

INDEPENDENT AUDITOR'S REPORT

To

Future 7-India Convenience Limited (formerly known as SHME Food Brands Limited)

Report on the Audit of the financial statements

Opinion

We have audited the accompanying financial statements of **Future 7-India Convenience Limited (formerly known as SHME Food Brands Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate.

Information Other than financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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



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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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.

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

Auditor's Responsibility for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as 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 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 financial 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 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 the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 matter communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matter in our auditor's 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 (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting on the Company's internal financial controls over financial reporting for the reasons stated therein.
 - 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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



Ashok A. Trivedi
Partner
Membership No. 042472
Mumbai
July 28, 2021
UDIN: 21042472AAAAEK3933



Annexure - A to the Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the **FUTURE 7-INDIA CONVENIENCE LIMITED (formerly known as SHME Food Brands Limited)** on the financial statements for the year ended March 31, 2021, we report that:

- i. (a) The Company does not have any Fixed asset. Therefore, paragraph 3(i) (a) of the Order is not applicable.
- ii. (a) As explained to us, management has conducted physical verification of inventory at regular intervals during the year.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management were reasonable and adequate in relation to the size of the Company and nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the, Companies Act, 2013 ("the Act"). Therefore, paragraph 3 (iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits as during the year from the public as mentioned in the provision of Section 73 to 76 and any other relevant provisions of the Act and rules framed there under apply. Therefore Paragraph 3(v) of the Order is not applicable to the Company.
- vi. To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of 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, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Duty of Customs, Goods and Service Tax, Value Added Tax, cess and other material statutory dues, as applicable, have been regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Duty of Customs, Goods and Service Tax, Value Added Tax, cess and other material statutory dues were in arrears as at March 31, 2021, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of income tax, which have not been deposited with the appropriate authorities on account of any dispute.



- viii. To the best of our knowledge and according to the information and explanations given to us, the Company has not obtained any loan from financial institution or bank and hence not commented upon. The Company has not issued any debentures nor borrowed from Government as at the Balance Sheet date.
- ix. To the best of our knowledge and according to the information and explanations given to us, the clause relating to raising any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year is not applicable to the Company.
- x. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not paid/provided for any managerial remuneration. Therefore, paragraph 3(xi) of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment of shares during the year in compliance with the requirement of section 42 of the Act and amount raised has been used for the purpose for which the funds were raised.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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


Ashok A. Trivedi

Partner
Membership No. 042472
Mumbai
July 28, 2021
UDIN:21042472AAAAEK3933



Annexure - B to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of **FUTURE 7-INDIA CONVENIENCE LIMITED (formerly known as SHME Food Brands Limited)** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **NGS & CO. LLP.**

Chartered Accountants

Firm Registration No.: 119850W



Ashok A. Trivedi

Partner

Membership No. 042472

Mumbai

July 28, 2021

UDIN: 21042472AAAAEK3933



FUTURE 7 - INDIA CONVENIENCE LIMITED

(Formerly known as SHME Food Brands Limited)

CIN : U74120MH2015PLC267752

BALANCE SHEET AS AT MARCH 31, 2021

(Amount in ₹)

	Note No.	As at Mar 31, 2021	As at Mar 31, 2020
ASSETS			
1. Non-Current Assets			
Capital Work-in-Progress	2	30,15,806	4,05,000
Other Non-Current Assets	3	9,64,29,251	9,99,41,249
Total Non-Current Assets		9,94,45,057	10,03,46,249
2. Current Assets			
Inventories	4	-	32,52,585
Financial Assets			
Cash and Cash Equivalents	5	33,60,379	67,38,345
Loans and Advances	6	2,02,177	7,91,508
Other Current Assets	7	2,93,96,772	1,74,56,847
Total Current Assets		3,29,59,328	2,82,39,285
Total Assets		13,24,04,385	12,85,85,534
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	1,51,00,000	1,51,00,000
Other Equity	9	(13,64,78,609)	3,64,96,969
Total Equity		(12,13,78,609)	5,15,96,969
Liabilities			
1. Current Liabilities			
Financial Liabilities			
Trade Payables	10		
Due to Micro and Small Enterprises		1,10,649	54,139
Due to Others		8,15,84,375	53,27,656
Other Financial Liabilities	11	10,83,23,930	4,87,99,278
Other Current Liabilities	12	74,02,387	23,00,109
Provisions	13	5,63,61,654	2,05,07,382
Total Current Liabilities		25,37,82,994	7,69,88,564
Total Equity and Liabilities		13,24,04,385	12,85,85,534

The accompanying notes form an integral part of financial statements.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No. 119850W


CA. Ashok A. Trivedi

Partner

Membership No. 042472

For and on behalf of the Board of Directors
Future 7-India Convenience Limited

C.P. Toshniwal
Director

Arvind Agrawal
Director

Place : Mumbai

Date : July 28, 2021

FUTURE 7 - INDIA CONVENIENCE LIMITED

(Formerly known as SHME Food Brands Limited)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹)

CIN : U74120MH2015PLC267752

	Note No.	Year Ended Mar 31, 2021	Year Ended Mar 31, 2020
INCOME			
Revenue From Operations	14	-	-
Other Income	15	-	92,503
Total Income		-	92,503
EXPENSES			
Purchase of Stock-In-Trade	16	(31,90,721)	32,52,585
Change in Inventories of Stock-In-Trade		32,52,585	(32,52,585)
Employee Benefits Expense	17	10,09,14,151	8,32,12,389
Finance Costs		-	-
Depreciation and Amortization Expense	18	7,19,99,562	1,29,46,109
Other Expenses		17,29,75,578	9,61,58,498
Total Expenses			
		(17,29,75,578)	(9,60,65,995)
Profit Before Tax			
Tax Expense		-	-
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Prior Period Tax		(17,29,75,578)	(9,60,65,995)
Profit For The Year		-	-
Other Comprehensive Income For The Year		(17,29,75,578)	(9,60,65,995)
Total Comprehensive Income For The Year			
Earnings Per Equity Share of Face Value of ₹ 10/- each	19	(114.55)	(63.62)
Basic And Diluted			

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For NGS & Co. LLP


Chartered Accountants

Firm Registration No. 119850W


CA. Ashok A. Trivedi

Partner

Membership No. 042472

For and on behalf of the Board of Directors
Future 7-India Convenience Limited

C.P. Toshniwal
 Director


Arvind Agrawal
Director

Place : Mumbai

Date : July 28, 2021

FUTURE 7 - INDIA CONVENIENCE LIMITED
(Formerly known as SHME Food Brands Limited)
CIN : U74120MH2015PLC267752

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/(Loss) for the year	(17,29,75,578)	(9,60,65,995)
Change in operating assets and liabilities:		
(Increase)/decrease in Trade Receivables	-	2,99,430
(Increase)/decrease in Inventories	32,52,585	(32,52,585)
(Increase)/decrease in Loans & Advances	5,89,331	(7,91,508)
(Increase)/decrease in Other Current Assets	(1,19,39,926)	(1,74,56,847)
Increase/(decrease) in Trade Payables	7,63,13,229	37,51,904
Increase/ (decrease) in other Financial Liabilities	5,95,24,652	4,98,52,669
Increase/ (decrease) in other current liabilities	51,02,278	27,05,109
Increase/ (decrease) in Provisions	3,58,54,272	2,04,78,030
Amortization of MFA Fees	35,11,997	35,11,998
Cash generated from operations	(7,67,161)	(3,69,67,795)
Less: Income taxes (paid)/ refund received	-	-
Net Cash Flow From Operating Activities	(7,67,161)	(3,69,67,795)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Brand/Trademarks	-	(10,34,53,246)
Property, Plant and Equipment	-	-
Capital work-in-progress	(26,10,806)	(4,05,000)
Net Cash From Investing Activities	(26,10,806)	(10,38,58,246)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Issue of Shares	-	15,00,00,000
Share issue related expenses	-	(26,54,000)
Net Cash From Financing Activities	-	14,73,46,000
Net increase (decrease) in cash and cash equivalents	(33,77,967)	65,19,958
Cash and Cash Equivalents at the beginning of the financial year	67,38,345	2,18,387
Cash and Cash Equivalents at end of the year	33,60,379	67,38,345
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks on current accounts	33,60,379	67,38,345
Balances per statement of cash flows	33,60,379	67,38,345

The accompanying notes are an integral part of the financial statements.


As per our report of even date attached

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


CA. Ashok A. Trivedi
Partner
Membership No. 042472



For and on behalf of the Board of Directors
Future 7-India Convenience Limited


C.P. Toshniwal
Director


Arvind Agrawal
Director

Place : Mumbai
Date : July 28, 2021

FUTURE 7 - INDIA CONVENIENCE LIMITED

(Formerly known as SHME Food Brands Limited)

CIN : U74120MH2015PLC267752

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

	As at Mar 31, 2021	As at March 31, 2020
(A) EQUITY SHARE CAPITAL		
Opening Balance	1,51,00,000	1,00,000
Issue of Equity Shares	-	1,50,00,000
Closing Balance	1,51,00,000	1,51,00,000
(B) OTHER EQUITY		
Retained Earnings		
Opening Balance	(9,85,03,031)	2,16,965
Profit For The Year	(17,29,75,578)	(9,87,19,995)
Other Comprehensive Income/(Loss) For The Year	-	-
Fair Value Changes On Investments	-	-
Re-measurement Gain/(Losses) on Defined Benefit Plans	-	-
Closing Balance	(27,14,78,609)	(9,85,03,031)
Securities Premium		
Opening Balance	13,50,00,000	-
Issue of Equity Shares	-	13,50,00,000
Closing Balance	13,50,00,000	13,50,00,000
TOTAL OTHER EQUITY	(12,13,78,609)	5,15,96,969

As per our report of even date attached

For NGS & Co. LLP

Chartered Accountants

Firm Registration No. 119850W


CA. Ashok A. Trivedi

Partner

Membership No. 042472

For and on behalf of the Board of Directors
Future 7-India Convenience Limited

C.P. Toshniwal
 Director


Arvind Agrawal
Director

Place : Mumbai

Date : July 28, 2021

FUTURE 7 - INDIA CONVENIENCE LIMITED

(Formerly known as SHME Food Brands Limited)

CIN : U74120MH2015PLC267752

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1 Company Overview and Significant Accounting Policies

1.1 Company Overview

Future 7-India Convenience Limited ('The Company') formerly known as 'SHME Food Brands Private Limited' is a company domiciled in India and incorporated on August 25, 2015. The Company is incorporated with purpose to envisage, design, create, manufacture, market and distribute high quality food and food-related products.

On March 27, 2019 the company has changed its objects clause to carry out activities related to acquire, develop, set-up, establish, maintain, run, operate and manage convenience stores, discount stores and commercial establishments of similar nature whether as a franchise, sub-franchise or otherwise.

The Company has its registered office at Mumbai, Maharashtra, India.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on July 26, 2021

1.2 Basis of Preparation of Financial Statements

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair values at the end of each reporting period.

The Financial Statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the company normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of asset for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The Financial statements are presented in INR, the functional currency of the Company. Items included in the Financial statements of the Company are recorded using the Currency of the primary economic environment in which the Company operates (the 'Functional currency')

1.3 Use of Estimates

The estimates at March 31, 2021 and at March 31, 2020 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

1.4 Revenue Recognition

Revenue is recognised on a fair value basis to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of Products

Revenue from sale of products is recognised, when significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of products. It also Excludes GST (Goods and Service Tax). It is measured at fair value of consideration received or receivable, net of returns and allowances.

Rendering of Services

Revenue from services are recognised as they are rendered based on arrangements with the customers.

Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Dividend Income

Dividend income is recognised when the Company's right to receive such dividend is established.

1.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant and equipment acquired in a business combination is recorded at fair value on the date of acquisition.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:



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(Formerly known as SHME Food Brands Limited)

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Building	: 30 years
Plant and Equipment	: 15 years
Office Equipment*	: 3 to 6 years
Furniture and Fixture	: 10 years
Leasehold Improvement*	: Lease term or 15 years, whichever is lower
Vehicle	: 8 years

*Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.6 Intangible Assets

Intangible assets are stated at acquisition cost and other cost incurred, which is attributable to preparing the asset for its intended use, less accumulated amortization and accumulated impairment losses, if any. The cost of intangible assets acquired in a business combination is recorded at fair value on the date of acquisition.

An item of Intangible Asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.7 Leases

Leases where significant portion of risk and reward of ownership are retained by the lessor, are classified as operating leases and lease payments are recognised as an expense on a straight line basis in Statement of Profit and Loss over the lease term.

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of liability. Finance charges are recognised in finance cost in the statement of profit and loss.

1.8 Current versus Non-Current Classification

An asset is considered as current when it is:

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

All other assets are classified as non-current.

A liability is considered as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.



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1.9 Measurement of Fair Value

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

In the principal market for the asset or liability, or-

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

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

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

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

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

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

Level 1 —Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 —Input for the asset or liability that are not based on observable market data (unobservable inputs).

1.10 Financial Instruments

(i) Initial Recognition and Measurement

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised on the trade date.

(ii) Subsequent Measurement

A Non-Derivative Financial Instruments

a Financial Assets Carried at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b Financial Assets at Fair Value Through Other Comprehensive Income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

c Financial Assets at Fair Value Through Profit or Loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

B Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.



Financial Assets or Liabilities, at Fair Value Through Profit or Loss:

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/ liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

(iii) Derecognition of Financial Instruments

The company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

1.11 Inventories

Inventories are valued at lower of cost or net realizable value. Inventories of traded goods are valued at lower of cost or net realizable value. Finished Goods and Work-in-Progress include cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are computed on weighted average basis.

1.12 Foreign Currency

(i) Functional Currency

Financial statements of the Company's are presented in Indian Rupees (₹), which is also the functional currency.

(ii) Transactions and Translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gain and losses are presented in the statement of profit and loss on net basis within other gains/ (losses).

1.13 Borrowing Costs

Borrowing costs, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use, are capitalized as part of the cost of the respective asset. All other borrowing costs are charged in the year in which they occur in the statement of profit and loss.

1.14 Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

Post-employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the statement of profit and loss.

1.15 Share-Based Payment

The Company recognizes compensation expense relating to share-based payments in statement of profit and loss, using fair-value. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1.16 Taxation

Income tax comprises current and deferred income tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent there is reasonable certainty that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.17 Earnings Per Share

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

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

1.18 Provisions, Contingent Liabilities, Contingent Assets

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

1.19 Impairment

(i) Financial Assets

The Company recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit and loss.

(ii) Non-Financial Assets

Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

1.20 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2 Property, Plant And Equipment

	Leasehold Improvement	Plant and Equipments	Furniture and Fixtures	IT Equipment	Vehicle	Total	Capital Work-in- Progress
Cost :							
As At April 1, 2019						-	
Additions / Acquisitions						-	4,05,000
Disposals / Transfers							
Less : Asset Held For Sale							
As At March 31, 2020	-	-	-	-	-	-	4,05,000
Cost :							
As At April 1, 2020						-	4,05,000
Additions / Acquisitions							26,10,806
Disposals / Transfers							
Less : Asset Held For Sale							
As At March 31, 2021	-	-	-	-	-	-	30,15,806
Accumulated Depreciation :							
As At April 1st, 2019						-	
Depreciation Charged For The Year						-	
Disposals / Transfers						-	
As At March 31, 2020	-	-	-	-	-	-	-
Accumulated Depreciation :							
As At April 1st, 2020						-	
Depreciation Charged For The Year						-	
Disposals / Transfers						-	
As At March 31, 2021	-	-	-	-	-	-	-
Net Book Value							
As At March 31, 2020	-	-	-	-	-	-	4,05,000
As At March 31, 2021	-	-	-	-	-	-	30,15,806



FUTURE 7 - INDIA CONVENIENCE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in ₹)

	As at Mar 31, 2021	As at Mar 31, 2020
3 Other Non Current Assets		
Master Franchise Fees*	9,48,23,940	9,83,35,938
(to the extent not written off - non-current portion)		
Security Deposits	16,05,311	16,05,311
	9,64,29,251	9,99,41,249
Note:		
*F7ICL has paid 1st installment of USD 1.5 mn as Master Franchise Fees under MFA Agreement with 7-Eleven Inc. Agreement's initial term is for 30 years.		
4 Other Current Assets		
Inventories - Finished Goods	-	32,52,585
	-	32,52,585
5 Cash and Cash Equivalents		
Balances with Banks		
On Current Accounts	33,60,379	67,38,345
Foreign Currency equivalent	-	-
	33,60,379	67,38,345
6 Loans and Advances		
Advance given to Suppliers	2,02,177	1,39,259
Advance given to Suppliers - Capital Goods	-	6,48,000
Advances to staff for expenses	-	4,249
	2,02,177	7,91,508
7 Other Current Assets		
Master Franchise Fees	35,11,996	35,11,996
(to the extent not written off - current portion)		
Balances with revenue authorities	2,58,84,776	1,39,44,851
	2,93,96,772	1,74,56,847



FUTURE 7 - INDIA CONVENIENCE LIMITED

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Equity Share Capital**

(Amount in ₹)

	As at Mar 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number	Amount (Rs.)	Number	Amount (Rs.)	Number	Amount (Rs.)
Authorised						
Equity Shares of ₹10/- each	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000	10,000	1,00,000
	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000	10,000	1,00,000
Issued *						
Equity Shares of ₹10/- each	15,10,000	1,51,00,000	15,10,000	1,51,00,000	10,000	1,00,000
	15,10,000	1,51,00,000	15,10,000	1,51,00,000	10,000	1,00,000
Subscribed and Paid up *						
Equity Shares of ₹10/- each	15,10,000	1,51,00,000	15,10,000	1,51,00,000	10,000	1,00,000
	15,10,000	1,51,00,000	15,10,000	1,51,00,000	10,000	1,00,000

Reconciliation of Number of Equity Shares

Particulars	As at Mar 31, 2021	As at March 31, 2020	As at March 31, 2019
	Number of Shares	Number of Shares	Number of Shares
Opening Balance Equity Shares of ₹10/- each	15,10,000	10,000	10,000
Add : Shares issued during the year	-	15,00,000	-
Closing Balance (Equity Shares of ₹10/- each)	15,10,000	15,10,000	10,000

ii) The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time after approval in Board meeting (interim) /annual general meeting (final). Each holder of equity shares is entitled to one vote per share. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Shares held by holding Company

Name of shareholders	As at Mar 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number	Amount (₹)	Number	Amount (₹)	Number	Amount (₹)
Future Retail Limited*	15,10,000	1,51,00,000	15,10,000	1,51,00,000	10,000	1,00,000
	15,10,000	1,51,00,000	15,10,000	1,51,00,000	10,000	1,00,000

*Includes 6 shares held by nominees of Future Retail Limited and beneficial interest held by Future Retail Limited.

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at Mar 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number	Holding	Number	Holding	Number	Amount (₹)
Future Retail Limited*	15,09,994	99.99%	15,09,994	99.99%	9,994	0.66%
	15,09,994	99.99%	15,09,994	99.99%	9,994	0.66%

*Additionally 6 shares held by nominees of Future Retail Limited and beneficial interest held by Future Retail Limited

ii) The Company has not issued any shares without cash consideration or any bonus shares and there has not been any buy back of shares in the five years immediately preceding the balance sheet date.

Other Equity

Particulars	As at Mar 31, 2021	As at March 31, 2020	As at March 31, 2019
Share Premium			
Balance as at the beginning of the year	13,50,00,000	13,50,00,000	-
Add: Issued during the year			-
Closing at the end of the year	13,50,00,000	13,50,00,000	-
Balance as at the beginning of the year	(9,85,03,031)	2,16,964	
Add: Profit for the year	(17,29,75,578)	(9,60,65,995)	1,79,367
Net surplus in the statement of profit and loss	(27,14,78,609)	(9,58,49,031)	2,16,964
Transaction cost related to increase of authorized share capital and issue of equity shares	-	(26,54,000)	-
Total	(13,64,78,609)	3,64,96,969	2,16,964



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	(Amount in ₹)	
	As at Mar 31, 2021	As at Mar 31, 2020
10 Trade Payables		
Due to Micro and Small Enterprises	1,10,649	54,139
Due to Others	8,15,84,375	53,27,656
	8,16,95,024	53,81,795
11 Other Financial Liabilities		
Deposit from Vendor	10,67,82,278	4,83,94,278
Payable on Purchase of Fixed Assets	15,41,652	4,05,000
	10,83,23,930	4,87,99,278
12 Other Current Liabilities		
Statutory Dues Payables	74,02,387	23,00,109
	74,02,387	23,00,109
13 Current Provisions		
Provision for Employee benefit expenses	5,63,61,654	2,05,07,382
	5,63,61,654	2,05,07,382



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in ₹)

	Year Ended Mar 31, 2021	Year ended Mar 31, 2020
14 Revenue From Operations		
Operating revenues		
Operating Income	-	-
Royalty Income	-	-
Revenue from operations	-	-
15 Other Income		
Miscellaneous Income	-	92,503
	-	92,503
16 Purchases of Finished Goods		
Purchase of Finished Goods	(31,90,721)	32,52,585
	(31,90,721)	32,52,585
Changes in Inventories of Finished Goods		
Closing Stock :		
Finished goods	-	32,52,585
Opening Stock :		
Finished goods	32,52,585	-
Net Change in Inventory	32,52,585	(32,52,585)
17 Employee Benefits Expense		
Salaries, wages and bonus	9,65,72,329	7,86,08,678
Contribution to provident and other funds	26,35,445	29,04,232
Staff welfare expenses	17,06,378	16,99,479
	10,09,14,151	8,32,12,389



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS**(Amount in ₹)**

	Year Ended Mar 31, 2021	Year ended Mar 31, 2020
18 Other Expenses		
Professional Expenses	5,64,70,985	74,85,546
Rates & Taxes	18,312	1,02,753
Bank Charges	1,239	4,466
Travelling & Conveyance Expenses	9,52,248	50,99,109
Communication Expenses	76,286	20,195
Printing & Stationary	-	9,725
Lease Rental	1,42,90,141	-
Repairs & maintainance	55,500	-
Miscellaneous Expenses	84,852	1,74,315
Auditor's remuneration		
-Statutory audit	50,000	50,000
-Out of pocket expenses	-	-
	7,19,99,562	1,29,46,109
19 Earning Per Share		
Profit after tax	(17,29,75,578)	(9,60,65,995)
Nominal value per share (₹)	10	10
Weighted average number of equity shares	15,10,000	15,10,000
Earning Per Share		
EPS (Basic and Diluted)	(114.55)	(63.62)



FUTURE 7-INDIA CONVENIENCE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

20 Payment to the Auditor

(Amount in ₹)

Particulars	2020-21	2019-20
Statutory Audit Fees	50,000	50,000
Total	50,000	50,000

21 Earnings Per Share

Statement of Calculation of Basic and Diluted EPS is as under:

(Amount in ₹)

	2020-21	2019-20
Profit attributable to equity holders	(17,29,75,578)	(9,60,65,995)
Weighted average number of Equity Shares for Basic EPS	15,10,000	14,64,918
Weighted average number of Equity Shares for Diluted EPS	15,10,000	14,64,918
Nominal Value per Equity Share	10	10
Earnings Per Equity Share (Basic)	(114.55)	(65.58)
Earnings Per Equity Share (Diluted)	(114.55)	(65.58)

22 Related Party Disclosures

Disclosure as required by Ind AS 24 and Companies Act, 2013 "Related Party Disclosures" are given below:

1 List of Related Parties

A Holding Company

- i Future Retail Limited - (from February 28, 2019)

B Fellow Subsidiary

- i Travel News Services (India) Private Limited - (from February 28, 2019);
ii TNSI Retail Private Limited - (from February 28, 2019);
iii Welcome Retail Private Limited - (from February 28, 2019).

C Key Managerial Personnel:

- ii Mr. Arvind Agrawal - Director (from February 28, 2019)
iii Mr. Ashwin Rajan - Director (from February 28, 2019)
iv Mr. Hardeep Singh - Chief Executive Officer
v Mr. Abhishek Jalan - Chief Financial Officer

D Key Managerial Personnel of Holding Company:

- i Mr. Kishore Biyani
ii Mr. Rakesh Biyani
iii Mr. Chandra Prakash Toshniwal
iv Mr. Virendra Samani

Related Party Transactions

(Amount in ₹)

Particulars	2020-21	2019-20
I. Holding Company (Future Retail Limited)		
Royalty Income	-	-
Purchases of goods/services	49,966	34,05,741
Deposits received as a Vendor	5,83,88,000	4,83,94,278

(Amount in ₹)

Outstanding Balances as on:	As at March 31, 2021	As at March 31, 2020
Trade Payables		
Future Retail Limited	49,966	34,05,741
Other Financial Liabilities		
Future Retail Limited	10,68,38,800	4,87,63,969
	-	-



23 Segment Information

The Company is engaged in the business of activities related to acquire, develop, set-up, establish, maintain, run, operate and

24 Financial Risk Management

The company's financial risk management is an integral part of how to plan and execute its business strategies. The company's

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in

(ii) Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to

(iii) The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due:

(Amount in ₹)

	2020-21	2019-20
Up to 3 Months	-	-
3 to 6 Months	-	-
More Than Six Months	-	-

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high

(iv) Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

(v) Financial Instruments Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- The fair value of quoted investment is measured at quoted price or NAV.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair value measurement hierarchy:

(Amount in ₹)

Particulars	As at March 31, 2021	As At March 31, 2020
Financial Assets		
At Amortised Cost		
Trade Receivables	-	-
Cash and Bank Balances	33,60,379	67,38,345
Loans	-	-
Other Financial Assets	-	-
At FVTOCI		
Investments	-	-
Financial Liabilities		
At Amortised Cost		
Borrowings	-	-
Trade Payables	8,16,95,024	53,81,795
Other Financial Liabilities	10,83,23,930	4,87,99,278

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or



25 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements

(Amount in ₹)		
Particulars	March 31, 2021	March 31, 2020
Total Debt		
Less: Cash and Cash Equivalents	33,60,379	67,38,345
Net Debt [A]	(33,60,379)	(67,38,345)
Equity	1,51,00,000	1,51,00,000
Other Equity	(13,64,78,609)	3,64,96,969
Total Capital [B]	(12,13,78,609)	5,15,96,969
Capital and Net Debt [A] + [B]	(12,47,38,988)	4,48,58,624
Net debt to equity ratio [A] / [B]	2.77%	-13.06%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets

26 Income Tax Expense**i Reconciliation of Tax Expenses**

(Amount in ₹)		
Particulars	2020-21	2019-20
Profit Before Tax	(17,29,75,578)	(9,60,65,995)
Applicable tax rate	26.00%	26.00%
Computed expected tax expense	(4,49,73,650)	(2,49,77,159)
Effect of Non-deductible Expense	-	-
Effect of Additional deduction	-	-
Carried forward losses utilized	-	-
Tax expense charged to the Statement of Profit and Loss	-	-

27 Estimation Of Uncertainty Relating To Global Health Pandemic On Covid-19

Company's products fall under the non-essential services category. The Company experienced temporary impact on its operations

28 Previous Year Note

Previous year figures have been regrouped and re-classified where necessary to make them comparable.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No. 119850W



CA. Ashok A. Trivedi

Partner


Membership No. 042472

Place : Mumbai

Date : July 28, 2021



For and on behalf of the Board of Directors
Future 7-India Convenience Limited



C.P. Toshniwal
Director



Arvind Agrawal
Director