the Company due to COVID-19 lockdown 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 26, 2021

Alwyn D'Souza & Co.
Company Secretaries

[Alwyn D'Souza, FCS.5559]
[Proprietor]
[Certificate of Practice No. 5137]
[UDIN : F005559C000375566]

ANNEXURE '5' TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021**

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

To,

The Members,

SUHANI MALL MANAGEMENT COMPANY PRIVATE LIMITED

CIN: U45200MH2005PTC156837

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** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification and as per documents, information's and explanations provided to us by the Company and on the basis of verifications of books, papers, minute books, forms and returns filed and other records maintained by the Company also the electronic data provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and 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, 2021, which were made available to us, according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder to the extent applicable;
- 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 to the extent of Foreign Direct Investment including FEMA (Acquisition and Transfer of Immovable Property in India) Regulations, 2000 (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'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not Applicable to the Company during the Audit Period);
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Not Applicable to the Company during the Audit Period);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.(Not Applicable to the Company during the Audit Period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (Not Applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client. (complied to the extent applicable)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (Not Applicable to the Company during the Audit Period);
 - h. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. (complied to the extent applicable)

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 Secretarial Standards issued by The Institute of Company Secretaries of India covered under Companies Act, 2013.

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

We further report that

a) There were no changes in the composition of the Board of Directors during the year under review.

As on the date of this report, the Company is a Subsidiary of a Public Limited Company. However, there are only two Directors on the Board of the Company.

b) 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 or at a shorter notice as and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) All the decision at Board Meetings were carried out unanimously as recorded in the minutes of the meeting of the Board of Directors.

d) None of the members have communicated dissenting views, in the matter/agenda proposed from time to time for consideration of the Board and its committee thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **AMIT SAMANI & CO.**
Company Secretaries

Place: Mumbai

Proprietor
C. P. No.7966
UDIN: F007397C000772141

This report is to be read with our letter of event date which is Annexed as Annexure A to Report and forms and integral part of this report

Annexure A to Secretarial Audit Report

To,
The Members,
SUHANI MALL MANAGEMENT COMPANY PRIVATE LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts and records pertaining to direct and indirect taxation of the Company, which we believe are the domain of other professionals on whom the responsibility is entrusted by the provisions of the Companies Act, 2013
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

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.

In view of the restrictions imposed by the Government of India on the movement of people across India to contain the spread of Covid-19 pandemic, which led to the complete lockdown across the nation, we have relied on electronic data for verification of certain records as the physical verification was not possible.

For **AMIT SAMANI & CO.**
Company Secretaries

Place: Mumbai

Proprietor
C. P. No.7966
UDIN: F007397C000772141

**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)	Riddhi Siddhi Mall Management Private Limited (Associate/Joint Venture)
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
c.	Duration of the contracts / arrangements/transactions.	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.
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
f.	Amount paid as advances, if any.	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 26, 2021**

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 2020-21 are as under:

Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2020-21 (₹ in Lakhs) (1)	% increase in Remuneration in the financial year 2020-21 (2)	Ratio of Remuneration of each Director to MRE for financial year 2020-21 (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. K.A. Somayajulu Independent Director	-	-	-
Mr. Anil Cherian Head - Legal & Company Secretary	27.79	-	12.90
Mr. Pawan Agarwal Executive Director and Chief Financial Officer	36.91	-	17.14

(Above excludes sitting fee, whosoever applicable)

- ii. The Median Remuneration of the Employees of the Company during the financial year 2020-21 under review is ₹ 17,948 /- as compared to ₹ 31,277/- in the previous Financial Year 2019-20.
- iii. The percentage increase in the median remuneration of employees in the financial year: -42.61%
- iv. Number of permanent employees on the rolls of Company as on March 31, 2021: 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. 2019-20: -50.69%.
- 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 2020-21.
- 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 2020-21 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 2020-21 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 26, 2021

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, 2021.

For Future Market Networks Limited

Date: May 26, 2021
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, 2021, 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).

Management's 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, 2021.
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: 21146268AAAAMJ4185

Place: Mumbai
Date: May 26, 2021

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 & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2021** 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	Executive Director & Chief Financial Officer	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.

Alwyn D'souza & Co.
Company Secretaries

Alwyn D'souza, FCS. 5559
[Proprietor]
[Certificate of Practice No. 5137]
UDIN: F005559C000375566

Management Discussion & Analysis

Economic review & Indian Economy

Global economic activity which was already under protracted pressure since 2018 contracted sharply in 2020 due to the Covid-19 pandemic. India also recorded a steep contraction in output in 2020-21 on account of the pandemic which is treated as a Force Majeure event. According to the provisional estimates released by the Central Statistics Office (CSO), decline in India's Gross Domestic Product (GDP) for 2020-21 is estimated at 7.3 per cent, compared to a 4 per cent growth in the previous year. Both industry and services were severely impacted. In contrast, agriculture grew at 3.6 per cent in 2020-21 cushioning some of the decline in GDP. Economy may revive considerably post pandemic periods.

Real Estate Industry

From the real estate industry's perspective, the construction sector which accounts for around 7.5 per cent of GDP contracted by 8.6 per cent in 2020-21, compared to a growth of 1.0 per cent in 2019-20. Even as the uncertainty and challenges posed by the Covid-19 pandemic continue, the world is better placed today than a year ago armed with multiple vaccines and more effective therapies to combat the infection as well as having gradually adapted to a pandemic-appropriate way of going about its business. Significant policy support by governments across the globe have also contributed to an improved outlook.

The real estate sector is one of the most globally recognized sectors. Real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment.

The global real estate market is expected to grow from \$2687.5 billion in 2020 to \$2774.5 billion in 2021 at a compound annual growth rate (CAGR) of 3.%. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges.

Warehousing Industry Overview

Warehousing is significant with respect to the role it plays in the smooth functioning of supply chain networks. Warehouses have become one of the major segments of the rapidly growing Indian logistics industry.

Sensing the tremendous growth potential of the warehouse sector, the private players (including both domestic & international) have ventured in the space with a view to bridge the gap between cost and efficiency of operations.

Nearly 60% of the modern warehousing capacity in India is concentrated in the top six cities, namely, Ahmedabad, Bangalore, Chennai, Mumbai, NCR and Pune, with Hyderabad and Kolkata being the other major markets. This is driven by concentration of industrial activity and presence of sizeable urban population around these clusters. Going forward, due to factors such as quality of infrastructure and availability of labour, these advantages are likely to remain with these cities.

Opportunities

As the year started with the economy under complete lockdown and unprecedented uncertainty, the focus initially was on health risks posed by the Covid-19 pandemic. The market for real estate, and indeed for all high-value and discretionary spend categories, saw extremely limited activity in the first quarter (Apr-Jun) of 2020-21 as both consumers and businesses adjusted to the emerging realities of living and operating under the pandemic.

Arrangement for Logistic Park

Company in alliance with ESR 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 ready to commence the operation.

Retail infrastructure

The Indian retail industry is one of the fastest growing in the world. Retail industry in India is expected to grow to US\$ 1,200 billion by 2021 from US\$ 672 billion in 2017.

India is the fifth largest preferred retail destination globally. The country is among the highest in the world in terms of per capita retail store availability. India's retail sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in Tier-II and Tier-III cities. Healthy economic growth, changing demographic profile, increasing disposable incomes, urbanization, changing consumer tastes and preferences are the other factors driving growth in the organized retail market in India.

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 may change post pandemic periods since malls are part of entertainment spots apart from shopping.

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

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 in March last year.

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 April-June period of 2020 because of 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 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 since March 2020

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.

The combination contemplated under the scheme has been approved by Competition Commission of India on November 20, 2020. Further stock exchanges have issued observation letter without any adverse observation on January 20, 2021. Pursuant to this the scheme application has been filed with National Company Law Tribunal Mumbai (NCLT) on January 26, 2021 for convening the meeting of the Shareholders and Creditors of the Transferor Companies and Transferee Company.

Financial Performance

Revenues

The income from Operations for the Company has decreased by 46.90 % to ₹ 64.55 Crores in 2020-21 from ₹ 121.55 Crores in 2019-20 due to corona virus (disease) pandemic.

Other Income

Other Income decreased to ₹ 7.75 Crores for 2020-21 from ₹ 49.03 Crores for 2019-20.

Operating Margin

EBIDTA (including other income) (Adjusted effect of Ind AS -116) for 2020-21 was ₹ (16.12) Crores as compared to ₹ 47.22 Crores for 2019-20.

Costs & Expenses

- **Employee Costs**

Manpower cost for 2020-21 was ₹ 4.53 Crores, which decreased from ₹ 5.92 Crores in 2019-20. In terms of percentage of Turnover, there was increase of 2.15 % (as compare to 7.02% for 2020-21 with 4.87% for 2019-20).

- **Other Expenses**

Other Expenses as a percentage of turnover has increased to 38.60 % in 2020-21 as compared to 21.88 % in 2019-20.

- **Interest Expenses**

Interest expenses for the year 2020-21 decreased to ₹ 20.56 Crores from ₹ 29.47 Crores in 2019-20. In terms of percentage of Turnover it has increased to 31.86% for 2020-21 from 24.25% for 2019-20.

- **Depreciation**

Depreciation cost as a percentage of turnover has marginally increased to 57.77% in 2020-21 to 42.07% in 2019-20.

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

The Company's Deferred Tax Asset (net) has increased from ₹ 71.47 Crores in 2019-20 to ₹ 79.38 Crores in 2020-21. The Company has made current tax provision of ₹ Nil and deferred tax provision of ₹ (7.90) Crores and Earlier Year's Provision Written back 0.06 Crores. Hence total tax expenses works out to ₹ (7.84) Crores.

- **Profit before Tax**

As a result of the foregoing factors, profit before tax decreased from ₹ 20.14 Crores in 2019-20 to ₹ (36.66) Crores in 2020-21.

- **Net Worth**

The net worth of the Company has decreased from ₹ 114.54 Crores as on March 31, 2020 to ₹ 85.69 Crores as on March 31, 2021. The decrease in amount of net worth is on account of loss for the current year due to corona virus pandemic.

- **Income Tax Expense**

Income tax expense was ₹ (7.84) Crores for 2020-21 and ₹ 9.07 Crores for 2019-20.

- **Profit for the Year**

As a result of the foregoing factors, profit after tax decreased from ₹ 11.07 Crores in 2019-20 to ₹ (28.82) Crores in 2020-21.

- **Earnings Per Share (EPS)**

Basic and Diluted EPS was ₹ (5.01) for 2020-21 and ₹ 1.94 for 2019-20.

- **Borrowings**

The total standalone borrowing is Nil for the both year ended on March 31, 2021 and on March 31, 2020.

- **Cash and Bank Balance**

Cash and Bank balance increased to ₹ 15.09 Crores as of March 2021 from ₹ 4.44 Crores as of March 2020.

- **Investments**

Total Investment of the Company was ₹ 94.01 Crores as of March 2021 and ₹ 94.02 Crores as of March 2020.

- **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, 2021 were ₹ 120.23 Crores as against ₹ 145.64 Crores as on March 31, 2020.

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, 2021 was ₹ 283.18 Crores as against ₹ 310.65 Crores as on March 31, 2020.

- **Net Profit Margin**

Net Profit Margin decreased to 360.36 % in 2020-21 as compared to 2019-20 due to adverse effect of corona pandemic in business.

- **Return on Net Worth**

Return on Net Worth decreased from 9.66% in 2019-20 to -33.63% in 2020-21 due to adverse effect of corona pandemic in business and decrease in other income.

- **Debtors turnover Ratio**

The debtor turnover ratio increased from 0.30 in 2019-20 to 0.38 in 2020-21 due to decrease turnover.

- **Current Ratio**

The current ratio decreased from 0.46 in 2019-20 to 0.42 in 2020-21.

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, 2021 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

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, 2021.

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.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable, with regard to corporate governance. The guiding principles and practices are summarised in this Corporate Governance Report.

II. Board of Directors:

- 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.

The term of office of Mr. Somayajulu Kodukula Ayyanna (DIN: 02535927), who was appointed as an Independent Director of the Company for a term of 2 years with effect from September 28, 2018 by the shareholders of the Company got completed on September 27, 2020. Accordingly, he ceased to be a Director of the Company. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Act.

The Executive Director & CFO is an executive of the Company and draws 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

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, 2021 have been made by the Directors. None of the Directors is related to each other.

- c. 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.

d. Board meetings held

The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and to consider, among other business, the quarterly performance and financial results of the Company.

The agenda papers along with the notes thereon, other supporting documents and all information as required under Regulation 17(7) of the Listing Regulations are circulated in advance to the Board Members.

Five board meetings were held during the year under review where necessary quorum was present for all the meetings. During the financial year 2020-21, 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. The said meetings were held on:

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
June 30, 2020	07	07
August 29, 2020	07	06
September 07, 2020	07	07
November 11, 2020	06	06
February 10, 2021	06	06

Note:

- Video-conferencing facilities are also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings. Attendance of Directors includes participation in the meeting(s) through video conference.
- Excluded the separate meeting of independent directors, in which non independent directors were not eligible to participate.

e. 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.

- f. 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, 2021 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 2020-21	Number of Board Meetings attended during the financial year 2020-21	Whether attended last AGM (held on September 29, 2020)	Directorships held in other public companies incorporated in India as at March 31, 2021	Number of Memberships / Chairmanship in Board Committees as at March 31, 2021 (Including FMNL)		Other Directorships	
						Membership	Chairmanship	Name of Listed Entity	Category
Mr. Vijai Singh Dugar DIN: 06463399	Independent Director	5	5	Yes	9	1	2	-	-
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	5	4	-	Galaxy Cloud Kitchens Limited	Director
Mr. Rajesh R. Kalyani DIN: 00220632	Non-Executive Director	5	5	Yes	2	2	1	-	-
Mr. Pramod Arora DIN: 02559344	Non-Executive Director	5	4	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.

g. Meeting of Independent Directors

The Independent Directors of the Company meet without the presence of the Executive Director & Chief Financial Officer / other Non-Independent Director, Company Secretary and any other Management Personnel. This Meeting is conducted to enable the Independent Directors to, inter-alia, discuss matters pertaining to review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

One meeting of Independent Directors was held on March 23, 2021 through video conferencing. The said meeting was attended by all Independent Directors of the Company.

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, 2021	Dividend Paid during the financial year 2020-2021	Number of Options held under FMNL – ESOS -2016 as on March 31, 2021
Mr. Vijai Singh Dugar	-	-	-
Ms. Udit Jhunjhunwala	-	-	-
Mr. K. A. Somayajulu	-	-	-
Mr. Sunil Biyani	50	-	-
Mr. Rajesh R. Kalyani	41,025	-	-
Mr. Pramod Arora	25,000	-	-
Mr. Pawan Kumar Agarwal	14,500	-	-

- 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. During FY 2021, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration.

k. The Board periodically reviews the compliance reports of all laws applicable to the Company.

l. Certificate from Company Secretary in practice:

A certificate from M/s. Alwyn D'Souza & Co. Company Secretary in practice 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 SEBI/Ministry of Corporate Affairs or any other statutory authority is annexed to this report.

m. 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.

n. 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.

o. 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.

p. 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.

The Board includes Directors with independent standing in their respective fields / profession and who can effectively contribute to the Company's business and policy decisions. Their appointment as Independent Directors on the Board is considered by the Nomination, Remuneration and Compensation Committee.

Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act. 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.

The Company has issued a formal letter of appointment to the Independent Directors in the manner as provided in the Act and Listing Regulations. The terms and conditions of appointment have also been displayed on the website of the Company at www.fmn.co.in.

None of the existing Independent Directors serve as Independent Directors in more than seven listed Companies in line with the requirements of the Listing Regulations. In terms of Regulation 25(8) of 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.

q. 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.

r. Meetings of Independent Directors

Pursuant to Schedule IV of the Act read with Regulation 25(3) of the Listing Regulations, the Independent Directors met on March 23, 2021 without attendance of Non- Independent Directors and Members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole. The Independent Directors also reviewed the performance of Chairman of the Company based on the views of Executive and Non-Executive Directors. The Independent Directors also discussed on the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

s. 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, interalia, 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.

t. 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.

u. 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, 2021 and a declaration to this effect is appended to this report.

v. 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, 2021.

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

w. 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.

x. 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.

y. 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

There are Six (6) Board Committees as on March 31, 2021, 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

As on March 31, 2021, 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: June 30, 2020, August 29, 2020, September 07, 2021, November 11, 2020 and February 10, 2021. During the financial year 2020-21, 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
Mr. K. A. Somayajulu	Independent Director	Member	*3	3
Ms. Udit Jhunjhunwala	Independent Director	Member	**3	2

Notes:

* The term of office of Mr. K. A. Somayajulu (DIN: 02535927), who was appointed as an Independent Director of the Company for a term of 2 years with effect from September 28, 2018 by the shareholders of the Company got completed on September 27, 2020. Accordingly, he ceased to be a Director and member/chairman of all the committees of the Board of the Company. Hence, Mr. K. A. Somayajulu ceased to be the member of the Audit Committee of the Company with effect from September 27, 2020.

** Ms. Udit Jhunjhunwala was inducted/appointed as a member of Audit Committee w.e.f August 29, 2020

All the members of the Audit Committee are eminent professionals with adequate experience and expertise across a wide spectrum of functional areas such as finance and corporate strategy. Minutes of each of the meeting of the Audit Committee are placed before the Board in 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 29, 2020 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. To review the functioning of the Whistle Blower mechanism;
16. Approval of appointment of chief financial officer after assessing the qualifications, experience & background, etc. of the candidate;
17. 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;

B. Nomination, Remuneration and Compensation Committee

As on March 31, 2021, Nomination, Remuneration and Compensation Committee (NRC) comprises of 3 (three) Non-Executive Directors out of whom 2 (two) Directors are Independent Directors. During the year under review, Mr. K. A. Somayajulu, an Independent Director and member of the Committee upon completion of his tenure ceased to be a Director and Member / Chairman of the Company with effect from September 27, 2020. Ms. Udita Jhunjunwala, an Independent Director was inducted as the member of the NRC with effect from August 29, 2020 and Chairperson of NRC with effect from September 27, 2020. Committee is constituted in line with the provisions of Regulation 19 of the Listing Regulations and Section 178 of the Act.

During the year under review, one meeting of the committee were held on September 07, 2020. During the financial year 2020-21, 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. K. A. Somayajulu	Independent Director	Chairman*	1	1
Mr. Vijai Singh Dugar	Independent Director	Member	1	1
Mr. Rajesh Kalyani	Non-Executive Director	Member	1	1
Ms. Udita Jhunjunwala	Independent Director	Member / Chairperson**	1	0

Notes:

- * The term of office of Mr. K. A. Somayajulu (DIN: 02535927), who was appointed as an Independent Director of the Company for a term of 2 years with effect from September 28, 2018 by the shareholders of the Company got completed on September 27, 2020. Accordingly, he ceased to be a Director and member/chairman of all the committees of the Board of the Company. Hence, Mr. K. A. Somayajulu ceased to be the chairman of the Nomination, Remuneration and Compensation Committee of the Company with effect from September 27, 2020.
- ** Ms. Udita Jhunjunwala was inducted/appointed as a member of Nomination, Remuneration and Compensation Committee w.e.f August 29, 2020 and appointed as a chairperson w.e.f September 27, 2020.

i. Other Details

- The Nomination, Remuneration and Compensation 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.
- 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 29, 2020 and was attended by Ms. Udita Jhunjunwala, the Chairperson of the Nomination, Remuneration and Compensation Committee.

ii. Extract of Terms of reference

- 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;
- Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- 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;
- 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;
- 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 2020-21 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:

- a) 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.
- b) 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

- a) 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.
- b) 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 (Basic)	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	36.58	-	1.84	0.32	38.74	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:

Name of Director	Category	Total Sitting Fees Paid
Mr. Vijai Singh Dugar	Independent	4,35,000
Ms. Udit Jhunjhunwala	Independent	2,20,000
Mr. K. A. Somayajulu	Independent	2,55,000
Mr. Sunil Biyani	Non-Executive	2,00,000
Mr. Rajesh R. Kalyani	Non-Executive	4,15,000
Mr. Pramod Arora	Non-Executive	1,60,000

Notes:

- The term of office of Mr. K. A. Somayajulu (DIN: 02535927), who was appointed as an Independent Director of the Company for a term of 2 years with effect from September 28, 2018 by the shareholders of the Company got completed on September 27, 2020. Accordingly, he ceased to be a Director and member/chairman of all the committees of the Board of the Company.
- 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. Stakeholder's Relationship Committee

The Stakeholders Relationship Committee oversees, inter alia, timely redressal of shareholders' grievances such as issues involving transfer and transmission of shares, issue of duplicate certificates, recording dematerialization / rematerialization, non-receipt of dividend, annual report etc. The Committee also reviews the systems and procedures followed to resolve investor complaints and suggests several measures for improvement, if necessary. The Committee comprises of 3 (three) directors out of which Chairman is a Non-Executive Director.

Committee performs various functions conferred under the Listing Regulations and section 178 of the Act, which mainly covers ensuring resolution of grievances of security holders of the Company.

During the year under review, one meeting of the committee was held on February 10, 2021. 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 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, 2021:

Complaints outstanding as on April 1, 2020	-
Complaints received during the financial year ended March 31, 2021	01
Complaints resolved during the financial year ended March 31, 2021	01
Complaints outstanding as on March 31, 2021	-

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

There are no pending share transfers as on March 31, 2021, other than a request received for transfer of 33 equity shares for which Registrar and Share Transfer Agent has intimated the Shareholder to request his Depository Participant to demat the shares.

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. Udit Jhunjhunwala.

i. Terms of Reference of Share Transfer Committee

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

The Committee met 2 (Two) times during the year ended March 31, 2021.

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	2	2
Mr. Rajesh Kalyani	Non-Executive Director	2	2
Ms. Udit Jhunjhunwala	Independent Director	2	2

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

E. Corporate Social Responsibility (“CSR”) Committee

As on March 31, 2021, the Committee comprises Mr. Vijai Singh Dugar and Ms. Udit Jhunjhunwala, Independent Directors and Mr. Rajesh Kalyani Non-Executive Director. Mr. Vijai Singh Dugar is the Chairman of the Committee. During the year, Mr. K.A Somayajulu ceased to be a member of the Committee effective September 27, 2020 consequent to completion of his 2nd term of office as an Independent Director on the Board of the Company. Ms. Udit Jhunjhunwala, an Independent Director, was appointed as member of the Committee effective August 29, 2020.

During the year under review, the Committee met once on February 10, 2021. All members attended both the meetings. The Board at its meeting held on May 26, 2021 enhanced the scope of the CSR committee to additionally include matters specified by the amendments to Section 135 of the Companies Act, 2013 and the Rules thereunder.

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	1	1
Mr. Rajesh Kalyani	Non-Executive Director	1	1
Ms. Uditā Jhunjhunwala	Independent Director	1	1

- The 2nd term of office of Mr. K. A. Somayajulu (DIN: 02535927), who was appointed as an Independent Director of the Company for a term of 2 years with effect from September 28, 2018 by the shareholders of the Company got completed on September 27, 2020. Accordingly, he ceased to be a Director and member/chairman of all the committees of the Board of the Company. Hence, Mr. K. A. Somayajulu ceased to be the member of the CSR Committee of the Company with effect from September 27, 2020.
- Ms. Uditā Jhunjhunwala was inducted/appointed as a member of CSR Committee w.e.f August 29, 2020.
- No sitting fee is paid to the members of the CSR Committee.

ii. **Extract of Terms of reference**

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- Monitor the CSR Policy.

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. Rajesh Kalyani and Mr. Sunil Biyani are liable to retire by rotation. The said Directors has offered themselves for reappointment and resolution for their reappointment, is incorporated in the Notice of the ensuing Annual General Meeting.

Mr. Rajesh Kalyani: Non-Executive Director

Mr. Rajesh Kalyani is a member of the Institute of Chartered Accountants of India with 30 years of experience in areas of business planning, project & working capital management, properties, commercial & taxation matters.

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
2019-20	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	29/09/2020	2.00 PM
2018-19	Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai – 400018	16/09/2019	1.30 PM
2017-18	Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai – 400018	19/09/2018	12.00 Noon

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 19, 2018	2	<ul style="list-style-type: none"> Re-Appointment of Mr. Mr. K. A. Somayajulu as an Independent Director for a further tenure of two consecutive years w.e.f September 28, 2018. Re-Appointment of Ms. Uditā Jhunjhunwala as an Independent Director for a further tenure five consecutive years w.e.f September 28, 2018.
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

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 2020-2021, 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 28, 2021, Tuesday
 - ii. Time & Venue : 2:00 P.M, 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 22, 2021 to September 28, 2021 (both days inclusive)
- f. Financial Calendar (tentative):**
- | | | |
|-------------------------|---|--------------------------------|
| First Quarterly Result | : | on or before August 14, 2021 |
| Second Quarterly Result | : | on or before November 14, 2021 |
| Third Quarterly Result | : | on or before February 14, 2022 |
| Financial year ending | : | on or before May 30, 2022 |
- g. Listing of Equity Shares on Stock Exchanges**
- BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
Scrip Code: 533296
 - 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.
- j. Stock Market Data**

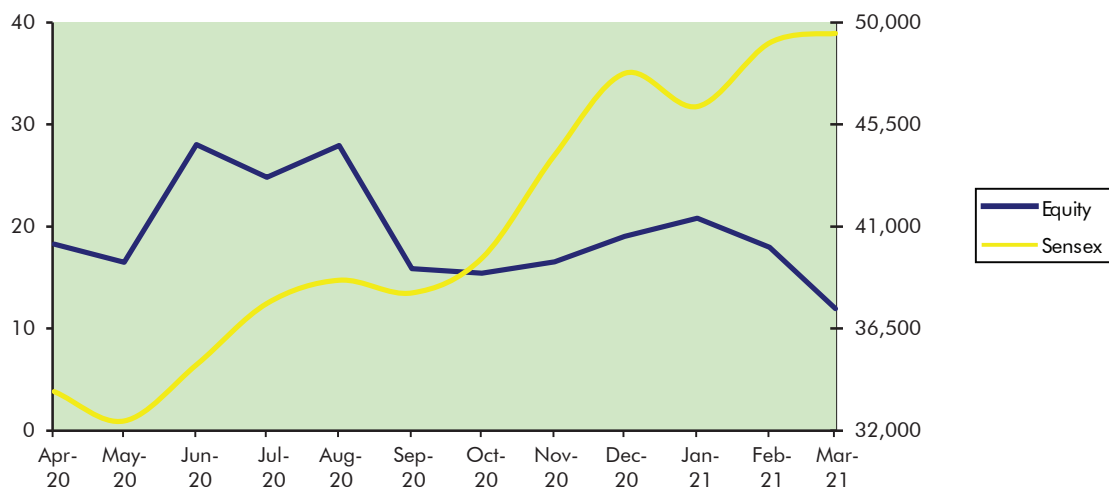
High, lows and Volumes of FMNL from April 1, 2020 to March 31, 2021 at BSE and NSE.

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Number of Shares Traded)	High (₹)	Low (₹)	Volume (Number of Shares Traded)
April 2020	18.64	8.72	2,07,399	17.90	8.65	2,17,678
May 2020	18.30	14.10	70,853	18.45	14.35	3,31,989
June 2020	32.55	16.45	7,94,474	32.55	16.05	17,48,200
July 2020	29.15	19.50	4,01,319	28.45	19.55	17,14,368
August 2020	27.95	21.70	2,34,999	27.95	21.50	12,25,807
September 2020	29.30	15.85	6,75,474	29.30	16.00	48,13,713
October 2020	16.65	13.50	1,92,349	16.55	13.55	13,76,356
November 2020	19.20	14.50	1,00,496	19.25	14.50	8,45,731
December 2020	21.50	15.65	437,129	20.95	15.65	21,74,869
January 2021	23.55	16.35	6,00,153	23.35	16.60	22,50,110
February 2021	22.25	16.75	3,04,989	21.85	17.10	13,89,340
March 2021	18.45	11.95	1,49,481	18.40	11.95	9,29,939

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

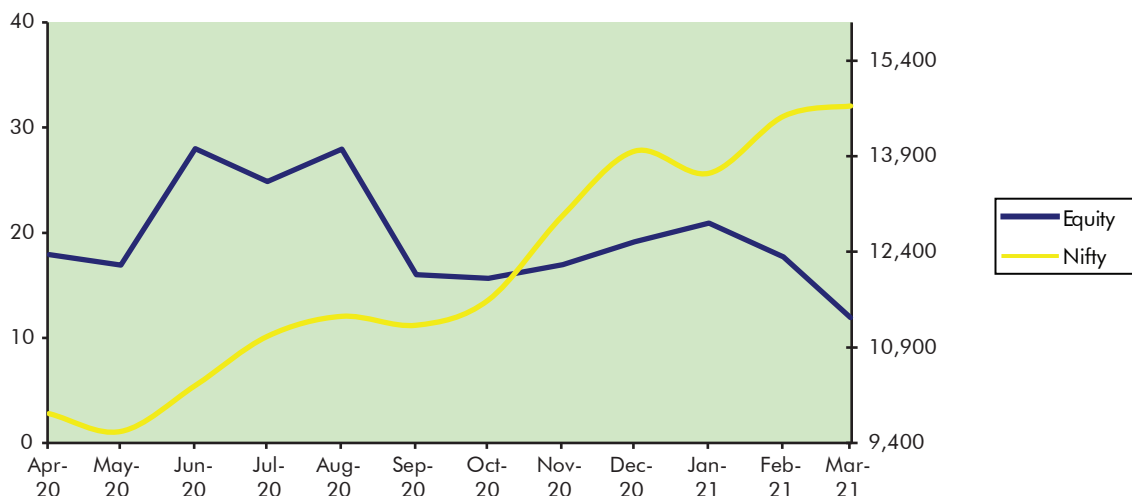
The performance comparison is based on the closing price / Sensex on the last trading day of the month.

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.

I. 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, 2021 is as below:

i. Distribution of shareholding as on March 31, 2021

Distribution Range of Shares	No. of Shares	% of shares	No. of Shareholders	% of Shareholders
1 – 500	13,28,996	2.31	17,141	88.91
501 – 1000	8,40,772	1.46	1,038	5.38
1001 – 2000	7,78,819	1.35	511	2.65
2001 – 3000	5,61,886	0.98	221	1.15
3001 – 4000	3,08,434	0.54	86	0.45
4001 – 5000	3,79,359	0.66	79	0.41
5001 – 10000	6,99,942	1.21	95	0.49
Greater than 10000	5,26,46,173	91.49	108	0.56
Total	5,75,44,381	100.00	19,279	100.00

ii. Shareholding pattern by ownership as on March 31, 2021

Categories	As on March 31, 2021	
	No. of Shares	Percentage
Promoters, Relatives and Associates	4,11,83,410	71.57
Directors	80,525	0.14
Public Financial Institutions / State Financial Corporation / Insurance Companies	1,03,713	0.18
Mutual Funds (Indian)	27	0.00
Nationalized and other Banks	164	0.00
NRI / OCBs	85,175	0.15
Public	91,97,496	15.98
Others (CM/Other Bodies Corporate/HUF)	68,93,871	11.98
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, 2021, 5,75,03,692 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	40,914	0.07
Demat Segment		
NSDL	5,05,52,348	87.85
CDSL	69,51,119	12.08
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.fmn@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 GDR /ADR /Warrants or any convertible instruments as on March 31, 2021.

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, 2021.

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.

During the year under review, Rating assigned by Infomermics Valuation and Ratings Private Limited is withdrawn as per the request of the Company.

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 the Listing Regulations. 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 2020-21, 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 the Listing 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 2020-2021, 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 2020-21, Suhani Mall Management Company Private Limited is the only material non listed subsidiary company under Regulation 16(1) (c) of the Listing Regulations read with the Company's 'Policy for determining material subsidiaries' (the Policy).

The requirements of Regulation 24 and 24A of the Listing Regulations 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 2020 - 2021, no complaints were received by the Company. There were no complaints pending as on the end of the financial year 2020- 2021. 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 a "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, 2021:

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 2020 -2021 are as under:

Nature of Service Provided	Amount (In ₹ Lakhs)
Statutory Audit Fees	6.00
Tax Audit Fees	1.00
other services	0.50
Total	7.50

(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 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 lays 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 the Listing Regulations and disclosed necessary information as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations 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 2021-2022 have been paid to BSE and NSE.

(xxiv) The Company has paid custodial fees for the year 2021-2022 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, 2021, 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 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 (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, 2021, 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.

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, 2021 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, 2016 ("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, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 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, 2021;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place : Mumbai
Date : May 26, 2021

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN : 21146268AAAAMK3117

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, 2021 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, 2021 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

Dhiraj Lalpuria
Partner

Membership Number: 146268
UDIN : 21146268AAAAAMK3117

Place : Mumbai
Date : May 26, 2021

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

- (i) In respect of Company's property, plant and equipment :
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
 - (b) The Company has a regular program of physical verification of its property, plant & equipment, by which all property, plant & equipment 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) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising of all immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification.
- (iii) In respect of the loans, secured or unsecured, granted by the Company to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 :
 - (a) In our opinion and the information given to us, the terms and conditions of the loans given by the company are prima facie, not prejudicial to the interest of the Company.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and/or receipts of interest have been regular as per stipulations.
 - (c) There are no overdue amounts as at the year-end in respect of both principal and interest.
- (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) According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under Section 73 to 76 of the Act and accordingly, paragraph 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 provident fund, employees' state insurance, income-tax, goods and services 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, 2021 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 TDS amount is due and payable by the third party (Refer note 39)

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution or banks at the balance sheet date. The Company does not have any loans or borrowings from Government. Further, the Company has not issued any debentures. Accordingly, the Paragraph 3(viii) of the order is not applicable to the Company.
- (ix) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the period. Accordingly, provisions of Clause 3(ix) of the Order are not applicable to the company.
- (x) According to the information and explanations given to us, no fraud by the Company or fraud on the Company by its officers and employees has been noticed or reported during the course of our audit.

- (xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of related party transactions as required by the applicable accounting standards have been disclosed in the standalone financial statements.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company in respect of which we are unable to comment on any potential implications for the reasons described therein, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

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

Place : Mumbai
Date : May 26, 2021

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN : 21146268AAAAMK3117

Balance Sheet as at March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	2,482.97	6,705.08
(b) Right of use assets	3	12,158.04	14,229.72
(c) Capital work-in-progress	3	63.57	616.20
(d) Investment properties	4	7,701.22	7,840.74
(e) Investments in subsidiaries, associates and joint ventures	5 (a)	9,378.02	9,378.00
(f) Financial assets			
(i) Investments	5 (a)	23.17	24.71
(ii) Loans	5 (c)	247.80	225.26
(g) Non-current tax assets	6 (a)	690.13	1,073.54
(h) Deferred tax assets (net)	6 (b)	7,938.23	7,147.00
(i) Other non-current assets	7	3,378.66	4,339.73
Total non-current assets		44,061.81	51,579.98
Current assets			
(a) Inventories	8	862.20	863.37
(b) Financial assets			
(i) Investments	5 (a)	101.70	1,015.59
(ii) Trade receivables	5 (b)	2,434.06	3,616.67
(iii) Cash and cash equivalents	5 (d)	1,509.18	444.16
(iv) Bank balances other than above	5 (e)	-	6.86
(v) Loans	5 (c)	4,088.11	7,717.93
(vi) Other financial assets	5 (f)	160.12	202.14
(c) Other current assets	7	2,868.04	697.20
		12,023.41	14,563.92
Assets classified as held for sale	9	1,954.69	1,954.69
Total current assets		13,978.10	16,518.61
Total Assets		58,039.91	68,098.59
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10 (a)	5,754.44	5,754.44
(b) Other equity	10 (b)	6,870.39	11,055.63
Total Equity		12,624.83	16,810.07
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	11 (a)	14,880.35	17,812.81
(ii) Other financial liabilities	11 (a)	1,641.90	1,866.22
(b) Provisions	12	67.19	62.87
(c) Other non-current liabilities	13	507.73	481.24
Total non-current liabilities		17,097.17	20,223.14

Balance Sheet as at March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
- Total outstanding due of micro and small enterprises	11 (b)	46.44	59.81
- Others	11 (b)	1,288.17	1,394.77
(ii) Lease liabilities	11 (a)	3,529.44	3,367.85
(iii) Other financial liabilities	11 (a)	781.13	560.72
(b) Provisions	12	36.54	38.08
(c) Other current liabilities	13	22,636.19	25,644.15
Total current liabilities		28,317.91	31,065.38
Total Liabilities		45,415.08	51,288.52
Total Equity and Liabilities		58,039.91	68,098.59
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 26, 2021

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 26, 2021

Rajesh Kalyani
Director
DIN: 00220632

Anil Cherian
Head - Legal and Company Secretary

Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
(a) Revenue from Operations	15	6,454.79	12,155.71
(b) Other Income	16	775.15	4,903.90
Total Income		7,229.94	17,059.61
Expenses			
(a) Operating Costs	17	2,164.67	3,611.47
(b) Changes in inventories of finished goods, work-in progress and stock-in-trade	18	1.18	121.28
(c) Employee Benefits Expense	19	453.02	591.80
(d) Finance Costs	20	2,056.28	2,947.81
(e) Depreciation and amortization expense	21	3,729.31	5,113.97
(f) Other Expenses	22	2,491.76	2,659.22
Total Expenses		10,896.22	15,045.55
Profit/(Loss) before exceptional items and tax		(3,666.28)	2,014.06
Exceptional items		-	-
Profit/(Loss) Before Tax		(3,666.28)	2,014.06
Income Tax Expense			
Current Tax	6	-	-
Deferred Tax	6	(790.11)	910.93
Earlier Year Tax / (Provision written back)		5.77	(3.78)
Total Tax Expense		(784.34)	907.15
Profit/(Loss) for the year (A)		(2,881.94)	1,106.91
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	(2.92)	(12.09)
Fair valuation of equity investments other than investments in subsidiaries, associates and joint ventures	10	(1.53)	(3.01)
B. Income tax relating to above items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	10	(0.74)	(3.41)
Equity instruments through other comprehensive income	10	(0.39)	4.90
Other Comprehensive Income for the year, net of taxes (B)		(3.32)	(16.59)
Total Comprehensive Income for the year (A+B)		(2,885.26)	1,090.32
Earnings per equity share (Face value of ₹ 10/- each)	26		
Basic (in ₹)		(5.01)	1.94
Diluted (in ₹)		(5.01)	1.94
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 26, 2021

For and on behalf of the Board of Directors

Vijai Singh Dugar
Director
DIN: 06463399

Rajesh Kalyani
Director
DIN: 00220632

Pawan Agarwal
Executive Director and Chief Financial Officer
DIN: 01435580

Anil Cherian
Head - Legal and Company Secretary

Place : Mumbai
Date : May 26, 2021

Statement of Change in Equity

(All amounts in INR lakhs, unless otherwise stated)

A. Equity Share Capital

As at March 31, 2020	5,754.44
Changes in equity share capital	-
As at March 31, 2021	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, 2019	25,291.33	(19,721.00)	2,636.54	5,355.98	(154.09)	13,408.76
Profit / (Loss) for the year	-	1,106.91	-	-	-	1,106.91
Other comprehensive income for the year	-	(8.68)	-	-	(7.91)	(16.59)
Total comprehensive income for the year	-	1,098.23	-	-	(7.91)	1,090.32
Addition during the year	1,754.34	-	-	-	-	1,754.34
Lease Liabilities	-	(5,197.79)	-	-	-	(5,197.79)
Balance as at March 31, 2020	27,045.67	(23,820.56)	2,636.54	5,355.98	(162.00)	11,055.63
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	-	-	-	-	-	-
Repayment of Subordinated Debts	-	-	-	(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

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 26, 2021

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 26, 2021

Rajesh Kalyani
Director
DIN: 00220632

Anil Cherian
Head - Legal and Company Secretary

Cash Flow Statement for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Cash Flow from operating activities:		
	Profit Before Tax	(3,666.28)	2,014.06
	Adjustments for		
	Add:		
	Provision for doubtful debts	38.27	41.22
	Depreciation and amortisation expenses	3,729.31	5,113.96
	Finance costs	2,056.27	2,947.81
	Bad debts and irrecoverable balances written off	196.76	505.90
	Provision for gratuity & leave encashment	16.12	23.21
	Loss due to fire of property, plant & equipment	667.33	-
	Loss on discard of property, plant & equipment	328.88	-
	Less:		
	Interest received	(645.90)	(665.77)
	Sundry balance written back	(59.03)	(225.99)
	Loss / (Profit) on sale of investments	0.99	(1,870.56)
	Profit on sale of property, plant & equipment - net	(30.04)	(1,056.96)
	Profit on redemption of preference shares	-	(999.00)
	Dividend received	-	(0.00)
	Gratuity & leave encashment paid	(16.26)	(9.29)
	Operating profit before working capital change	2,616.41	5,818.58
	Change in operating assets and liabilities		
	Trade and other receivables	(234.74)	(3,911.29)
	Trade payable, other liabilities & provisions	(5,770.13)	(8,008.84)
	Inventories	1.18	54.23
		(6,003.68)	(11,865.90)
	Cash generated / (used) from operations	(3,387.26)	(6,047.31)
	Income taxes (paid) / refund	391.22	(322.40)
A	Net cash inflow / (outflow) from operating activities	(2,996.05)	(6,369.71)
	Cash flow from investing activities:		
	Proceeds from Sale of property, plant & equipment / claim from insurance	2,738.89	7,339.01
	Purchase of property, plant & equipment, capital work-in-progress and investment property	(495.48)	(663.40)
	Proceeds from divestment in stake of subsidiary	-	3,905.04
	Proceeds from sale of investments	0.01	-
	Proceeds from redemption of preference shares	-	1,160.00
	Loans received / (given)	3,607.27	(1,696.62)
	Interest received	645.90	685.60
	Proceeds from maturity of fixed deposits	6.86	0.74

Cash Flow Statement for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
B	Net cash inflow from investing activities	6,503.45	10,730.37
	Cash flow from financing activities		
	Interest paid	(2,056.27)	(242.59)
	Repayment of subordinated debt	(1,300.00)	-
	Net repayment of non current borrowings	-	(3,495.24)
C	Net cash outflow from financing activities	(3,356.27)	(3,737.83)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	151.13	622.83
	Add: Cash and cash equivalents at the beginning of the financial year	1,459.75	836.92
	Cash and cash equivalents at the end of the year	1,610.88	1,459.75
	Cash and cash equivalents [See Note 5(d)]	1,509.18	444.16
	Investment in liquid funds [See Note 5(a)]	101.70	1,015.59
	Balance as per Statement of Cash Flow	1,610.88	1,459.75

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, 2020	Cash Flows	Non Cash Changes	As at March 31, 2021
Current Borrowings	-	-	-	-
Non Current Borrowings (including current maturities)	-	-	-	-

Particulars	As at March 31, 2019	Cash Flows	Non Cash Changes	As at March 31, 2020
Current borrowings	11,358.23	10,464.09	894.14	-
Non Current borrowings (including current maturities)	3,495.25	3,495.25	-	-

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 26, 2021

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 26, 2021

Rajesh Kalyani
Director
DIN: 00220632

Anil Cherian
Head - Legal and Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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 Limited. 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 26, 2021.

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
• Plant & 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 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 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 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 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 27.

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.

On March 30, 2019, the Ministry of Corporate Affairs issued amendments in the guidance to the Ind AS 12 – Income taxes. The amendment 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

On September 20, 2019, the Government of India, vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies; an option to pay income tax at reduced rate (i.e. 22% plus applicable surcharge and cess) effective from April 1, 2019, subject to certain conditions. The tax expenses for the year ended March 31, 2021 have been provided at reduced tax rate.

m) **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

The Ministry of Corporate Affairs (“MCA”) notified the new Ind AS 116 “Leases” with the date of initial application being April 1, 2019.

On April 1, 2019, the Company has adopted Ind AS 116, Leases, which, applied to all lease contracts outstanding as at April 1, 2019, using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings.

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.

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It 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 recognises 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 recognises 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 amortised 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 recognise 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 recognises 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.

n) **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 Networks 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 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.

q) **Earnings per share**

Basic earnings per share

Basic earnings per share is 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 adjusts 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 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 Executive 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 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.

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 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.

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 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 27)
- 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 Company and that are believed to be reasonable under the circumstances.

Recent pronouncements

On March 24, 2021, 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, 2021. 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:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the financial statements for the year ended March 31, 2021

(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	Total	Right of Use Assets	Capital work-in-progress
Year ended March 31, 2020									
Gross carrying amount									
Opening gross carrying amount	6,945.31	2,058.52	46.54	4,204.52	160.63	4,435.30	17,850.82	-	82.81
Additions	-	-	3.51	3.76	2.33	47.85	57.45	17,131.72	533.39
Closing 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
Accumulated depreciation									
Opening accumulated depreciation	2,936.49	1,263.44	33.59	2,464.21	136.54	2,290.27	9,124.54	-	-
Depreciation charge during the year	472.67	318.59	10.10	634.72	17.55	625.02	2,078.65	2,902.00	-
Closing accumulated depreciation	3,409.16	1,582.03	43.69	3,098.93	154.09	2,915.29	11,203.19	2,902.00	-
Net carrying amount	3,536.15	476.49	6.36	1,109.35	8.87	1,567.86	6,705.08	14,229.72	616.20
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

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

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

4. Investment Properties

	Freehold Land	Building	Total
Year ended March 31, 2020			
Gross carrying amount			
Opening gross carrying amount	69.94	8,245.94	8,315.88
Additions	72.56	-	72.56
Disposal/Transfer	-	(4.53)	(4.53)
Closing gross carrying amount	142.50	8,241.41	8,383.91
Accumulated depreciation			
Opening accumulated depreciation	-	410.09	410.09
Depreciation charge during the year	-	133.31	133.31
Depreciation related to disposal/transfer	-	(0.23)	(0.23)
Closing accumulated depreciation	-	543.17	543.17
Net carrying amount	142.50	7,698.24	7,840.74
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

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

	As at March 31, 2021	As at March 31, 2020
Rental income	593.75	1,018.60
Direct operating expenses from property that generated rental income	70.07	44.53
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	523.68	974.07
Depreciation	133.31	133.31
Profit from investment properties	390.37	840.76

(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, 2021	As at March 31, 2020
Within one year	960.57	940.15
Later than one year but not later than 5 years	3,087.46	1,806.47
Later than 5 years	-	-
Total	4,048.03	2,746.62

(iii) Fair value

	As at March 31, 2021	As at March 31, 2020
Investment properties	39,771.90	39,773.96

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, 2021

(All amounts in INR lakhs, unless otherwise stated)

5(a). Investments

	As at March 31, 2021	As at March 31, 2020
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	22.48	23.02
6,903 Equity Shares of Harmony Malls Management Private Limited*	0.69	0.69
Nil (March 31, 2020: 10,000) Equity Shares of Ojas Trade Lease and Mall Management Private Limited	-	1.00
Total (d)	23.17	24.71
Non-current investments total (a+b+c+d)	9,401.19	9,402.73
Investments in subsidiaries, associates and joint ventures (a+b+c)	9,378.02	9,378.00
Investments (in others) (d)	23.17	24.71
Aggregate amount of unquoted investments	9,401.19	9,402.71
Current Investments		
UTI - Floating Rate Fund	101.70	1,015.59
Current Investments total	101.70	1,015.59

*During the previous year 2019-20, pursuant to a Scheme of Amalgamation, Navika Developers Private Limited, Rain Fruits and More Private Limited, Shreya Mall Management Private Limited and Ujjain Future Bazaar Private Limited merged with Harmony Malls Management Private Limited (Harmony). Accordingly, in lieu of the investments held by the Company in Navika Developers Private Limited, Shreya Mall Management Private Limited and Ujjain Future Bazaar Private Limited, received 1 (one) share each of Harmony.

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

5(b). Trade receivables

	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Related Parties	974.17	907.64
Others	1,611.43	2,829.73
Total	2,585.60	3,737.37
Less: Allowance for bad and doubtful debts	(151.54)	(120.70)
Total Trade receivables	2,434.06	3,616.67
Breakup of securities details		
Secured, considered good	-	-
Unsecured, considered good	2,458.65	3,634.48
Doubtful	126.95	102.89
Total	2,585.60	3,737.37
Less: Allowance for doubtful debts	(151.54)	(120.70)
Total trade receivables	2,434.06	3,616.67

5(c). Loans

	As at March 31, 2021	As at March 31, 2020
Non Current		
Security Deposits	247.80	225.26
Total Non current loans and advances	247.80	225.26
Current		
Security Deposits	150.01	1,852.00
Loans and advances	2,752.82	4,581.82
Loans and advances to related parties	1,185.28	1,284.11
Total current loans and advances	4,088.11	7,717.93

5(d). Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Cash on hand	2.71	4.82
Balances with Banks		
In current accounts	1,506.47	439.34
Total Cash and cash equivalents	1,509.18	444.16

5(e). Bank Balances other than above

	As at March 31, 2021	As at March 31, 2020
Fixed Deposit*	-	6.50
Interest accrued on fixed deposit	-	0.36
Total Bank Balances other than above	-	6.86

* Lien against Bank Guarantee

5(f). Other financial assets

	As at March 31, 2021	As at March 31, 2020
Other current financial assets		
Considered good		
Unbilled Revenue	147.69	192.36
Advance to Staff	12.43	9.78
Total current financial assets	160.12	202.14

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

6(a). Non - Current Tax Assets

	As at March 31, 2021	As at March 31, 2020
Balances with Government Authorities	690.13	1,073.54
Total Non-current tax assets	690.13	1,073.54

6(b). Current and deferred tax

6(b). (i) Statement of profit and loss:

	As at March 31, 2021	As at March 31, 2020
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	5.77	(3.78)
Total current tax (expense)	5.77	(3.78)
Deferred tax		
Decrease (increase) in deferred tax assets	(790.11)	910.93
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	(790.11)	910.93
Income tax expense	(784.34)	907.15

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, 2021	As at March 31, 2020
Profit from operation before income tax expenses	(3,666.28)	2,014.06
Tax rate @ 25.168%	(922.73)	506.90
Differences due to:		
Permanent differences	0.82	0.03
Standard deduction on rental income	(39.54)	(115.32)
Change in tax rates	-	591.89
Excess provisions for previous years written off	5.77	(3.78)
Adjustment related to unabsorbed tax losses	521.19	82.56
Property, Plant & Equipment - Depreciation	(258.21)	(100.22)
Leases	(81.70)	(44.65)
Others	(9.94)	(10.26)
Income tax expenses	(784.34)	907.15

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-21	31-Mar-20
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, 2021, the Company has net operating losses and carry forwards that shall expire as follows:

Net operating losses	
2023	4,141.58
2024	2,369.19
2026	2,482.17
2027	610.88
2030	583.14
	10,186.96
Unabsorbed depreciation	
Indefinitely	7,451.53

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

6(b). (iv) Deferred tax assets (net)

	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
Unabsorbed Tax Losses	4,016.84	4,016.84
Defined benefit obligation		
Provisions	55.31	46.86
Fair valuation of financials assets - P&L Assets	283.59	284.60
Fair valuation of financials assets - P&L Liabilities	(209.73)	(212.71)
Fair valuation of financials assets - P&L (Net)	73.86	71.90
Fair valuation of financials assets - OCI Assets	54.87	54.48
Fair valuation of financials assets - OCI Liabilities	-	-
Fair valuation of financials assets - OCI (Net)	54.87	54.48
Property Plant & Equipment	2155.02	1,199.67
Leases	1573.44	1,749.41
Freehold Land	8.89	7.840
Deferred tax liabilities		
Defined benefit obligation	-	-
Total deferred tax assets (net)	7,938.23	7,147.00

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, 2019	33.81	5,021.48	52.35	1,153.11	7.78	-	-	6,268.53
(Charged)/credited:								
- to profit or loss	9.64	(1,004.64)	78.94	46.56	0.05	(41.48)	-	(910.93)
- to other comprehensive income	3.41	-	(4.90)	-	-	-	-	(1.49)
- Opening Reserves (Ind AS 116)	-	-	-	-	-	1,790.89	-	1,790.89
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
- Opening Reserves (Ind AS 116)	-	-	-	-	-	-	-	-
At March 31, 2021	55.31	4,016.84	128.75	2,155.02	8.88	1,573.43	-	7,938.23

7. Other assets

	As at March 31, 2021	As at March 31, 2020
Other non-current assets		
Business Advance	-	880.20
Capital Advance	3,350.00	3,350.00
Balances with Government Authorities	21.16	102.03
Corpus Funds	7.50	7.50
Total Other Non-current assets	3,378.66	4,339.73
Other current assets		
Security Deposits	231.33	231.00
Business Advance	437.01	449.12
Other Receivables	2,186.88	-
Prepaid Expense	12.82	17.08
Total Other current assets	2,868.04	697.20

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

8. Inventories

	As at March 31, 2021	As at March 31, 2020
Finished Shops	862.20	863.37
Total Inventories	862.20	863.37

9. Assets classified as held for sale

	As at March 31, 2021	As at March 31, 2020
Investments	1,954.69	1,954.69
Total	1,954.69	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 have been sold during the previous year and remaining 49% stake is expected to be completed in next 12 months. The investments are presented separately under assets held for sale.

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, 2021	As at March 31, 2020
Authorised		
9,03,00,000 Equity Shares of ₹ 10/- each	9,030.00	9,030.00
5,000 Preference Shares of ₹ 100/- each	5.00	5.00
Total	9,035.00	9,035.00
Issued		
5,75,44,951 Equity Shares 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 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, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	5,75,44,381	5,754.44	5,62,91,281	5,629.13
Add: shares issued during the year	-	-	12,53,100	125.31
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, 2021

(All amounts in INR lakhs, unless otherwise stated)

Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2021) including equity shares issued pursuant to contract without payment being received in cash

- (i) In Financial Year 2015-16 - Allotted 3,16,750 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 11, 2015.
- (ii) In Financial Year 2016-17 - Allotted 1,20,125 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 14, 2016.
- (iii) In Financial Year 2019-20 - Allotted 12,53,100 equity shares of ₹ 10/- each under Scheme of Merger by absorption. (Refer Note 34)

b) Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the company.

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% held	Number of shares	% held
Future Corporate Resources Private Limited	4,11,29,343	71.47%	4,11,29,343	71.47%
Ishbhoomi Fabtraders Private Limited	41,78,298	7.26%	40,96,745	7.12%
	4,53,07,641	78.73%	4,52,26,088	78.59%

10(b). Other Equity

	As at March 31, 2021	As at March 31, 2020
Reserve and surplus		
Capital Reserve	2,636.54	2,636.54
Securities Premium	27,045.67	27,045.67
Retained Earnings	(26,704.68)	(23,820.56)
Subordinated Debt*	4,055.97	5,355.98
Other Reserves	(163.11)	(162.00)
Total	6,870.39	11,055.63

* The subordinated debt represents loan taken from Future Corporate Resources Private Limited

(i) Capital Reserve

	As at March 31, 2021	As at March 31, 2020
Opening Balance	2,636.54	2,636.54
Closing Balance	2,636.54	2,636.54

(ii) Securities Premium

	As at March 31, 2021	As at March 31, 2020
Opening Balance	27,045.67	25,291.33
Share issued	-	1,754.34
Closing Balance	27,045.67	27,045.67

(iii) Retained Earnings

	As at March 31, 2021	As at March 31, 2020
Opening Balance	(23,820.56)	(19,721.00)
Add: Profit / (Loss) for the year	(2,881.94)	1,106.91
Add: Lease Liability	-	(5,197.79)
Remeasurements of post-employment benefit obligation	(2.92)	(12.09)
Deferred tax (Actuarial Gains)	0.74	3.41
Closing Balance	(26,704.68)	(23,820.56)

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

(iv) Other Reserves

	As at March 31, 2021	As at March 31, 2020
Opening Balance	(162.00)	(154.09)
Change in fair value of FVOCI equity instruments	(1.51)	(3.01)
Deferred tax (Fair Value)	0.40	(4.90)
Closing Balance	(163.11)	(162.00)

*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(a). Other Non-current financial liabilities

	As at March 31, 2021	As at March 31, 2020
Security deposits		
From Related Parties	147.16	294.76
From Others	1,494.74	1,571.46
Total	1,641.90	1,866.22
Lease Liabilities	14,880.35	17,812.81
Total Non-current financial liabilities	16,522.25	19,679.03

11(a). Other Current financial liabilities

	As at March 31, 2021	As at March 31, 2020
Security deposits		
From Related Parties	129.45	108.36
From Others	438.92	120.38
Other Payables	212.76	331.98
Total	781.13	560.72
Lease Liabilities	3,529.44	3,367.85
Total Current financial liabilities	4,310.57	3,928.57

11(b). Trade payables

	As at March 31, 2021	As at March 31, 2020
Total outstanding, due of, micro, small and medium enterprises	46.44	59.81
Total outstanding due of others:		
Related Parties	552.28	684.02
Others	735.89	710.75
Total Trade payables	1,334.61	1,454.58

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

12. Provisions

	As at March 31, 2021	As at March 31, 2020
Non current Employee benefit obligations		
Gratuity (Refer Note 14)	43.58	41.92
Leave entitlement (Refer Note 14)	23.61	20.95
Total Non current Employee benefit obligations	67.19	62.87
Current Employee benefit obligations		
Gratuity (Refer Note 14)	0.67	1.81
Leave entitlement (Refer Note 14)	0.41	0.81
Other Provisions	35.46	35.46
Total current Employee benefit obligations	36.54	38.08

13. Other liabilities

	As at March 31, 2021	As at March 31, 2020
Non-current		
Deferred Rent Income	507.73	481.24
Total Other Non-current liabilities	507.73	481.24
Current		
Statutory dues (including provident fund, tax deducted at source and others)	50.59	131.04
Advance from customers (Related Parties)	22,147.46	24,913.57
Deferred Rent Income	225.74	239.42
Other payables	212.40	360.12
Total Other current liabilities	22,636.19	25,644.15

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 ₹ 14.59 Lakhs (Previous Year ₹ 20.08 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 financial statements for the year ended March 31, 2021

(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, 2021	As at March 31, 2020
Opening defined benefit obligation	43.74	31.80
Current service cost	6.47	4.87
Interest expense/(income)	2.90	2.42
Total amount recognised in profit and loss	9.37	7.29
Acquisition / Divestiture	-	12.23
(Gain)/loss from change in demographic assumptions	-	(0.04)
(Gain)/loss from change in financial assumptions	(0.64)	4.30
Experience (gains)/losses	3.55	7.82
Total amount recognised in other comprehensive income	2.91	12.08
Employer contributions	-	-
Benefit payments	(11.75)	(7.43)
Closing defined benefit obligation	44.27	43.74

The net liability disclosed above relates to unfunded plans are as follows:

	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Defined benefit obligation	44.27	43.74
Fair value of plan assets	-	-
Surplus /(Deficit)	44.27	43.74
Effect of assets ceiling	-	-
Net Defined Benefit Liability/(Assets)	44.27	43.74

Significant estimates: Actuarial assumptions

The significant actuarial assumptions were as follows:

	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Financial Assumptions		
Discount rate	6.89%	6.76%
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 financial statements for the year ended March 31, 2021

(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, 2021	As at March 31, 2020
Discount rate		
a. Discount rate -100 basis point	50.12	49.38
b. Discount rate+100 basis point	39.28	38.94
Salary growth rate		
a. Rate -100 basis point	39.33	39.40
b. Rate+100 basis point	49.22	48.46

Expected Future Cash Flows

	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Year 1	0.68	1.82
Year 2	1.70	0.70
Year 3	2.23	1.67
Year 4	3.97	2.18
Year 5	1.27	2.99
Year 6 to 10	14.69	12.53

15. Revenue from operations

	Year ended March 31, 2021	Year ended March 31, 2020
Sales	15.85	150.01
Rent and other related revenues	6,438.94	11,970.70
Project Management Consultancy	-	35.00
Total	6,454.79	12,155.71

16. Other Income

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income		
On bank deposits	0.46	0.40
On others	645.44	665.37
Profit on Redemption of Preference Shares	-	999.00
Profit on sale of Property, Plant & Equipment	30.05	1,056.97
Profit on sale of Investments	29.81	1,919.49
Fair Valuation of Investments	0.65	0.11
Excess Provision Written Back	59.03	225.99
Dividend Received*	-	0.00
Miscellaneous Income	9.71	36.57
Total	775.15	4,903.90

* Dividend Received ₹ Nil (Previous Year : ₹ 25.70)

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

17. Operating Costs

	Year ended March 31, 2021	Year ended March 31, 2020
Mall Maintenance Charges	2,152.18	3,235.42
Rent	12.49	376.05
Total	2,164.67	3,611.47

18. Changes in inventories of finished goods, work-in progress and stock-in-trade

	Year ended March 31, 2021	Year ended March 31, 2020
Cost of units sold	1.18	121.28
Total	1.18	121.28

19. Employee Benefits Expense

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, Wages and Bonus	424.02	551.52
Contribution to Provident and Other Funds	21.62	28.76
Staff Welfare Expenses	7.38	11.52
Total	453.02	591.80

20. Finance Costs

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Expenses	2,041.30	2,947.81
Other Borrowing costs	14.98	-
Total	2,056.28	2,947.81

21. Depreciation and amortization expense

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on Property, Plant and Equipment	1,571.45	2,078.66
Depreciation on Investment Property	133.24	133.31
Depreciation on Right of use assets	2,024.62	2,902.00
Total	3,729.31	5,113.97

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

22. Other Expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Power and Fuel	178.27	432.79
Repairs and Maintenance - Others	305.08	360.34
Auditor's Remuneration		
Statutory Audit Fees	6.00	7.00
Tax Audit Fees	1.00	1.00
Other Services	0.50	1.00
Rates and Taxes	269.87	343.08
Insurance	22.12	14.68
Legal and Professional Fees	144.83	620.81
Listing Fees/Custodian Charges	7.16	7.21
Director Sitting Fees	17.65	14.00
Marketing and Promotion	-	54.91
Office Rent	-	52.76
Provision for Doubtful Debts	38.27	41.22
Travelling and Conveyance Expenses	19.05	33.80
Corporate Social Responsibility Expenses (Refer Note 38)	26.46	-
Water Charges	3.31	12.68
Other Expenses	455.98	661.94
Loss of Property, Plant and Equipment due to fire (Refer Note 36)	667.33	-
Loss on discard of Property, plant and equipment	328.88	-
Total	2,491.76	2,659.22

23. Fair value measurements

23(a). Financial instruments by category

	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity Instruments	-	23.17	-	-	24.71	-
- Investment in subsidiaries, joint ventures and associates	-	9,378.02	-	-	9,378.02	-
- Mutual Funds	101.70	-	-	1,015.59	-	-
Loans	-	-	4,335.91	-	-	7,943.19
Trade receivables	-	-	2,434.06	-	-	3,616.67
Cash and cash equivalents	-	-	1,509.18	-	-	444.16
Bank Balances other than above	-	-	-	-	-	6.86
Other financial assets	-	-	160.12	-	-	202.14
Total financial assets	101.70	9,401.19	8,439.27	1,015.59	9,402.73	12,213.02
Financial liabilities						
Deposits from customer	-	-	16,522.25	-	-	19,679.03
Other financial liabilities	-	-	4,310.57	-	-	3,928.57
Trade payables	-	-	1,334.61	-	-	1,454.58
Total financial liabilities	-	-	22,167.43	-	-	25,062.18

Notes to the financial statements for the year ended March 31, 2021

(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, 2019	27.72
Sale of Investment	-
Gains/(losses) recognised in Other Comprehensive Income	(3.01)
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

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, 2021		March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	4,335.91	4,335.91	7,943.19	7,983.03
Total	4,335.91	4,335.91	7,943.19	7,983.03
Financial liabilities				
Deposits from customer	16,522.25	16,629.47	19,679.03	19,789.04
Total	16,522.25	16,629.47	19,679.03	19,789.04

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, 2021

(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, 2021	March 31, 2020
BSE Sensex 30 - Increase 5%	5.09	50.78
BSE Sensex 30 - Decrease 5%	(5.09)	(50.78)

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 does not have any borrowings outstanding as at March 31, 2021 and in absence of exposure to interest rates on borrowings, the impact of interest rate sensitivity analysis is not required.

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, 2021	As at March 31, 2020
Opening provision	120.70	79.48
Add:- Additional provision made	38.28	41.22
Less:- Provision write off	7.44	-
Closing provisions	151.54	120.70

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

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.

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

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, 2021			
Trade payables	1,334.61	-	1,334.61
Other Financial liabilities	4,310.57	17,348.96	21,659.53
As at March 31, 2020			
Trade payables	1,454.58	-	1,454.58
Other Financial liabilities	3,928.57	20,517.35	24,445.92

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, 2021	As at March 31, 2020
(a) Basic and diluted earnings per share		
Profit attributable to the equity holders of the company	(2,881.94)	1,106.91
Total basic earnings per share attributable to the equity holders of the company (₹)	(5.01)	1.94
(b) Diluted earnings per share		
Profit attributable to the equity holders of the company	(2,881.94)	1,106.91
Total diluted earnings per share attributable to the equity holders of the company (₹)	(5.01)	1.94
(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	57,544,381	56,941,797
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	57,544,381	56,941,797

27. Share based payments**(a) Employee option plan/ Tradable Options**

Employee option trade plan/Tradable Options

Future Market Networks Limited (FMNL) 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.

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

(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, 2021		As at March 31, 2020	
	Weighted Average Exercise price	No. of options	Weighted Average Exercise price	No. of options
Options outstanding at the beginning of the period	85	210,000	85	210,000
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	-	210,000	-	210,000
Options vested and exercisable at the end of the period	-	210,000	-	210,000

(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, 2021	March 31, 2020
Employee compensation expense	-	-

Effect of the employee share option plan on the financial statements is as follows:

Particulars	March 31, 2021	March 31, 2020
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, 2021

(All amounts in INR lakhs, unless otherwise stated)

28. 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, 2021	March 31, 2020
Splendor Fitness Private Limited	Director Interest	Director Interest
Galaxy Cloud Kitchens Limited		
Aashirwad Malls Private Limited		
Suhani Mall Management Company Private Limited		
Suncity Properties Private Limited	Subsidiary	Subsidiary
Future Trade Market Private Limited		
Jeremia Real Estate Private Limited		
Gati Realtors Private Limited (upto 28.08.2019)		
Future Retail Destination Private Limited (upto 25.10.2019)		
Riddhi Siddhi Mall Management Private Limited	Joint Venture	
Gati Realtors Private Limited (w.e.f. 29.08.2019)		Joint Venture
Future Retail Destination Private Limited (w.e.f. 26.10.2019)		
Utility Developers Private Limited	Director Interest	Director Interest
Future Corporate Resources 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	Promoter's Group Company	Promoter's Group Company
Future Supply Chain Solutions Limited		
Nufuture Digital (India) Limited		
Future Supply Chain Solutions Limited		
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 (w.e.f. 21.05.2019)	Executive Director & CFO	Executive Director & CFO
Mr. Pramod Arora		
Mr. Sunil Biyani	Non-Executive Director	Non-Executive Director
Mr. Rajesh Kalyani		
Ms. Udiata Jhunhunwala		
Mr. Vijai Singh Dugar	Independent Director	Independent Director
Mr. K.A Somayajulu (upto 27/09/2020)		

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

(b) Key management personnel compensation

Particulars	March 31, 2021	March 31, 2020
Short-term employee benefits	65.95	91.37
Post-employment benefits	16.32	15.58
Total	82.26	106.95

(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	64.03	110.41	-	-	-	-	-	-	-
	118.29	32.12	-	-	-	-	-	-	-
Project Management Consultancy	-	-	-	-	-	-	-	-	7.80
	-	35.00	-	-	-	-	-	-	9.00
Lease Rent Expenses	-	-	-	6.72	-	-	-	-	37.90
	-	-	-	6.72	-	4.50	5.69	-	12.24
Reimbursement of Expenses	-	-	-	-	-	-	121.69	-	72.66
	-	-	-	-	-	-	251.31	-	67.48
Sitting Fees / Remuneration	-	-	-	-	55.19	-	-	28.41	-
	-	-	-	-	65.78	-	-	39.58	-
Project Expenses	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	625.00
Advances /Loans given net off received back	(267.11)	15.00	-	-	-	-	-	-	-
	516.91	(68.99)	-	-	-	-	-	-	-
Advances /Loans / Deposits taken net off repaid back	-	-	-	-	-	-	(2,725.93)	-	0.20
	-	-	-	-	-	-	322.78	-	594.15
Purchase of Property, Plant & Equipment's and Capital work in progress	-	-	-	-	-	-	-	-	-
	68.80	-	-	-	-	6.35	1.09	-	-
Rent Income	-	-	-	-	-	-	683.60	-	166.21
	-	-	-	-	-	-	1,287.98	-	370.58
Preference share redemption	-	-	-	-	-	-	-	-	-
	-	1,160.00	-	-	-	-	-	-	-
Dividend from Pref. Shares #	-	-	-	-	-	-	-	-	-
	-	0.00	-	-	-	-	-	-	-
Insurance Expenses	-	-	-	-	-	-	-	-	24.42
	-	-	-	-	-	-	-	-	19.92
Deposit Repaid	-	-	-	-	-	-	183.06	-	36.00
	-	-	-	-	-	-	-	-	-
CAM Income	-	-	-	-	-	-	273.69	-	124.34
	-	-	-	-	-	-	355.35	-	140.07
Promoter's Contribution	-	-	(1,300.00)	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
CAM Paid	3.34	-	-	-	-	-	-	-	-
	3.81	-	-	-	-	-	2.89	-	-
Sundry Balance Written off	-	-	-	-	-	-	-	-	4.12
	-	-	-	-	-	-	3.13	-	189.02
Insurance claim	-	-	-	-	-	-	-	-	500.00
	-	-	-	-	-	-	-	-	-

Dividend Received ₹ 25.70 during the year ended March 31, 2020

Notes to the financial statements for the year ended March 31, 2021

(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
Outstanding Balance as at March 31									
Receivable	-	-	-	-	-	-	797.07	-	177.68
	-	-	-	-	-	28.19	845.28	-	123.69
Payables	-	-	-	-	-	-	-	-	522.28
	-	-	-	-	0.65	-	7,451.00	0.25	683.94
Subordinated Debt	-	-	4,055.97	-	-	-	-	-	-
	-	-	5,355.97	-	-	-	-	-	-
Loans & Advances	440.53	744.75	-	-	-	-	-	-	-
	643.77	640.33	-	-	-	-	-	-	1.51
Loan / Advance Taken	-	-	-	-	-	-	10,175.31	-	11,952.58
	-	-	-	-	-	-	12,901.24	-	16,029.26
Investments in OCPS	-	770.64	-	-	-	-	-	-	-
	-	770.64	-	-	-	-	-	-	-
Security Deposits Taken	-	-	-	-	-	-	275.93	-	55.56
	-	-	-	-	-	49.74	459.00	-	205.94
Insurance claim	-	-	-	-	-	-	-	-	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, 2021	March 31, 2020
Interest Income	Suhani Mall Management Company Private Limited	13.37	33.11
	Future Trade Markets Private Limited	-	0.34
	Sun City Properties Private Limited	44.00	37.60
	Aashirwad Malls Private Limited	1.36	1.86
	Jeremia Real Estate Private Limited	5.30	4.53
	Gati Realtors Private Limited	89.64	69.78
	Riddhi Siddhi Mall Management Private Limited	20.77	3.19
	Project Management Consultancy	Riddhi Siddhi Mall Management Private Limited	-
Nufuture Digital (India) Limited		7.80	9.00
Lease Rent Expenses	Ms. Jollamma Anil Cherian	3.36	3.36
	Ms. Ritu Pawan Agarwal	3.36	3.36
	Galaxy Cloud Kitchens Limited	-	4.50
	Future Retail Limited	-	5.69
	Future Lifestyle Fashions Limited	37.90	12.24
Reimbursement of Expenses	Future Retail Limited	121.69	251.31
	Praxis Home Retail Limited	33.55	47.64
	Future Lifestyle Fashions Limited	39.11	19.85
Remuneration to KMP	Mr. Pawan Agarwal	37.54	51.78
	Mr. Anil Cherian	28.41	39.58
Sitting Fees / ESOP	Mr. Rajesh Kalyani	4.15	3.35
	Mr. Sunil Biyani	2.00	1.60
	Mr. Vijai Singh Dugar	4.35	3.70
	Mr. K.A Somayajulu	2.55	3.55
	Mr. Pramod Arora	1.60	0.80
	Ms. Udita Jhunjhunwala	3.00	1.00
Pref. Shares Redemption	Riddhi Siddhi Mall Management Private Limited	-	1,160.00
Dividend from Pref. Shares Redemption	Riddhi Siddhi Mall Management Private Limited	-	0.00
Insurance Expenses	Future Generali India Insurance Company Limited	24.42	19.92
Project Expenses	Future Supply Chain Solutions Limited	-	625.00

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Nature of Transaction	Name of the Company	March 31, 2021	March 31, 2020
Loan Given net off received Back	Suhani Mall Management Company Private Limited	(271.00)	88.77
	Sun City Properties Private Limited	2.08	10.63
	Aashirwad Malls Private Limited	0.13	(11.00)
	Jeremia Real Estate Private Limited	1.68	2.51
	Gati Realtors Private Limited	15.00	426.00
	Riddhi Siddhi Mall Management Private Limited	-	(68.99)
Advances /Loans taken net off repaid back	Future Retail Limited	(2,725.93)	322.78
	Future Enterprises Limited	0.20	594.15
Purchase	Future Retail Limited	-	1.09
	Galaxy Cloud Kitchens Limited	-	6.35
	Gati Realtors Private Limited	-	68.80
Rent Income	Future Retail Limited	683.60	1,287.98
	Praxis Home Retail Limited	5.90	193.73
	Future Lifestyle Fashions Limited	160.31	176.84
Promoter's Contribution	Future Corporate Resources Private Limited	(1,300.00)	-
CAM Income	Future Retail Limited	273.69	355.35
	Praxis Home Retail Limited	86.15	88.13
	Future Supply Chain Solutions Limited	-	43.94
	Future Lifestyle Fashions Limited	38.20	8.00
CAM Paid	Aashirwad Malls Private Limited	3.34	3.81
	Future Retail Limited	-	2.89
Sundry Balance Written off	Future Retail Limited	-	3.13
	Praxis Home Retail Limited	-	0.02
	Future Generali India Insurance Company Limited	4.12	-
	Future Lifestyle Fashions Limited	-	189.00
Deposit Repaid	Future Retail Limited	183.06	-
	Future Lifestyle Fashions Limited	36.00	-
Insurance claim	Future Generali India Insurance Company Limited	500.00	-

29. 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, 2019:-	-
Additions	17,131.72
Depreciation charge for the year	2,902.00
Deletions	-
Net carrying amount as at March 31, 2020	14,229.72
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

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Lease liabilities

Maturity analysis of lease liabilities

S. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
i)	Not later than one year	4,699.59	4,699.59
ii)	Later than one year but not later than five years	7,216.90	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, 2021	Year ended March 31, 2020
(ii) Amounts recognised in the Statement of Profit or Loss		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	2,024.62	2,902.00
Interest expense (included in finance costs)	1,706.92	2,452.08
Expense relating to short-term leases (included in other expenses)	67.08	393.97
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, 2021	2,730.73	5,049.60

30. 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, 2021	Year ended March 31, 2020
i)	Gross block of assets let out on operating lease	16,167.74	26,149.69
ii)	Accumulated depreciation	6,126.05	11,746.37
iii)	Depreciation charged during the year to the Statement of Profit and Loss	3,729.31	5,113.97
iv)	Lease rentals recognised in Statement of Profit and Loss	3,903.45	8,722.04
v)	Lease rentals receivable not later than one year	5,387.27	8,722.04
vi)	Lease rentals receivable later than one year and not later than five years	10,909.06	26,090.02
vii)	Lease rentals receivable later than five years	-	-

31. 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 financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

32. 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, 2021	As at March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
A	Loans Given					
1	Future Trade Markets Private Limited	Subsidiary	-	-	0.86	100.54
2	Suhani Mall Management Company Private Limited.	Subsidiary	26.62	284.29	284.29	284.29
3	Sun City Properties Private Limited	Subsidiary	358.94	312.98	358.94	312.98
4	Riddhi Siddhi Mall Management Private Limited.	Joint Venture	-	-	-	68.99
5	Harmony Malls Management Private Limited.	Other Body Corporate	2,752.82	4,564.74	4,564.74	4,564.74
6	Gafi Realtors Private Limited	Joint Venture	744.75	640.33	744.75	640.33
7	Aashirwad Malls Private Limited	Subsidiary	11.04	9.55	11.04	18.73
8	Jeremia Real Estate Private Limited	Subsidiary	43.93	36.95	43.93	36.95

Note: All the above loans are interest bearing as stated above.

B Corporate Guarantee Given

		Relationship	Outstanding Balance	
			March 31, 2021	March 31, 2020
i.	Central Bank of India - Unique Malls Private Limited	Other Body Corporate	18,750	18,750
ii.	Hero FinCorp Limited - Hare Krishna Operating Lease Private Limited	Other Body Corporate	14,000	14,000
iii.	State Bank of India - Riddhi Siddhi Mall Management Private Limited	Other Body Corporate	4,658	-

C Investments

Investments made are given under Schedule 5(a)

33. Change in Tax Rate

On September 20, 2019, the Government of India, vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies; an option to pay income tax at reduced rate (i.e. 22% plus applicable surcharge and cess) effective from April 1, 2019, subject to certain conditions. The tax expenses for the year ended March 31, 2021 have been provided at reduced tax rate.

34. Scheme of Merger by absorption of Star Shopping Centres Private Limited

The Company had entered into a Scheme of Merger by absorption of Star Shopping Centres Private Limited (Star) and their respective Shareholders under Section 230-232 and other applicable provisions of the Companies Act, 2013 ("the Act") in order to consolidate the business under single entity. The Scheme was approved by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on August 2, 2019 with appointed date as April 1, 2017.

Pursuant to the aforesaid Scheme of merger the Authorized Share Capital of the Company has been increased to ₹ 9,035.00 lakhs (Rupees Nine Thousand Thirty Five Lakhs) divided into 9,03,00,000 equity shares of ₹ 10/- each and 5,000 Preference Shares of ₹ 100/- each.

- a) The figures for the previous year include figures of Star Shopping Centres Private Limited (STAR / Transferor Company), the subsidiary of the Company (60% of the paid up share capital held by the Company), which was amalgamated with the Company with effect from April 1, 2017, being the appointed date, as per the Scheme of Merger by absorption ("the scheme") of Star Shopping Centres Private Limited (Star) and their respective Shareholders under Section 230-232 and other applicable provisions of the Companies Act, 2013 ("the Act") sanctioned Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on August 2, 2019 with appointed date as April 1, 2017.

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

- b) In accordance with the scheme and as per approval of the NCLT:
- The assets and liabilities of STAR have been transferred to and vested with the Company with effect from April 1, 2017 and have been recorded at their respective fair values under the purchase method of accounting for amalgamations as prescribed in Indian Accounting Standard 103 on Accounting of Amalgamations.
 - Consequent to Merger by absorption, the Company allotted 12,53,100 Equity Shares of ₹ 10/- each fully paid up on September 24, 2019 to the eligible shareholders of Transferor Company who holds 40% of the paid up share capital of Transferor Company and 60% of the equity capital held by the Company in Transferor Company shall be cancelled.

Accordingly, the Company has accounted for the merger under the purchase consideration method retrospectively for all periods as prescribed in Ind AS 103 - Business Combinations of entities under joint control.

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 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 mall is subject to receipt of necessary approvals from concerned authorities.

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 and CAM charges of different malls in the range of 40-50%. Accordingly, the income and profitability of the company has been affected during the year as compared to the previous financial year.

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 - ₹ 26.46 lakhs (March 31, 2020: ₹ Nil)
- (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 bank on behalf of Companies - ₹ 18,750 Lakhs (March 31, 2020 : ₹ 18,750 Lakhs) (Refer Note 32)
- (b) Corporate Guarantee given to NBFC for sanctioning term loan of ₹ 14,000 lakhs (March 31, 2020 : ₹ 14,000 Lakhs) to Hare Krishna Operating Lease Private Limited for exclusive charge on immovable property of R Mall situated at Lal Bahadur Shastri Marg, Revenue Village of Mulund West to the extent of - ₹ 7,000 lakhs (March 31, 2020 : ₹ 7,000 lakhs). The fair value of the immovable property as at March 31, 2021 is ₹ 12,608.40 lakhs. (Refer Note 32)
- (c) Corporate Guarantee given to bank on behalf of Companies - ₹ 4,800 Lakhs (March 31, 2020 : ₹ Nil) (Refer Note 32)

Notes to the financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

- (d) 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 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.

- (e) The Company has sub lease rights with respect to Ground to 2nd 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 (Neelkamal 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 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/ Lessors 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. *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.*

- (f) Demand due to delay in payment of interest under section 31(4) under Maharashtra Stamp Act for ₹ 90.83 lakhs (2020 : ₹ 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.
- (g) 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.
- (h) 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. Accordingly the court has passed the direction in the favour of the petitioner for ₹ 7,050.61 lakhs. However, the matter could not be taken due to COVID 19 situation.
- (i) An Execution Application was filed by Laxmipat Surana (Petitioner) before the High Court at Calcutta to pay ₹ 2,573.99 lakhs. However, there is no further progress under this matter.
- (j) TDS disputed demand - ₹ 5.46 lakhs (2020 : ₹ 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. Capital Commitments / Asset Purchase Agreement / Put Option Agreement

In the previous year 2019-20, the Company (FMNL) has entered into a put option asset purchase agreement, wherein the FMNL has issued a put option to Axis Bank Ltd in relation to a loan facility of ₹ 7,500 lakhs provided by the Bank to a Borrower for purchase of assets being movable assets. In case of default by the borrower, the Bank can enforce the put option agreement entered with FMNL, whereby FMNL shall be obligated to purchase the assets acquired by the Borrower out of the loan amount, at a price which shall not be less than the outstanding loan obligation of the Borrower towards the Bank.

**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 26, 2021**

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 26, 2021**

**Rajesh Kalyani
Director
DIN: 00220632**

**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, 2021, 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 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, 2021 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
<p>Revenue Recognition :</p> <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 (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 Group’s disclosures made in to the financial statements.
<p>Allowance for credit losses</p> <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.

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 Group'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 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, 2021 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 ₹ 11,279.47 lakhs as at March 31, 2021, total revenues of ₹ 457.43 lakhs, total net loss after tax of ₹ (84.19) lakhs, total comprehensive income / (loss) of ₹ (1,895.48) lakhs and net cash cash (outflows) ₹ 91.70 lakhs for the year ended March 31, 2021, 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 ₹ (30.36) 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 ₹ (42.83) lakhs for the year ended March 31, 2021, 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 Section 143 (3) of the Act, based on our audit and other financial information of such subsidiaries and its jointly controlled entities, we report, to the extent applicable, 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, 2021 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, 2021 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 42 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, 2021;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

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

Place : Mumbai
Date : May 26, 2021

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN : 21146268AAAAML2862

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, 2021 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, 2021 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 26, 2021

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN : 21146268AAAAML2862

Consolidated Balance Sheet as at March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	2,511.51	6,796.61
(b) Right of use assets	3	12,391.99	14,477.37
(c) Capital work-in-progress	3	557.18	1,191.09
(d) Investment properties	4	11,077.07	11,274.03
(e) Goodwill on consolidation		1,834.36	1,834.36
(f) Investments accounted for using the equity method	5 (a)	1,581.84	1,612.20
(g) Financial assets			
(i) Investments	5 (a)	23.18	1,993.63
(ii) Loans	5 (c)	247.80	225.26
(iii) Other financial assets	5 (f)	-	18.75
(h) Non-current tax assets	6 (a)	690.13	1,073.54
(i) Deferred tax assets (net)	6 (b)	8,057.53	7,147.00
(j) Other non-current assets	7	3,378.66	4,339.73
Total non-current assets		42,351.25	51,983.57
Current assets			
(a) Inventories	8	862.20	863.37
(b) Financial assets			
(i) Investments	5 (a)	202.50	1,050.99
(ii) Trade receivables	5 (b)	2,648.86	3,725.20
(iii) Cash and cash equivalents	5 (d)	1,584.58	676.66
(iv) Bank Balances other than above	5 (e)	-	231.15
(v) Loans	5 (c)	6,274.83	9,617.44
(vi) Other financial assets	5 (f)	3,893.62	4,001.10
(c) Other current assets	7	2,956.84	831.79
		18,423.43	20,997.70
Assets classified as held for sale	9	3,703.06	3,725.20
Total current assets		22,126.49	24,722.90
Total assets		64,477.74	76,706.47
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10 (a)	5,754.44	5,754.44
(b) Other equity	10 (b)	5,310.86	11,265.60
Equity attributable to owners		11,065.30	17,020.04
(c) Non controlling interest		238.20	475.45
Total Equity		11,303.50	17,495.49

Consolidated Balance Sheet as at March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	11 (b)	15,508.28	18,425.98
(ii) Other financial liabilities	11 (b)	1,696.96	1,924.56
(b) Provisions	12	67.19	62.87
(c) Deferred tax liabilities (net)	6 (b)	0.07	39.86
(d) Other non-current liabilities	13	615.11	581.67
Total non-current liabilities		17,887.61	21,034.94
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11 (a)	419.86	376.87
(ii) Trade payables			
-Total outstanding due of micro and small enterprises	11 (c)	46.45	59.81
-Others	11 (c)	1,315.97	1,444.36
(iii) Lease liabilities	11 (b)	3,538.42	3,380.76
(iv) Other financial liabilities	11 (b)	2,488.58	2,363.81
(b) Provisions	12	81.38	51.30
(c) Current tax liabilities (net)		0.65	3.02
(d) Other current liabilities	13	27,395.32	30,496.11
Total current liabilities		35,286.63	38,176.04
Total Liabilities		53,174.24	59,210.98
Total Equity and Liabilities		64,477.74	76,706.47
The above balance sheet should be read in conjunction with the accompanying notes.	1-43		

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 26, 2021

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 26, 2021

Rajesh Kalyani
Director
DIN: 00220632

Anil Cherian
Head - Legal and Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
(a) Revenue from Operations	15	6,899.73	12,676.79
(b) Other Income	16	723.60	6,728.73
Total Income		7,623.33	19,405.52
Expenses			
(a) Operating Costs	17	2,172.22	3,629.21
(b) Changes in inventories of finished goods, work-in progress and stock-in-trade	18	1.18	121.28
(c) Employee Benefits Expense	19	482.19	638.11
(d) Finance Costs	20	2,233.91	3,035.39
(e) Depreciation and amortization expense	21	3,863.44	5,248.10
(f) Other Expenses	22	2,682.90	2,869.18
Total Expenses		11,435.84	15,541.27
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax		(3,812.51)	3,864.25
Share of net profit of associates and joint ventures accounted by using equity method		(52.50)	76.87
Profit before exceptional item and tax		(3,865.01)	3,941.12
Less : Exceptional items		-	-
Profit/(Loss) Before Tax		(3,865.01)	3,941.12
Income Tax Expenses:-			
Current Tax	6	0.98	7.01
Deferred Tax	6	(792.60)	928.10
Earlier Year Tax / (Provision written back)		5.38	(3.77)
Total Tax Expenses		(786.24)	931.34
Profit/(Loss) after tax from Continuing Operations (A)		(3,078.77)	3,009.78
Discontinued Operations			
Profit / (Loss) from Discontinued Operations before tax		-	(16.38)
Tax Expense on Discontinued Operations		-	0.65
Profit / (Loss) after tax from Discontinued Operations (B)		-	(17.03)
Profit / (Loss) after tax for the Year (A+B)		(3,078.77)	2,992.75
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	10	(2.92)	(12.09)
Equity instruments through other comprehensive income		(1,969.42)	(443.26)
(b) Income tax relating to items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	10	(0.74)	(3.41)
Equity instruments through other comprehensive income		(156.99)	(114.74)
Other Comprehensive Income for the year, net of taxes (C)		(1,814.61)	(337.20)
Total Comprehensive Income for the year (A+B+C)		(4,893.38)	2,655.55
Profit is attributable to :			
Owners of Future Market Networks Limited		(3,090.89)	2,967.85
Non Controlling Interest		11.62	24.91
Other comprehensive income is attributable to :			
Owners of Future Market Networks Limited		(1,565.74)	(293.14)
Non Controlling Interest		(248.87)	(44.05)

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Total comprehensive income is attributable to :			
Owners of Future Market Networks Limited		(4,656.61)	2,674.71
Non Controlling Interest		(237.25)	(19.14)
Total comprehensive income is attributable to Owners of Future Market Networks Limited			
Continuing Operations		(4,656.63)	2,691.73
Discontinuing Operations		-	(17.03)
Earnings per equity share from profit attributable to owners of Future Market Networks Limited from Continuing Operations (Face value of ₹ 10/- each)			
Basic (in ₹)	26	(5.37)	5.24
Diluted (in ₹)		(5.37)	5.24
Earnings per equity share from profit attributable to owners of Future Market Networks Limited from Discontinuing Operations (Face value of ₹ 10/- each)			
Basic (in ₹)	26	-	(0.03)
Diluted (in ₹)		-	(0.03)
Earnings per equity share from profit attributable to owners of Future Market Networks Limited (Face value of ₹ 10/- each)			
Basic (in ₹)	26	(5.37)	5.21
Diluted (in ₹)		(5.37)	5.21
The above statement of profit and loss should be read in conjunction with the accompanying notes.	1-43		

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 26, 2021

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 26, 2021

Rajesh Kalyani
Director
DIN: 00220632

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, 2020	5,754.44
Changes in equity share capital	-
As at March 31, 2021	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, 2019	25,291.33	(22,030.11)	3,166.47	5,355.98	524.12	12,307.79	494.59	12,802.38
Profit / (Loss) for the year	-	2,967.85	-	-	-	2,967.85	24.91	2,992.76
Other comprehensive income for the year	-	(8.68)	-	-	(284.46)	(293.14)	(44.05)	(337.19)
Total comprehensive income for the year	-	2,959.17	-	-	(284.46)	2,674.71	(19.14)	2,655.57
Addition / (Deduction) during the year	1,754.34	-	-	-	-	1,754.34	-	1,754.34
Lease liability	-	(5,471.24)	-	-	-	(5,471.24)	-	(5,471.24)
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	-	-	-	(1,300.00)	-	(1,300.00)	-	(1,300.00)
Items of other comprehensive income recognised in retained earnings	-	(1161.50)	-	-	1161.50	-	-	-
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

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 26, 2021

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 26, 2021

Rajesh Kalyani
Director
DIN: 00220632

Anil Cherian
Head - Legal and Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Cash Flow from operating activities:-		
	Profit / (Loss) before tax (including discontinued operations)	(3,865.51)	3,941.12
	Adjustments for :		
	Provision for doubtful debts	38.27	41.22
	Depreciation and amortisation expense	3,863.44	5,248.10
	Finance costs	2,233.91	3,035.39
	Loss due to fire of Property, plant & equipment	667.33	-
	Loss on discard of Property, plant & equipment	454.67	-
	Bad debts	196.76	505.90
	Provision for gratuity & leave encashment	16.12	23.21
	Interest income	(652.93)	(610.40)
	Sundry balance written back	(59.03)	(225.99)
	Loss / (Profit) on sale of investments	0.99	(3,679.84)
	Share of (Profit) / loss of associates and joint ventures	52.50	(76.87)
	Profit on sale of Property, plant & equipment (net)	(30.04)	(1,056.96)
	Profit on redemption of preference shares	-	(999.00)
	Gratuity & leave encashment paid	(16.26)	(9.29)
	Operating profit before working capital change	2,900.23	6,136.60
	Adjustments for :		
	Trade and other receivables	(293.65)	(8,177.53)
	Trade payable, other liabilities & provisions	(5,969.76)	(5,820.46)
	Inventories	1.18	54.23
		(6,262.23)	(13,943.76)
	Cash generated / (used) from operations	(3,362.01)	(7,807.16)
	Income taxes (paid) / refund	389.30	(330.29)
A	Net cash outflow from operating activities	(2,972.71)	(8,137.45)
	Cash flow from investing activities:-		
	Purchase of property, plant & equipment, capital work-in-progress and investment property	(538.07)	(688.43)
	Proceeds from Redemption / Sale of Non Current Investments	1.04	3,906.64
	Redemption of Preference shares	-	1,160.00
	Proceeds from Sale of property, plant & equipment / claim from insurance	2,738.89	7,339.01
	Loans received / (given)	3,607.27	(1,532.92)
	Interest received	652.93	630.23
	Proceeds from maturity of bank deposits	231.15	(11.48)
B	Net cash inflow from investing activities	6,693.21	10,803.05
	Cash flow from financing activities :-		
	Interest paid	(2,233.91)	(330.17)
	Repayment of subordinated debt	(1,300.00)	-
	Net repayment of current borrowings	(127.14)	(3,486.05)

Consolidated Cash Flow Statement for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
C	Net cash outflow from financing activities	(3,661.06)	(3,816.22)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	59.43	(1,150.63)
	Add: Cash and cash equivalents at the beginning of the financial year	1,727.65	2,878.28
	Cash and cash equivalents at the end of the year	1,787.08	1,727.65
	Cash and cash equivalents [See Note 5(d)]	1,584.58	676.66
	Investment in Liquid Funds [See Note 5(a)]	202.50	1,050.99
	Balance as per Statement of Cash Flow	1,787.08	1,727.65

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, 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)	-	-	-	-

	Particulars	As at March 31, 2019	Cash Flows	Non Cash Changes	As at March 31, 2020
	Current Borrowings	11,707.06	10,436.04	894.15	376.87
	Non Current Borrowings (including current maturities)	3,692.39	3,698.79	(6.40)	-

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 26, 2021

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 26, 2021

Rajesh Kalyani
Director
DIN: 00220632

Anil Cherian
Head - Legal and Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

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 34. Equity shares of the Company are listed with the BSE Limited and the National Stock Exchange of India Limited. 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 26, 2021.

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 unrealised gains on transactions between group companies are eliminated. Unrealised 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 recognised at cost.

iii. Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised 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 recognised 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 recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised 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. Unrealised 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 are 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 34).

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
• Plant & 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
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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 is 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 derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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'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 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.

Remeasurement 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 Group's 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.

On March 30, 2019, the Ministry of Corporate Affairs issued amendments in the guidance to the Ind AS 12 – Income taxes. The amendment 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

On September 20, 2019, the Government of India, vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies; an option to pay income tax at reduced rate (i.e. 22% plus applicable surcharge and cess) effective from April 1, 2019, subject to certain conditions. The tax expenses for the year ended March 31, 2021 have been provided at reduced tax rate.

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

The Ministry of Corporate Affairs ("MCA") notified the new Ind AS 116 "Leases" with the date of initial application being April 1, 2019.

On April 1, 2019, the Group has adopted Ind AS 116, Leases, which, applied to all lease contracts outstanding as at April 1, 2019, using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings.

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.

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It 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 recognises 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 recognises 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 amortised 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 recognise 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 recognises 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 Networks 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 adjusts 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 Executive 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 recognised 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 24, 2021, 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, 2021. 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:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the consolidated financial statements for the year ended March 31, 2021

(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, 2020									
Gross carrying amount									
Opening gross carrying amount	6,945.31	2,360.56	46.82	4,204.52	160.70	4,539.45	18,257.36	-	632.68
Additions	-	-	3.51	3.76	2.33	47.86	57.46	17,393.07	558.41
Closing 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
Accumulated depreciation									
Opening accumulated depreciation	2,936.49	1,450.83	33.59	2,464.21	136.54	2,354.89	9,376.55	-	-
Depreciation charge during the year	472.67	365.44	10.10	634.72	17.55	641.18	2,141.66	2,915.70	-
Closing accumulated depreciation	3,409.16	1,816.27	43.69	3,098.93	154.09	2,996.07	11,518.21	2,915.70	-
Net carrying amount March 31, 2020	3,536.15	544.29	6.64	1,109.35	8.94	1,591.24	6,796.61	14,477.37	1,191.09
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)
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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

4. Investment Properties

	Freehold Land	Building	Total
Year ended March 31, 2020			
Gross carrying amount			
Opening gross carrying amount	317.75	11,720.92	12,038.67
Additions	72.56	-	72.56
Disposal/Transfer	-	(4.53)	(4.53)
Closing gross carrying amount	390.31	11,716.39	12,106.70
Accumulated depreciation and impairment			
Opening accumulated depreciation	-	642.15	642.15
Depreciation charge during the year	-	190.75	190.75
Depreciation related to Disposal/Transfer	-	(0.23)	(0.23)
Closing accumulated depreciation	-	832.67	832.67
Net carrying amount	390.31	10,883.72	11,274.03
Year ended March 31, 2021			
Gross carrying amount			
Opening gross carrying amount	390.31	11,716.39	12,106.70
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

Refer Note 27 for information on asset mortgaged as security by the company.

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

	As at March 31, 2021	As at March 31, 2020
Rental income	973.98	1,478.49
Direct operating expenses from property that generated rental income	89.49	122.88
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	884.49	1,355.61
Depreciation	190.68	190.75
Profit from investment properties	693.81	1,164.86

(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, 2021	As at March 31, 2020
Within one year	1,375.65	940.15
Later than one year but not later than 5 years	4,851.55	1,806.48
Later than 5 years	2,164.52	-
Total	8,391.71	2,746.63

(iii) Fair value

	As at March 31, 2021	As at March 31, 2020
Investment properties	46,453.46	46,444.57

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, 2021

(All amounts in INR lakhs, unless otherwise stated)

5(a). Investments

	As at March 31, 2021	As at March 31, 2020
Non-current investments		
a. Investment in joint venture		
Unquoted		
6,384 Equity Shares of Riddhi Siddhi Mall Management Private Limited	811.20	841.56
Total (a)	811.20	841.56
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	22.49	23.02
6,903 Equity Shares of Harmony Malls Management Private Limited*	0.69	0.69
Nil (March 31, 2020: 20,00,000) Equity Shares of Precision Reality Developers Private Limited	-	167.00
Nil (March 31, 2020: 98,094) Equity Shares of Acute Retail Infra Private Limited**	-	573.44
Nil (March 31, 2020: 10,000) Equity Shares of Ojas Tradelease and Mall Management Private Limited	-	1.00
Nil (March 31, 2020: 33,582) Equity Shares of Nishta Mall Management Company Private Limited	-	654.28
Nil (March 31, 2020: 87,272) Equity Shares of Unique Malls Private Limited	-	574.20
Total (c)	23.18	1,993.63
Non-current investments total (a+b+c)	1,605.02	3,605.83
Investments accounted for using the equity method (a+b)	1,581.84	1,612.20
Investments (in others) (c)	23.18	1,993.63
Aggregate amount of unquoted investments	1,605.02	3,605.83
Current Investments		
UTI - Floating Rate Fund	202.50	1,050.99
Current investments total	202.50	1,050.99

*During the previous year 2019-20, pursuant to a Scheme of Amalgamation, Navika Developers Private Limited, Rain Fruits and More Private Limited, Shreya Mall Management Private Limited and Ujjain Future Bazaar Private Limited merged with Harmony Malls Management Private Limited (Harmony). Accordingly, in lieu of the investments held by the Company in Navika Developers Private Limited, Shreya Mall Management Private Limited and Ujjain Future Bazaar Private Limited received 1 (one) share each of Harmony.

** Investment in equity instruments pledged as security (Refer Note 27)

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

5(b). Trade receivables

	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Receivables from related parties	974.17	997.14
Others	1,826.23	2,865.65
Less: Allowance for bad and doubtful debts	(151.54)	(137.59)
Total Trade receivables	2,648.86	3,725.20
Breakup of securities details		
Secured, considered good	-	-
Unsecured, considered good	2,673.45	3,759.90
Doubtful	126.95	102.89
Total	2,800.40	3,862.79
Less: Allowance for doubtful debts	(151.54)	(137.59)
Total Trade receivables	2,648.86	3,725.20

Refer to note 27 for information on trade receivables pledged as security by the company.

5(c). Loans

	As at March 31, 2021	As at March 31, 2020
Non- Current		
Security Deposits	247.80	225.26
Total Non-current loans and advances	247.80	225.26
Current		
Security Deposits	193.29	1,895.28
Loans and advances to others	5,336.78	7,081.82
Loans and advances to related parties	744.76	640.34
Total current loans and advances	6,274.83	9,617.44

5(d). Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Cash on hand	2.98	5.09
Balances with banks		
In current accounts	1,581.60	671.57
Total Cash and cash equivalents	1,584.58	676.66

5(e). Bank Balances other than above

	As at March 31, 2021	As at March 31, 2020
Fixed Deposit*	-	230.79
Interest accrued on fixed deposit	-	0.36
Total Bank Balances other than above	-	231.15

*Lien against Bank Guarantee, ₹ Nil (March 31, 2020 : ₹ 6.50 lakhs)

5(f). Other financial assets

	As at March 31, 2021	As at March 31, 2020
Other non-current financial assets		
Considered good		
Bank deposits with more than 12 months maturity	-	18.75
Total Non-current financial assets	-	18.75
Other current financial assets		
Considered good		
Interest accrued but not due	-	1.79
Loan and advances to others	3,733.50	3,790.48
Unbilled revenue	147.69	196.05
Advance to staff	12.43	12.78
Total current financial assets	3,893.62	4,001.10

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

6(a). Non - Current Tax Assets

	As at March 31, 2021	As at March 31, 2020
Balances with Government authorities	690.13	1,073.54
Total Non-current tax assets	690.13	1,073.54

6(b). Current and deferred tax

6(b). (i) Statement of profit and loss:

	As at March 31, 2021	As at March 31, 2020
(a) Income tax expense		
Current tax		
Current tax on profits for the year	0.98	7.01
Adjustments for current tax of prior periods	5.38	(3.77)
Total current tax (expense)	6.36	3.24
Deferred tax		
Decrease (increase) in deferred tax assets	(792.60)	928.75
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	(792.60)	928.75
Income tax expense	(786.24)	931.99

6(b). (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, 2021	As at March 31, 2020
Profit from operation before income tax expenses	(3,865.01)	3,924.74
Tax rate @ 25.168%	(972.75)	992.55
Differences due to:		
Permanent differences	0.82	0.03
Profit of share in associate and JV not taxable	12.71	(480.71)
Standard deduction on rental income	(39.53)	(115.32)
Change in tax rate	-	599.88
Adjustment related to unabsorbed losses	505.40	81.12
Property, Plant & Equipment - Depreciation	(258.21)	(100.22)
Excess provisions for previous years w/off	5.76	(3.77)
Leases	(81.69)	(44.65)
Others	41.36	3.07
Income tax expenses	(786.12)	931.99

6(b). (iii) Tax losses

	As at March 31, 2021	As at March 31, 2020
Net Deferred Tax Asset		
Tax losses	4,463.49	4,016.84
Provisions	55.31	46.86
Fair valuation of financials assets - P&L (Net)	72.79	71.90
Fair valuation of financials assets - OCI (Net)	54.87	54.48
Property Plant & Equipment	1,735.27	1,199.67
Freehold Land	8.89	7.84
Lease Liability	1,666.90	1,749.41
Net Deferred Tax Asset	8,057.53	7,147.00

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Net Deferred Tax Liabilities		
Tax losses	-	430.36
Property, plant and equipment	-	(406.71)
Fair Valuation of Security Deposit	-	(30.62)
Fair Valuation of Investment	(0.07)	(156.61)
Security Deposit - Given	-	28.63
Lease Liability	-	95.09
Net Deferred Tax Liabilities	(0.07)	(39.86)
Deferred tax assets (net)	8,057.46	7,107.14

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, 2021	March 31, 2020
Unused tax losses for which no deferred tax asset has been recognised	1,678.35	-
Potential tax benefit @ 25.168%	422.44	-

6(b). (iv) Movement in deferred tax liabilities

	Provisions	Unabsorbed Tax Losses	Fair valuation of financial assets	Property Plant & Equipment	Freehold Land	MAT credit entitlement	Security Deposits	Leases	Total
At March 31, 2019*	33.81	5,489.86	(250.50)	751.69	7.78	7.99	-	-	6,040.64
(Charged)/credited:									
- to profit or loss	9.64	(1,042.66)	74.91	41.27	0.06	-	28.63	1,844.50	956.35
- to other comprehensive income	3.41	-	114.73	-	-	-	-	-	118.14
- Deferred tax on basis adjustment	-	-	-	-	-	(7.99)	-	-	(7.99)
At March 31, 2020	46.86	4,447.20	(60.85)	792.96	7.84	-	28.63	1,844.50	7,107.14
(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
At March 31, 2021	55.31	4,463.49	127.60	1,735.27	8.89	-	-	1,666.90	8,057.46

* Restated pursuant to merger (Refer Note 37)

7. Other assets

	As at March 31, 2021	As at March 31, 2020
Other non-current assets		
Business advance	-	880.20
Capital advance	3,350.00	3,350.00
Corpus funds	7.50	7.50
Balances with Government authorities	21.16	102.03
Total Other Non-current assets	3,378.66	4,339.73
Other current assets		
Security deposits	231.33	231.00
Business advance	437.01	449.12
Balances with Government authorities	74.24	108.79
Prepaid expense	22.58	38.07
Other receivables	2,191.68	4.81
Total Other current assets	2,956.84	831.79

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

8. Inventories

	As at March 31, 2021	As at March 31, 2020
Finished Shops	862.20	863.37
Total Inventories	862.20	863.37

9. Assets classified as held for sale

	As at March 31, 2021	As at March 31, 2020
Investments	3,703.06	3,725.20
Total	3,703.06	3,725.20

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 have been sold during the previous year 2019-20 and remaining 49% stake is expected to be completed in next 12 Months. The investments are presented separately under assets held for sale.

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, 2021	As at March 31, 2020
Authorised		
9,03,00,000 equity shares of ₹ 10/- each	9,030.00	9,030.00
5,000 preference shares of ₹ 100/- each	5.00	5.00
Total	9,035.00	9,035.00
Issued		
5,75,44,951 equity shares 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 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, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	5,75,44,381	5,754.44	5,62,91,281	5,629.13
Add: shares issued during the year	-	-	12,53,100	125.31
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 Holding 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 group after distribution of all preferential amounts in proportion of their shareholding.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2021) including equity shares issued pursuant to contract without payment being received in cash

- (i) In Financial Year 2015-16 - Allotted 3,16,750 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 11, 2015.
- (ii) In Financial Year 2016 -17 - Allotted 1,20,125 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 14, 2016.
- (iii) In Financial Year 2019-20 - Allotted 12,53,100 equity shares of ₹ 10/- each under Scheme of Merger by absorption. (Refer Note 37)

b) Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the group.

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% held	Number of shares	% held
Future Corporate Resources Private Limited	41,129,343	71.47%	41,129,343	71.47%
Ishbhoomi Fabtraders Private Limited	4,178,298	7.26%	4,096,745	7.12%
	45,307,641	78.73%	45,226,088	78.59%

10(b). Other Equity

	As at March 31, 2021	As at March 31, 2020
Capital Reserve	3,166.47	3,166.47
Securities Premium	27,045.67	27,045.67
Retained Earnings	(28,794.86)	(24,542.18)
Subordinated Debt *	4,055.98	5,355.98
Other Reserves	(162.40)	239.66
Total Other Equity	5,310.86	11,265.60

* The subordinated debt represents loan taken from Future Corporate Resources Private Limited

(i) Capital Reserve

	As at March 31, 2021	As at March 31, 2020
Opening Balance	3,166.47	3,166.47
Closing Balance	3,166.47	3,166.47

(ii) Securities Premium

	As at March 31, 2021	As at March 31, 2020
Opening Balance	27,045.67	25,291.33
Share issued	-	1,754.34
Closing Balance	27,045.67	27,045.67

(iii) Retained Earnings

	As at March 31, 2021	As at March 31, 2020
Opening Balance	(24,542.18)	(22,030.11)
Add: Profit for the year	(3,090.89)	2,967.85
Add: Lease liability	1.89	(5,471.24)
Items of other comprehensive income recognised in retained earnings	(1,161.50)	-
Remeasurements of post-employment benefit obligation & Deferred Tax (Actuarial Gains)	(2.18)	(8.68)
Closing Balance	(28,794.86)	(24,542.18)

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

(iv) Other Reserves

	As at March 31, 2021	As at March 31, 2020
Opening Balance	239.66	524.12
Change in fair value of FVOCI equity instruments & Deferred Tax there-on (Fair Value)	(1,563.56)	(284.46)
Items of other comprehensive income transfer to retained earnings	1,161.50	-
Closing Balance	(162.40)	239.66

*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 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.

11(a). Borrowings

	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured		
Loans from related party	404.86	361.87
Other Loans and Advances	15.00	15.00
Total Current Borrowing	419.86	376.87

11(b). Other financial liabilities

	As at March 31, 2021	As at March 31, 2020
Non Current		
Security deposits		
From Related Parties	147.16	294.77
From Others	1,549.80	1,629.79
Total	1,696.96	1,924.56
Lease Liabilities	15,508.28	18,425.98
Total Non-current financial liabilities	17,205.24	20,350.54
Current		
Security deposits		
From Related Parties	129.45	108.36
From Others	441.36	123.48
Other Payables	1,917.77	2,131.97
Total	2,488.58	2,363.81
Lease Liabilities	3,538.42	3,380.76
Total Current financial liabilities	6,027.00	5,744.57

11(c). Trade payables

	As at March 31, 2021	As at March 31, 2020
Total outstanding due of micro, small and medium enterprises	46.45	59.81
Total outstanding due of others:		
Related Parties	-	684.92
Others	1,315.97	759.44
Total Trade payables	1,362.42	1,504.17

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

12. Provisions

	As at March 31, 2021	As at March 31, 2020
Non current Employee benefit obligations		
Gratuity (Refer Note 14)	43.59	41.92
Leave entitlement (Refer Note 14)	23.60	20.95
Total Non current Employee benefit obligations	67.19	62.87
Current Employee benefit obligations		
Gratuity (Refer Note 14)	0.68	1.81
Leave entitlement (Refer Note 14)	0.40	0.82
Other Provisions	80.30	48.67
Total current Employee benefit obligations	81.38	51.30

13. Other liabilities

	As at March 31, 2021	As at March 31, 2020
Non-current		
Deferred Rent Income	615.11	581.67
Total Other Non-current liabilities	615.11	581.67
	As at March 31, 2021	As at March 31, 2020
Current		
Statutory dues (including provident fund, tax deducted at source and others)	66.54	149.11
Advance from customers	26,874.34	29,690.45
Deferred Rent Income	239.05	252.73
Other payables	215.39	403.82
Total Other current liabilities	27,395.32	30,496.11

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 ₹ 14.59 Lakhs (Previous year ₹ 20.08 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, 2021

(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, 2021	As at March 31, 2020
Opening defined benefit obligation	43.74	31.80
Current service cost	6.47	4.87
Interest expense/(income)	2.90	2.42
Total amount recognised in profit and loss	9.37	7.29
Acquisition / Divestiture	-	12.24
(Gain)/loss from change in demographic assumptions	-	(0.04)
(Gain)/loss from change in financial assumptions	(0.64)	4.31
Experience (gains)/losses	3.55	7.82
Total amount recognised in other comprehensive income	2.91	12.09
Employer contributions	-	-
Benefit payments	(11.75)	(7.44)
Closing defined benefit obligation	44.27	43.74

The net liability disclosed above relates to unfunded plans are as follows:

	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Defined benefit obligation	44.27	43.74
Fair value of plan assets	-	-
Surplus /(Deficit)	44.27	43.74
Effect of assets ceiling	-	-
Net Defined Benefit Liability/(Assets)	44.27	43.74

Significant estimates: Actuarial assumptions

The significant actuarial assumptions were as follows:

	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Financial Assumptions		
Discount rate	6.89%	6.76%
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, 2021

(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, 2021	As at March 31, 2020
Discount rate		
a. Discount rate -100 basis point	50.12	49.38
b. Discount rate+100 basis point	39.28	38.94
Salary growth rate		
a. Rate -100 basis point	39.33	39.40
b. Rate+100 basis point	49.22	48.46

Expected Future Cash Flows

	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Year 1	0.68	1.82
Year 2	1.70	0.70
Year 3	2.23	1.67
Year 4	3.97	2.18
Year 5	1.27	2.99
Year 6 to 10	14.69	12.53

15. Revenue from operations

	Year ended March 31, 2021	Year ended March 31, 2020
Sales	15.85	150.01
Rent and other related revenues	6,796.89	12,464.92
Project Management Consultancy	86.99	61.86
Total	6,899.73	12,676.79

16. Other Income

	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income		
On bank deposits	5.36	13.50
On others	586.90	560.90
Profit on sale of property, plant & equipment	30.04	1,056.96
Profit on sale of investments	31.40	3,835.70
Fair valuation of investments	1.00	0.11
Profit on redemption of preference shares	-	999.00
Excess provision written back	59.19	225.99
Dividend Received*	-	0.00
Miscellaneous income	9.71	36.57
Total	723.60	6,728.73

* Dividend Received ₹ Nil (Previous Year : ₹ 25.70)

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

17. Operating Costs

	Year ended March 31, 2021	Year ended March 31, 2020
Mall Maintenance Charges	2,159.73	3,253.16
Rent	12.49	376.05
Total	2,172.22	3,629.21

18. Changes in inventories of finished goods, work-in progress and stock-in-trade

	Year ended March 31, 2021	Year ended March 31, 2020
Cost of units sold	1.18	121.28
Total	1.18	121.28

19. Employee Benefits Expense

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	453.20	597.83
Contribution to provident and other funds	21.61	28.76
Staff welfare expenses	7.38	11.52
Total	482.19	638.11

20. Finance Costs

	Year ended March 31, 2021	Year ended March 31, 2020
Interest expenses	2,218.87	3,035.19
Other borrowing costs	15.04	0.20
Total	2,233.91	3,035.39

21. Depreciation and amortization expense

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment	1,634.45	2,141.65
Depreciation on investment property	190.68	190.75
Depreciation on right of use assets	2,038.31	2,915.70
Total	3,863.44	5,248.10

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

22. Other Expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Power and fuel	182.52	441.03
Repairs and maintenance - others	305.36	361.68
Auditors' remuneration		
Statutory audit fees	7.23	9.02
Tax audit fees	1.00	1.00
Other services	0.50	1.00
Rates and taxes	299.32	364.72
Insurance	24.90	16.31
Legal and professional fees	161.12	651.72
Listing fees/custodian charges	7.16	7.21
Corporate social responsibility expenses (Refer Note :41)	26.46	-
Director sitting fees	22.65	19.00
Provision for doubtful debts	38.26	58.11
Travelling and conveyance expenses	19.05	34.68
Sundry balance written off	125.85	10.85
Water charges	3.31	12.68
Other expenses	462.00	880.17
Loss of property, plant and equipment due to fire (Refer Note: 39)	667.33	-
Loss on discard of property, plant and equipment	328.88	-
Total	2,682.90	2,869.18

23. Fair value measurements

23(a). Financial instruments by category

	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity Instruments	-	23.18	-	-	1,993.63	-
- Mutual Funds	202.50	-	-	1,050.99	-	-
Loans	-	-	6,522.64	-	-	9,842.70
Trade receivables	-	-	2,648.87	-	-	3,725.23
Cash and cash equivalents	-	-	1,584.58	-	-	676.66
Bank Balances other than above	-	-	-	-	-	249.90
Other financial assets	-	-	3,893.62	-	-	4,001.11
Total financial assets	202.50	23.18	14,649.71	1,050.99	1,993.63	18,495.60
Financial liabilities						
Borrowings	-	-	419.86	-	-	376.87
Lease Liability	19,046.70	-	-	21,806.75	-	-
Deposits from customer	-	-	2,267.77	-	-	418.25
Other financial liabilities	-	-	1,917.77	-	-	2,131.98
Trade payables	-	-	1,362.42	-	-	1,504.18
Total financial liabilities	19,046.70	-	5,967.82	21,806.75	-	4,431.28

Notes to the consolidated financial statements for the year ended March 31, 2021

(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, 2019	2,436.89
Sale of investment	-
Gains / (losses) recognised in other comprehensive income	(443.26)
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

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, 2021		March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	6,522.64	6,522.64	9,842.70	9,842.70
Total	6,522.64	6,522.64	9,842.70	9,842.70
Financial liabilities				
Borrowings	419.86	419.86	376.87	376.87
Deposits from customer	2,267.77	2,267.77	418.25	418.25
Total	2,687.63	2,687.63	795.12	795.12

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, 2021

(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, 2021	March 31, 2020
BSE Sensex 30 - Increase 5%	10.13	52.55
BSE Sensex 30 - Decrease 5%	(10.13)	(52.55)

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 exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2021	March 31, 2020
Variable rate borrowings	-	-
Percentage of variable rate borrowings to total borrowings	0%	0%
Total borrowings	419.86	376.87

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on Profit after Tax	
	March 31, 2021	March 31, 2020
Interest rates – increase by 50 basis points*	-	-
Interest rates – decrease by 50 basis points*	-	-

*Holding all other variables constant

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.

Movement in provisions of doubtful debts

	As at March 31, 2021	As at March 31, 2020
Opening provision	137.59	79.48
Add:- Additional provision made	38.26	58.11
Less:- Provision write off	24.31	-
Closing provisions	151.54	137.59

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

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:

	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2021				
Trade payables	1,362.42	1,362.42	-	1,362.42
Borrowings	419.86	419.86	-	419.86
Other Financial liabilities	24,183.89	6,027.00	18,156.89	24,183.89
As at March 31, 2020				
Trade payables	1,504.17	1,504.17	-	1,504.17
Borrowings	376.87	376.87	-	376.87
Other Financial liabilities	26,951.51	5,640.98	21,310.53	26,951.51

D. Capital Management

The group 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 group 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 group 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, 2021		As at March 31, 2020	
	Revenue from external customers	Total segment revenue	Revenue from external customers	Total segment revenue
Mall Management	6,899.73	6,899.73	12,676.79	12,676.79
Total segment revenue	6,899.73	6,899.73	12,676.79	12,676.79

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, 2021	As at March 31, 2020
India	6,899.73	12,676.79
Outside India	-	-
Total	6,899.73	12,676.79

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

(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, 2021	As at March 31, 2020
India	32,688.70	41,230.74
Outside India	-	-
Total	32,688.70	41,230.74

*Other than financial instruments and deferred tax assets

(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, 2021	As at March 31, 2020
Customer 1 (Related party)	957.29	1,643.33

26. Earnings per share

	As at March 31, 2021	As at March 31, 2020
(a) Basic and diluted earnings per share		
Profit attributable to the equity holders of the group from Continuing Operations	(3,090.89)	2,984.88
Total basic earnings per share attributable to the equity holders of the group (₹)	(5.37)	5.24
Profit attributable to the equity holders of the group from Discontinuing Operations	-	(17.03)
Total basic earnings per share attributable to the equity holders of the group (₹)	-	(0.03)
Profit attributable to the equity holders of the group from Continuing & Discontinuing Operations	(3,090.89)	2,967.85
Total basic earnings per share attributable to the equity holders of the group (₹)	(5.37)	5.21
(b) Weighted average number of shares used as the denominator	57,544,381	56,941,797
(c) Diluted earnings per share is same as basic earning per share	-	-

27. Assets pledged as security

The carrying amounts of assets pledged as security for current and non - current borrowings are :

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current Assets		
<i>First Charge</i>		
Investment in equity instruments	-	573.44
Total Non Current Assets pledged as Security	-	573.44
Total Assets pledged as Security	-	573.44

28. Share based payments

(a) Employee option plan/ Tradable Options

Employee option trade plan/Tradable Options

Future Market Networks Limited (FMNL) 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.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

(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, 2021		As at March 31, 2020	
	Weighted Average Exercise price	No. of options	Weighted Average Exercise price	No. of options
Options outstanding at the beginning of the period	85	210,000	85	210,000
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	-	210,000	-	210,000
Options vested and exercisable at the end of the period	-	-	-	-

(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	March 31, 2021	March 31, 2020
Employee compensation expense	-	-

Effect of the employee share option plan on the consolidated financial statements is as follows:

Particulars	March 31, 2021	March 31, 2020
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

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. Discontinued Operations**a) Description**

In January 2019, the Board of Directors of the Holding company had resolved to divest 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), acquired on August 14, 2017 and September 18, 2018 respectively.

Consequently, the associated assets & liabilities are presented as held for sale and is classified as discontinued operations in the financial statements for year ended year ended March 31, 2021 and for the year ended March 31, 2020.

Accordingly, both Gati Realtors Private Limited and Future Retail Destination Private Limited ceased to be the subsidiaries of the Company with effect from August 29, 2019 and October 26, 2019 respectively. 51% stake of both the entities have been sold during the financial year 2019-20 and remaining 49% stake is expected to be completed in next 12 Months. The investments are presented separately under assets held for sale.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

b) Financial performance and cash flow information

	Gati Realtors Private Limited		Future Retail Destination Private Limited	
	April 1, 2019 to August 28, 2019	April 1, 2018 to March 31, 2019	April 1, 2019 to October 25, 2019	April 1, 2018 to March 31, 2019
Financial performance				
Revenue from Operations	-	-	-	-
Other Income	23.03	-	9.18	30.08
Total	23.03	-	9.18	30.08
Expenses				
Employee benefits expense	-	-	-	5.74
Finance costs	0.78	-	-	-
Depreciation and amortization expense	0.07	0.02	-	-
Other expenses (including impairment loss)	1.25	2.44	23.46	6.37
Total	2.10	2.46	23.46	12.11
Profit before tax	20.93	(2.46)	(14.28)	17.97
Tax Expenses	4.37	-	(3.72)	7.79
Profit from discontinued operations	16.56	(2.46)	(10.56)	10.18

c) Assets and liabilities of disposal group classified as held for sale

The following assets and liabilities were classified as held for sale in relation to the discontinued operations as at August 29, 2019 in case of Gati Realtors Private Limited and October 26, 2019 in case of Future Retail Destination Private Limited :

Particulars	Gati Realtors Private Limited	Future Retail Destination Private Limited
Assets classified as held for sale:		
Property, Plant and equipment	0.74	1,578.42
Capital Work-in progress	804.43	997.67
Investment properties	996.33	-
Other Non Current Assets	0.90	1.50
Investments	-	548.48
Cash and cash equivalents	126.47	1.61
Trade Receivables	-	-
Other Financial assets	9.77	-
Other assets	0.30	2.06
Total assets of disposal group classified as held for sale	1,938.94	3,129.74
Liabilities directly associated with assets classified as held for sale:		
Borrowings	606.58	-
Trade Payables	3.66	-
Other Liabilities	216.68	198.52
Current tax Liability (net)	4.37	-
Deferred tax Liability (net)	-	4.64
Other current liabilities	8.71	0.57
Total liabilities of disposal group classified as held for sale	840.00	203.73
Net Assets	1,098.94	2,926.01
Cash Flow		
Net cash inflow / (outflow) from operating activities	219.79	187.23
Net cash inflow / (outflow) from investing activities	(556.99)	(997.07)
Net cash inflow / (outflow) from financing activities	462.02	-
Net increase / (decrease) in cash generated from discontinued operations	124.82	(809.84)

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

30. 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, 2021	March 31, 2020
Galaxy Cloud Kitchens Limited	Director Interest	Director Interest
Splendor Fitness Private Limited		
Riddhi Siddhi Mall Management Private Limited	Joint Venture	Joint Venture
Gati Realtors Private Limited (w.e.f. 29.08.2019)		
Future Retail Destination Private Limited (w.e.f. 26.10.2019)	Holding Company	Holding Company
Future Corporate Resources Private Limited		
Retail Trust	Ultimate Parent Entity	Ultimate Parent Entity
Future Retail Limited	Associate of Holding Company	Associate of Holding Company
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 Generali India Life Insurance Company Limited	Relative of KMP	Relative of KMP
Ms. Ritu Pawan Agarwal		
Ms. Jollamma Anil Cherian	Key Managerial Personnel (KMP)	Key Managerial Personnel (KMP)
Mr. Anil Cherian		
Mr. Pawan Agarwal (w.e.f. 21.05.2019)	Executive Director & CFO	Executive Director & CFO
Mr. Pramod Arora	Non-Executive Director	Non-Executive Director
Mr. Sunil Biyani		
Mr. Rajesh Kalyani		
Ms. Udit 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, 2021	March 31, 2020
Short-term employee benefits	65.95	91.37
Post-employment benefits	16.32	15.58
Total	82.26	106.94

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

(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	110.42	-	-	-	-	-	-	-
	32.12	-	-	-	-	-	-	-
Project management consultancy	-	-	-	-	-	-	-	7.80
	35.00	-	-	-	-	-	-	9.00
Lease rent expenses	-	-	6.72	-	-	-	-	37.90
	-	-	6.72	-	4.50	5.69	-	12.24
Reimbursement of expenses	-	-	-	-	-	121.69	-	72.66
	-	-	-	-	-	251.31	-	67.48
Sitting fees / remuneration	-	-	-	57.79	-	-	29.81	-
	-	-	-	68.98	-	-	40.88	-
Project expenses	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	625.00
Promoter contribution	-	(1,300.00)	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Advances / loans given net off received back	15.00	-	-	-	-	-	-	-
	(68.99)	-	-	-	-	-	-	-
Advances / loans / deposits taken net off repaid back	-	-	-	-	-	(2,908.99)	-	(35.80)
	-	-	-	-	-	322.78	-	2,610.82
Purchase of property, plant & equipments and Capital work in progress	-	-	-	-	-	-	-	-
	-	-	-	-	6.35	1.09	-	-
Rent income	-	-	-	-	-	683.60	-	387.21
	-	-	-	-	-	1,287.98	-	762.95
Preference share redemption	-	-	-	-	-	-	-	-
	1,160.00	-	-	-	-	-	-	-
Dividend from Pref. Shares #	-	-	-	-	-	-	-	-
	0.00	-	-	-	-	-	-	-
Insurance expenses	-	-	-	-	-	-	-	24.42
	-	-	-	-	-	-	-	20.97
CAM income	-	-	-	-	-	273.69	-	124.34
	-	-	-	-	-	355.35	-	140.07
CAM paid	-	-	-	-	-	-	-	-
	-	-	-	-	-	2.89	-	-
Sundry balance written off	-	-	-	-	-	-	-	4.12
	-	-	-	-	-	3.13	-	199.87
Insurance claim	-	-	-	-	-	-	-	500.00
	-	-	-	-	-	-	-	-

Dividend Received ₹ 25.70 for the year ended March 31, 2020

Outstanding Balance as at March 31, 2021

Receivable	-	-	-	-	-	797.41	-	177.68
	-	-	-	-	28.19	845.28	-	123.69
Payables	-	-	-	-	-	-	-	522.28
	-	-	-	0.65	-	7,451.00	0.25	683.94

Notes to the consolidated financial statements for the year ended March 31, 2021

(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
Subordinated debt	-	4,055.97	-	-	-	-	-	-
	-	5,355.97	-	-	-	-	-	-
Loans & advances	769.75	-	-	-	-	-	-	-
	640.33	-	-	-	-	-	-	1.51
Loans / advances taken	-	2,500.00	-	-	-	10,175.31	-	15,884.46
	-	-	-	-	-	12,901.24	-	16,029.26
Investments in OCPS	770.64	-	-	-	-	-	-	-
	770.64	-	-	-	-	-	-	-
Security deposits taken	-	-	-	-	-	275.93	-	55.56
	-	-	-	-	49.74	459.00	-	205.94
Insurance claim	-	-	-	-	-	-	-	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, 2021	March 31, 2020
Interest income	Gati Realtors Private Limited	89.65	28.93
	Riddhi Siddhi Mall Management Private Limited	20.77	3.19
Project management consultancy	Riddhi Siddhi Mall Management Private Limited	-	35.00
	Nufuture Digital (India) Limited	7.80	9.00
Lease rent expenses	Jollamma Anil Cherian	3.36	3.36
	Ritu Pawan Agarwal	3.36	3.36
	Galaxy Cloud Kitchens Limited	-	4.50
	Future Retail Limited	-	5.69
	Future Lifestyle Fashions Limited	37.90	12.24
Reimbursement of expenses	Future Retail Limited	121.69	251.31
	Praxis Home Retail Limited	33.55	47.64
	Future Lifestyle Fashions Limited	39.11	19.85
Remuneration to KMP	Mr. Pawan Agarwal	37.54	51.78
	Mr. Anil Cherian	28.41	39.58
Sitting Fees / ESOP	Mr. Pawan Agarwal	1.40	1.70
	Mr. Anil Cherian	1.40	1.30
	Mr. Rajesh Kalyani	4.15	3.35
	Mr. Sunil Biyani	2.00	1.60
	Mr. Vijai Singh Dugar	5.55	5.10
	Mr. K.A Somayajulu	2.55	3.55
	Mr. Pramod Arora	1.60	0.80
	Udita Jhunjunwala	3.00	1.10
Preference shares redemption	Riddhi Siddhi Mall Management Private Limited	-	1,160.00
Insurance expenses	Future Generali India Insurance Company Limited	24.42	20.80
	Future Generali India Life Insurance Company Limited	-	0.17
Project expenses	Future Supply Chain Solutions Limited	-	625.00
Loan given net off received back	Gati Realtors Private Limited	15.00	-
	Riddhi Siddhi Mall Management Private Limited	-	(68.99)

FUTURE MARKET NETWORKS LIMITED

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Nature of Transaction	Name of the Company	March 31, 2021	March 31, 2020
Advances / loans taken net off repaid back	Future Retail Limited	(2,725.93)	322.78
	Future Enterprises Limited	0.20	2,394.15
	Future Supply Chain Solutions Limited	-	216.68
Deposit received	Future Retail Limited	-	-
Purchase	Future Retail Limited	-	1.09
	Galaxy Cloud Kitchens Limited	-	6.35
Rent income	Future Retail Limited	683.60	1,287.98
	Praxis Home Retail Limited	(5.90)	193.73
	Future Lifestyle Fashions Limited	393.11	569.21
CAM income	Future Retail Limited	273.69	355.35
	Praxis Home Retail Limited	86.15	88.13
	Future Supply Chain Solutions Limited	-	43.94
	Future Lifestyle Fashions Limited	38.20	8.00
CAM paid	Future Retail Limited	-	2.89
Promoter's contribution	Future Corporate Resources Private Limited	(1,300.00)	-
Sundry balance written off	Future Retail Limited	-	3.13
	Praxis Home Retail Limited	-	0.02
	Future Lifestyle Fashions Limited	-	189.00
	Future Media India Limited	-	10.85
	Future Generali India Insurance Company Limited	4.12	-
Deposit repaid	Future Retail Limited	(183.06)	-
	Future Lifestyle Fashions Limited	(36.00)	-
Insurance claim	Future Generali India Insurance Company Limited	500.00	-

31. 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 2019	-
Right of use assets on transition	-
Additions	17,393.07
Depreciation charge for the year	2,915.70
Deletions	-
Net carrying amount as at March 31, 2020	14,477.37
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

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Lease liabilities

Maturity analysis of lease liabilities

S. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
i)	Not later than one year	4,761.77	4,758.81
ii)	Later than one year but not later than five years	7,498.30	7,484.90
iii)	Later than five years	1,268.54	1,344.13

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. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

Particulars	As at March 31, 2021	Year ended March 31, 2020
(ii) Amounts recognised in the Statement of Profit or Loss		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	2,038.31	2,915.70
Interest expense (included in finance costs)	1,776.96	2,521.20
Expense relating to short-term leases (included in other expenses)	67.08	393.97
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, 2021	2,789.85	5,119.37

32. 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, 2021	Year ended March 31, 2020
i)	Gross block of assets let out on operating lease	16,167.74	26,149.69
ii)	Accumulated depreciation as at March 31	6,126.05	11,746.37
iii)	Depreciation charged during the year to the Statement of Profit and Loss	3,729.31	5,113.97
iv)	Lease rentals recognised in Statement of Profit and Loss	3,903.45	8,722.04
v)	Lease rentals receivable not later than one year	5,387.27	8,722.04
vi)	Lease rentals receivable later than one year and not later than five years	10,909.06	26,090.02
vii)	Lease rentals receivable later than five years	-	-

33. 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, 2021

(All amounts in INR lakhs, unless otherwise stated)

34. 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, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
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
Future Retail Destination Private Limited (upto 25.10.2019)*	18-Sep-18	India	-	-	-	-	Ware-housing & Real Estate
Gafi Realtors Private Limited (upto 28.08.2019)*	14-Aug-17	India	-	-	-	-	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.

	Suhani Mall Management Company Private Limited		Sun City Properties Private Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Summarised balance sheet				
Current assets	2,852.69	2,936.12	87.29	84.47
Current liabilities	4,813.36	5,131.98	827.05	739.42
Net current assets	(1,960.67)	(2,195.86)	(739.75)	(654.95)
Non-current assets	3,509.82	5,512.33	929.10	842.53
Non-current liabilities	790.37	811.81	-	-
Net non-current assets	2,719.45	4,700.52	929.10	842.53
Net assets	758.78	2,504.66	189.35	187.58
Accumulated NCI	153.32	391.37	84.88	84.08

	Suhani Mall Management Company Private Limited		Sun City Properties Private Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Summarised statement of profit and loss				
Revenue	423.35	480.28	3.07	2.91
Profit for the year	65.41	147.87	1.78	0.09
Other comprehensive income	(1,811.29)	(320.61)	-	-
Total comprehensive income	(1,745.88)	(172.74)	1.78	0.09
Profit allocated to NCI	(239.88)	(23.73)	0.80	0.04
Dividends paid to NCI	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Summarised cash flow	Suhani Mall Management Company Private Limited		Sun City Properties Private Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Cash flows from operating activities	250.76	209.69	(2.46)	(14.87)
Cash flows from investing activities	3.15	7.07	(86.58)	(59.73)
Cash flows from financing activities	(415.54)	(19.73)	88.96	74.20
Net increase/ (decrease) in cash and cash equivalents	(161.63)	197.03	(0.08)	(0.40)

(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, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Gati Realtors Private Limited (from 29.08.2019)*	India	Join Venture	49.00%	Equity method	2,127.74	2,140.11	12.37	14.43
Riddhi Siddhi Mall Management Private Limited	India	Join Venture	50.00%	Equity method	1,581.84	1,612.20	30.36	(103.57)
Future Retail Destination Private Limited (from 26.10.2019)*	India	Join Venture	49.00%	Equity method	1,575.32	1,585.10	9.78	12.27
Total equity accounted investments					5,284.90	5,337.41	52.50	(76.87)

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, 2021	2,791.90	50.26	2,741.64	6,402.19	4,957.39	1,444.81	4,186.45	2,093.22
	March 31, 2020	795.84	2,789.49	(1,993.65)	6,454.05	213.23	6,240.82	4,247.17	2,123.59
Future Retail Destination Private Limited (w.e.f. 26.10.2019)*	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
	March 31, 2020	1,125.01	302.36	822.65	5,257.72	2,842.20	2,415.52	3,238.17	1,586.70
Gati Realtors Private Limited (w.e.f. 29.08.2019)*	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
	March 31, 2020	1,157.60	1,399.01	(241.41)	8,427.52	5,547.04	2,880.48	2,639.07	1,293.14

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, 2021	610.27	(60.72)	-	(60.72)
	March 31, 2020	725.93	207.15	-	207.15
Future Retail Destination Private Limited (w.e.f. 26.10.2019)*	March 31, 2021	18.65	(19.95)	-	(19.95)
	March 31, 2020	5.18	(35.62)	-	(35.62)
Gati Realtors Private Limited (w.e.f. 29.08.2019)*	March 31, 2021	8.85	(25.24)	-	(25.24)
	March 31, 2020	32.61	(12.88)	-	(12.88)

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

35. 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	46.85%	4,554.67	97.22%	(2,942.60)	0.18%	(3.31)	60.85%	(2,945.91)
Subsidiaries:								
Aashirwad Malls Private Limited	5.67%	551.62	0.18%	(5.54)	0.00%	-	0.11%	(5.54)
Suhani Mall Management Company Private Limited	9.11%	885.45	-2.60%	78.78	99.82%	(1,811.28)	35.79%	(1,732.50)
Sun City Properties Private Limited	15.89%	1,544.76	-0.06%	1.78	0.00%	-	-0.04%	1.78
Future Trade Markets Private Limited	22.21%	2,159.02	5.21%	(157.74)	0.00%	-	3.26%	(157.74)
Gati Realtors Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Future Retail Destination Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Jeremia Real Estate Private Limited	0.27%	26.13	0.05%	(1.47)	0.00%	-	0.03%	(1.47)
Total	100.00%	9,721.65	100.00%	(3,026.79)	100.00%	(1,814.59)	100.00%	(4,841.38)
Minority Interest in all subsidiaries		238.20		11.62		(248.87)		(237.25)
Joint Ventures		1,581.84		(52.50)		-		(52.50)
Total		11,065.29		(3,090.89)		(1,565.74)		(4,656.63)

36. Change in Tax Rate

On September 20, 2019, the Government of India, vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies; an option to pay income tax at reduced rate (i.e. 22% plus applicable surcharge and cess) effective from April 1, 2019, subject to certain conditions. The tax expenses for the year ended March 31, 2020 have been provided at reduced tax rate.

37. Scheme of Merger by absorption of Star Shopping Centres Private Limited

The Holding Company had entered into a Scheme of Merger by absorption of Star Shopping Centres Private Limited (Star) and their respective Shareholders under Section 230-232 and other applicable provisions of the Companies Act, 2013 ("the Act") in order to consolidate the business under single entity. The Scheme was approved by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on August 2, 2019 with appointed date as April 1, 2017.

Pursuant to the aforesaid Scheme of merger the Authorized Share Capital of the Holding Company has been increased to ₹ 9,035.00 lakhs (Rupees Nine Thousand Thirty Five Lakhs) divided into 9,03,00,000 equity shares of ₹ 10/- each and 5,000 Preference Shares of ₹ 100/- each.

- a) The figures for the previous year include figures of Star Shopping Centres Private Limited (STAR / Transferor Company), the subsidiary of the Company (60% of the paid up share capital held by the Company), which was amalgamated with the Company with effect from April 1, 2017, being the appointed date, as per the Scheme of Merger by absorption ("the scheme") of Star Shopping Centres Private Limited (Star) and their respective Shareholders under Section 230-232 and other applicable provisions of the Companies Act, 2013 ("the Act") sanctioned Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on August 2, 2019 with appointed date as April 1, 2017.
- b) In accordance with the scheme and as per approval of the NCLT:
 - i) The assets and liabilities of STAR have been transferred to and vested with the Holding Company with effect from April 1, 2017 and have been recorded at their respective fair values under the purchase method of accounting for amalgamations as prescribed in Indian Accounting Standard 103 on Accounting of Amalgamations.
 - ii) Consequent to Merger by absorption, the Holding Company allotted 12,53,100 Equity Shares of ₹ 10/- each fully paid up on September 24, 2019 to the eligible shareholders of Transferor Company who holds 40% of the paid up share capital of Transferor Company and 60% of the equity capital held by the Company in Transferor Company shall be cancelled.

Accordingly, the Holding Company has accounted for the merger under the purchase consideration method retrospectively for all periods as prescribed in Ind AS 103 - Business Combinations of entities under joint control.

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

38. 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.

39. 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 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 mall is subject to receipt of necessary approvals from concerned authorities.

40. 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 and CAM charges of different malls in the range of 40-50%. Accordingly, the income and profitability of the company has been affected during the year as compared to the previous financial year.

41. 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 Holding Company during the year - ₹ 26.46 lakhs (March 31, 2020: ₹ Nil)

(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	26.46	-	26.46
	(-)	(-)	(-)

(Figures in brackets represent amount for previous year)

42. Contingent Liabilities not provided for:

(a) Corporate Guarantee given to bank on behalf of Companies - ₹ 18,750 Lakhs (March 31, 2020 : ₹ 18,750 Lakhs) (Refer Note 32 of Standalone Financial Statements)

(b) Corporate Guarantee given to NBFC for sanctioning term loan of ₹ 14,000 Lakhs (March 31, 2020 : ₹ 14,000 Lakhs) to Hare Krishna Operating Lease Private Limited for exclusive charge on immovable property of R Mall situated at Lal Bahadur Shastri Marg, Revenue Village of Mulund West to the extent of - ₹ 7,000 Lakhs (March 31, 2020 : ₹ 7,000 Lakhs). The fair value of the immovable property as at March 31, 2021 is ₹ 12,608.40 lakhs. (Refer Note 32 of Standalone Financial Statements)

(c) Corporate Guarantee given to bank on behalf of Companies - ₹ 4,800 Lakhs (2020: ₹ Nil) (Refer Note 34 of Standalone Financial Statements).

(d) 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 a 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.

(e) The Company has sub lease rights with respect to Ground to 2nd 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 (Neelkamal City Shopping Mall (India) Limited - which has taken it on lease from the lessor and subleased it to the Company) under the original arrangement till March 31, 2021 for an amount of ₹ 950 lakhs (over and above the existing

Notes to the consolidated financial statements for the year ended March 31, 2021**(All amounts in INR lakhs, unless otherwise stated)**

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/ Lessors 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. 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.

- (f) Demand due to delay in payment of interest under section 31(4) under Maharashtra Stamp Act for ₹ 90.83 lakhs (2020 : ₹ 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 Holding 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.
- (g) A debt recovery case was filed by Union Bank of India of ₹ 294.67 lakhs before Debt Recovery Tribunal -III Kolkata. The Holding company has filed fresh interim application against the defendant and the matter is adjourned to July 16, 2021 against the Learned DRT III.
- (h) 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. Accordingly the court has passed the direction in the favour of the petitioner for ₹ 7,050.61 lakhs. However, the matter could not be taken due to COVID 19 situation.
- (i) An Execution Application was filed by Laxmi Pat Surana (Petitioner) before the High Court at Calcutta to pay ₹ 2,573.99 lakhs. However, there is no further progress under this matter.
- (j) TDS disputed demand - ₹ 5.46 lakhs (2020 : ₹ 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.

43. Capital Commitments / Asset Purchase Agreement / Put Option Agreement

In the financial year 2019-20, the Holding Company has entered into a put option asset purchase agreement, wherein the FMNL has issued a put option to Axis Bank Ltd in relation to a loan facility of ₹ 7,500 lakhs provided by the Bank to a Borrower for purchase of assets being movable assets. In case of default by the borrower, the Bank can enforce the put option agreement entered with FMNL, whereby FMNL shall be obligated to purchase the assets acquired by the Borrower out of the loan amount, at a price which shall not be less than the outstanding loan obligation of the Borrower towards the Bank.

**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 26, 2021**

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 26, 2021**

**Rajesh Kalyani
Director
DIN: 00220632**

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

FUTURE MARKET NETWORKS

catalysing consumption

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